

RI LONG INTERNATIONAL

TRADE (T) LTD

Ag: EXD

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

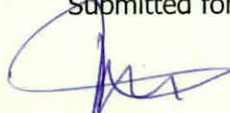
(a) Minimum finance investment threshold has been exceeded, the project expects to invest us\$ 0.7 m.....

(b) Legal entity has been incorporated under certificate

No. 66890..... of 05/08/2008

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
5th January 2009

EXD

In response to the TIC letter of registration dated 5th January 2009.....

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from Bank of China Pictan Branch.....

(c) Lease Agreement as Evidence of land......

With the above submission EXD is requested to sign Certificate of Incentives No. 04.16.18..... herein attached.

9/03/09


DIF

MINUTE

PAGE NO. _____

THE COMPANIES ACT, ACT NO 12 OF 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PREPARED AND DRAWN BY

MR. CHEN NENGZHEN

SUBSCRIBER

P.O. BOX 105033 DAR ES SALAAM-

TANZANIA

-1-

THE COMPANIES ACT, ACT NO 12 OF 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

1. The Name of the Company is **RI LONG INTERNATIONAL TRADE TANZANIA 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 Undertake and Carry on the Business of Import and Sale of Shoes, Belts and Bags, Textiles, Garments, Clothes, Tooth Paste, Flowers, Cable flowers, Flower Pots, Head Toy and Toys. Bags, Boys' and Girls' Suits Curtains, Electrical Equipment and Appliances, Speakers, Shoes. and House Holds
 - (b) To Undertake and Carry on the Business of Import and Sale of any type of Building/Construction Materials, such as Cement, Paints, Plastic PVC Black Pipes, Galvanized Pipes Hollow Sections, Iron Plates, Iron Channels Square Bars, Iron Sheets Reinforcing Bars. and any other Building /Construction items.
 - (c) To Carry on the Business of Transport Business using Lorries, Buses both Town Buses and Upcountry Buses,
 - (d) To Carry on the Business of Import and Sale of Electrical Devices and Import Raw materials for Manufacturing or Assembling them in Tanzania.
 - (e) To Carry on the Business of Tour and Rental Car Business in Co-operation with local Tanzanians
 - (f) To Carry on the Business of Import and Sale of Home Electrical Appliances, Air Conditions- ACs, DVD, Television Sets- TVs, Electrical Fans, Radios, soft ware items, including Computers and Printers, Photocopies, Electrical Type Writers. Refrigerators, Wall Clocks, watches, and many other electrical Equipment.

2018/11/14 to 2018/11/14
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- (g) To Carry on the Business of refiners, stores, producers, Supplies and distributors of petroleum and its products and to explore for produce, refine, treat, distil, manufacture, smelt, store, hold, transport, experiment with, market, distribute, exchange, purchase, sell and otherwise dispose of, import, and trade, handle and generally deal in and dispose of any and all kinds of petroleum products, oil, gas, lubricants and other volatile substances, asphalt, ozokerite, sulphur, clays, bituminous substances, carbon, carbon black, hydrocortisone and mineral substances, phosphates, nitrates, coal, ores, mineral and mineral substances of all grades, kinds, forms, nitrates, coal, ores, descriptions and combination and all chemical substances whether found naturally or manufactured or synthesized from petroleum products of otherwise and in general subsoil products and subsurface deposits of every nature and description and the products or the by- products which may be derived, produced, prepared, developed, compounded, made or manufactured there from and substances obtained by mixing any of the foregoing with other substances,
- (h) To Construct, Erect, Equip and Carry on the Business of Petrol Stations with all usual or convenient buildings, petrol and oil pumps, plants, machinery, articles and things which may be required for purpose of the said business or commonly supplied or dealt with by persons engaged in such business, to carry on the business of garage proprietors, service proprietors, mechanical engineers, manufactures and repair of motor cars, motor bodies and equipment and other machinery, general motor engineers, consulting and electrical engineers, welders, fitters, burners, toolmakers, metal workers, millwright, mechanists, iron and steel converted, smiths, builders, painters and to buy, sell, manufacture, export, import, repair, convert, alter and let on hire and deal in motor cars and equipment, spare parts and accessories, machinery, implements, rolling stock and hardware and sanitary of all kinds, builder's materials, timber, oils, sprits, varnishes, electrical and electronic machinery and equipments.
- (i) To Carry on the Business of Commission Agents of all types of petroleum products ranging from crude/black oil to white/refined products such as gas, paraffin, petrol, kerosene, engine oils, gas- oil diesel, oil and other lubricants, grease bitumen, petrochemical etc. and petroleum by - providing a business link between the producer/suppliers and the buyers/customers within the country and elsewhere in the World, thus to initiate and conclude business negotiation/deals on their behalf.
- (j) To Further the search for development, product, transport, refining and acquisition of solid, liquid and gaseous hydrocarbons and other minerals and by- products.
- (k) To Carry on the Business of Import and Sale of Furniture and Fittings and at the same time to manufacture them - Furniture and Fittings by using local Raw Materials - hard and soft wood

- (l) To Search for, inspect, examine and explore, work, take on lease, purchase, or otherwise acquire lands and places which may be purchased or otherwise acquire lands and places which may seem to the Company capable or possibly capable of affording a supply of mineral oil and establish, utilized and turn to account pumping stations, pipe-lines and other works and conveniences suitable for the purpose.
- (m) To Carry on the Business as consultants of petroleum business in Connection to making and installation of petroleum tanks, services On industries, to carry on the logistics on petroleum, arrangement of storage of storage of petroleum, and to conduct of feasibility Studies of petroleum business on different aspects.
- (n) To Purchase, take on lease or exchange , or acquire by licence , concession, grant or otherwise any lands, mines, mineral rights, buildings, easements, rights and privileges, machinery, plant which the company may from time to time think proper to be acquired for any of its purposes.
- (o) To Promote any other Company for the purpose of acquiring all or any of the property and undertaking any of the liabilities of this Company, or undertaking any Business or operation which may
- (p) appear likely to assist or benefit this Company, or to enhance the value of any property or Business of this Company and to place or guarantee the placing or underwriting, subscribe for or otherwise acquire all or any part of the shares or securities of such Company as aforesaid.
- (p) To Purchase, take on lease, option or licence, exchange or Otherwise acquire in any part of the word, prospecting rights and Contracts, leases, options, minerals, properties, grants, Concessions, charters, privileges, licences or authorities of and Over mine, land and minerals or other properties either absolute or conditionally.
- (r) To Amalgamate or Enter into joint venture with any other Company or Firm, is it foreign or local having similar objects.
- (s) To Subscribe for, conditionally or unconditionally, to Underwrite, issue on commissions or otherwise, take, hold, Deal in, and convert, stocks, shares, and securities of all Kinds, and to enter into partnership, or into any arrangements for Sharing profits, union of interest, reciprocal concessions or Co-operations with any person, partnership or company, And to promote, and aid in promoting, constitute, from or Organize any company, syndicate or partnership of any kind, for The purposing of acquiring and undertaking any property and Liabilities of this Company, or of advancing, directly or indirectly, The objects thereof, or for any other purpose which the Company thinks expedient.

- (t) To Receive Money on Deposit or Loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock (perpetual or otherwise) and secure the payment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the company (both present and future). including its uncalled capital, and also by similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company as the case may be.
- (u) To Pay out of the funds of the Company all expenses, Which the Company may lawfully pay with respect to the Formation and registration of the company or the issue of Its capital, including brokerage and commissions for obtaining applications for or shares, debentures, or other Securities of the Company.
- (u) To Undertake and carry on the Business of Town Buses Up Country Bus Transport and up Country Lorry Transport.
- (v) To Sell, lease, mortgage or otherwise dispose of the Property, assets or undertake of the Company or any part There of such consideration as the Company may think fit, And in particular for shares, stock debentures, or other Securities of any other company whether or not having Objects altogether or in part to those of the Company.
- (w) To Carry on any other Business which may seem to the Company capable of being conveniently carried on in connection with any of the business of the Company or calculate directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (x) To acquire and undertake the whole or any part of the Business Property and liabilities of any Person, Firm or Company carrying on any Business which the Company is authorized to carry on, or possess property suitable for the purpose of this company.
- (y) To Invest and deal with moneys of the Company not immediately required upon each securities and in such manner as may from time to time be determined.
- (z) To Purchase, lease or otherwise acquire, and to hold, sell improve, develop, exchange, mortgage or otherwise dispose of any lands, buildings, Machinery or plants, mills, factories, Warehouses or any hereditaments
- (aa) To Adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press by circulars, by purchase and exhibition of works, art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.

- (ab) To Enter into any arrangements with any Government or Authorities (supreme Municipal, local or otherwise) or any Corporations, Companies or Person having objects that may seem conducive or the Company's objects or any of them, and to obtain from any of such Government, Authority, Company or Person, any Charters, Contracts, Decrees, Rights, Privileges and Concessions which the Company may Think desirable, and to carry out exercise and comply with any Such Charters, Contracts, Decrees Rights, Privileges and Concessions.
- (ac) To Enter into (Partnership or into) any arrangements for sharing profits, Union or interests, or co-operation joints, ventures, reciprocals concession, or otherwise with any person, firm or company carrying on or engage in any business or transaction which this company is authorized to carry on, or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company. And to lead money to, guarantee the contracts of, or otherwise assist, any such person, firm or company, and to take or otherwise, acquire shares and securities of any such Company, and to sell, hold, reissue with or without guarantee, or otherwise deal with the same.
- (ad) To Promote any other Company for the purpose of acquiring all or any of the property, and undertaking or any of the liabilities of this company, or of undertaking, any business or operation which may appear likely to assist or benefit this company, or to enhance the value of the property or business of this company, and to place or guarantee, the placing of underwrite, subscribe for or otherwise acquire all or any of the shares or securities of each company as aforesaid .
- (ae) To Purchase or otherwise acquire letters patent, Inventions, concessions, licenses, rights and privileges subjects to loyalty or otherwise, and whether exclusive or non- exclusive or limited, or any part interest in such letter patent, brevet, invention, concessions, licenses, inventions rights and privileges, whether in East Africa or in any other part of the world.
- (af) To Promote, effect, insure, guarantee, participate in manage, and carry out any issue, public or private, of state, municipal or other loans, or of shares, stock, debentures or stocks of any company, corporation or association and lend money for the purposes of any such issue.
- (ag) To Establish and carry on any other business of a similar nature or any business that may in the opinion of the Directors be conveniently carried on by this company
- (ah) To Draw, make, accept, endorse, discount, execute, and issue cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures or other negotiable or transferable instruments.

- (ai) To Borrow or raise and secure the payment of money for the purposes of in connection with the company's business, and to mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the company and to issue at premium or discount, or for such consideration and with and subjects to such rights, powers, privileges and conditions as may be thought fit, debentures, mortgage debentures and debentures stock, payable to bearer or otherwise and either permanent, or redeemable or repayable and collaterally or further to secure any securities of the company by a trust deed or other assurance, and to issue and deposit any securities which the company has power to issue by way of mortgage to secure any sum less than the normal amount of such securities and also by way of security for the performance of any contracts or obligations of the company.
- (aj) To Receive money on deposit with or without allowance or interest thereon.
- (ak) To Join, subscribe to, establish and support, and aid in the establishment and support of any society or association (including co-operative societies) established for the purpose of assisting all or any of the objects of this company.
- (al) To Amalgamate or enter into partnership or any agreement whether perpetual or terminable, for sharing profits, union of interest joint adventure, reciprocal concessions or co-operation with any person, firm society, association or group of person, caring on or engage in on (in the case of the company) formed to carry on or engage in any business or transaction within the objects of this company or any business transaction or course of action which may seem to the company capable of being conducted so as directly or indirectly to benefit the company or to prevent or minimize apprehended loss, damage or cost to the company or to such person, firm, society, association or group of person, and to sell. Hold re-issue with or without guarantee or otherwise deal with such shares, stock or securities.
- (am) To Lend and advance money or give credit to such terms as may be deemed expedient and in particular to customers and others having dealings with the company and to give guarantees and become surety for any such person.
- (an) To Raise or Borrow money or to secure the payment of money and of any interest thereon in such manner and on such terms as may be deemed expedient, and in particular issue at per or at a premium or discount debentures or debentures stock either perpetual or terminable, or by bonds, mortgages or any other form of security over or upon all or any of the undertaking, property or rights of the company both present and future including its uncalled capital, or without any such security.

- (ao) To Join with any other company or companies in the issue of a Joint debentures, to secure the performance of any of the joint or several obligations of this company and all or any or such other companies.
- (ap) To Accept stock or shares in or the debentures, mortgage debentures or other securities of any other company in payment or part payment for any services rendered or any sale made to or debt owing from any such company.
- (aq) To Establish agencies and local boards in Tanzania and elsewhere and to regulate and discontinue the same.
- (ar) To Capitalize if and when deemed advisable the whole or part of the undivided profit of the company and/or moneys standing to the credit of the company's reserve fund and distribute such sum either as bonus or in any manner and either by way of shares credited as dully paid up or in such other manner as any seem expedient and whether amongst holders or shares in the company or others.
- (as) Upon any issue of shares, debentures or other securities of the company, to employ brokers, commission agents and underwriters and to provide for the remuneration of such persons for their services by payment in cash, or by issue of shares, debentures or other securities of the company, or by the granting of options to take the same, or in any other manner allowed by law.
- (at) To Sell, dispose of or transfer the business, property and undertaking of the company or any part thereof, for any consideration which the company may see fit to accept, and to sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company.
- (au) To Distribute in specie or otherwise as may be resolved any assets of the company among its members, and particularly the shares, debentures or other securities of any other company formed to take over the whole or any part of the assets or liabilities of this company.
- (aw) Generally to do all such things as may appear to be incidental or conducive to the attainment of any of the above objects of the company.
- (ax) To Carry on the Business of liner and tramp shipping agents, ship Chatterers, steamship agents, shipping husbandry, shipping Management consultants, logistic consultants, ship chandlers, Bunkering services; to act as representatives of trading vessels and Passenger ferries not covered by scheduled carriers, ship broking and Agency marketing services;

- (ay) To Carry on the Business of ocean and air freight forwarders for International and domestic export and import operations imports Clearing and customs house brokerage types of freight movement; Integrated logistic services for cargo delivery to local, regional and world-wide destinations; cargo brokers and consolidators, landside Logistics, container management services; to carry on the business of Customized transportation and warehousing logistics.
- (az) To Carry on the Business of offering shipping information, quotations, Tariffs, fees, transit requirements advice, and news on transportation from Eastern African Coast to Europe, the Far and Middle East, the Rest of the African coast and the Americas.
- (aaa) To Enter into joint-ventures with partners in shipping agency and Freight Forwarding services; container repositioning services, barge and inter-Modal operations, container sales and leasing; independent marine Surveying for hatch and cargo inspections.
- (aab) To Buy and sell petrol, oil and petroleum products, new and used Motor Vehicles, parts of such vehicles, accessories, fuel oils and lubricants of all kinds, drums, motor-cycles, all kinds of machinery, tyres tubes, and all other rubber goods.
- (aac) To Carry on the Business of automotive spares, tractors, tractor spare Parts and parts of all description, industrial, agricultural and machinery Equipment's, tyres, tubes, batteries, batter solution and all other spares Accessories and goods as may be conveniently sold therewith and all Things necessary or convenient for carrying on any of the business Specified herein or proceedings or usually dealt in by persons Engaged in the like.
- (aad) To Carry on the Business of proprietors and manager of hotels, cafes, Restaurants, shops, mini super-markets, hospitals and dispensaries, Schools, rest houses, motels, holiday camps, caravan sites, apartment Housekeepers, refreshment and tearooms, milk and snack bars, Beer houses, lodging housekeepers, taverns, discotheques and other Activities, which the company shall think fit and profitable.
- (aae) To Carry on the Business of milling machine, rice de-husking and rice milling, flour milling, grinding cassava, maize and other food- grains for domestic use.
- (aaf) To Carry on the Business of general merchants, general store- keepers, universal providers importers, sub-wholesale and /or retail traders of or otherwise dealers of and in textiles, piece goods, hardware, cutlery, crockery, hosiery sundries, stationery, books, magazines and other articles and commodities of personnel, footwear enamelware ironmonger, chinaware and household items; spirits, liquors, and generally in all manufactured goods and merchandise of all types.

- (aag) To Carry on Business in Tanzania and elsewhere the buying, selling letting On hire-purchase, or easy payment systems and manufacturing and Contractors of and dealers in motorcars taxicabs, automobiles tractors, Motor lorries, wagons of all kinds and descriptions; cycles, motor cycles, Coaches, carriages and all other vehicles of any kind whatsoever, whether Manufactured or otherwise.
- (aah) To Act as Agents for any company or companies engaged in life - Insurance, fire insurance, marine insurance, insurance of motor cars, Lorries, machinery and other things, insurance of owners and users Vehicles and other insurance of all kinds.
- (aai) To Carry on any other Business which may seem to the Company capable of being conveniently carried on in connection with the above or Calculated directly or indirectly to enhance the value of or render Profitable any of the company's property or rights.
- (aaj) To Establish depots and agencies in different parts of the world for the Purpose of carrying on any or all of the Business of the Company.
- (aak) To Carry on the Business of general merchants, general store - keepers, Universal providers, importers, exporters and wholesale and or retail traders of or otherwise dealers of and in cotton, skill, and woolen goods and textile Fabrics of all kinds.
- (aal) To Enter into any arrangement and contracts with Government Authorities supreme, municipal, local or otherwise or any Corporation Companies or persons having objects that any seem conducive to the Company's objects or any of them and to obtain from any such Government Authority, Corporation, Company or persons, any Characters, contacts, rights, privileges, and concessions.
- (aam) To Purchase, Take on lease, option or licence, exchange or otherwise acquire in any part of the world, prospecting rights and contracts, leases, options, mineral properties, grants, concessions, charters, privileges Licences or authorities of and over mines, land and mineral or other Properties either absolutely or conditionally.
- (aan) 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, certificates or other securities, perpetual or otherwise charged upon all or any other Company's rights and property present and future including any uncalled capital or without any such security and too Purchase, redeem or pay off any such security or loan.
- (aao) To Promote another Company for the purpose of acquiring all or any of the Property and liabilities of the Company, or for any other purpose which may seem directly or indirectly calculated to benefit the Company.

- (aap) To Sell or Dispose of the undertaking and property of the Company or any Part thereof, for such consideration as the Company may think fit, and in Particular for shares, debentures, or securities or any other Company having objects all together or in part similar to those of this Company.
- (aaq) To carry on the Business of saw mills and the preparation of timber for Market and the manufacture of and dealing in all articles made of or Principally made of wood.
- (aar) To Contract, erect, maintain and alter any buildings, machinery, and plant Works necessary or convenient for the purpose of the Company.
- (aas) To Undertake and execute any contracts for work involving the supply or use of any machinery and to carry out any ancillary or other work comprised in such contracts, carrying passengers and goods in Tanzania
- (aat) Generally to purchase, take on lease or in exchange hire or otherwise acquire any real and personal property and any rights or privileges which the Company may think necessary or Convenient for the purpose of its Business and in particular any land, buildings, easements, machinery, Plant and stock- in- trade.
- (aau) 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.
- (aaw) To Remunerate any person or Company for services rendered or to be Rendered in placing or assisting to place or guaranteeing the placing of The shares in the Company's capital, or any debentures or other Securities of the Company or the conduct of its Business
- (aax) To Distribute any part of the property of the Company in specie among the members.
- (aay) To Draw, make, accept, endorse, discount, execute and issue cheques, Promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (aaz) To Do all or any of the above things in any part of the world as principals, agents, contractors trustees of otherwise along or in conjunction with others.
- (aaaa) To Pay the expenses or and preliminary and incidental to the promotion, Establishment and registration of the Company or of any other company Promoted, formed establishment or registered by the Company and all Brokerage ,discount and other expenses lawfully payable, which may at any time and from time to time be deemed expedient for taking, placing or underwriting all or any of the shares or debentures, or other obligations of the Company or of any Company so promoted, formed, established or , registered by the Company.

- (aaab) To Obtain all powers and authorities necessary to carry out or extend any of the above objects.
- (aaac) To Carry on the Business of Import and Export of all Types of Petroleum Products, all By Products of Petroleum, Lubricants, and Gas, in Tanzania and in East Africa as whole.
- (aaad) To Enter into Business Agreements or Contracts with local and Foreign Firms Engaged in Petroleum Business for the purposes of importing and exporting Fuels, Oils Lubricants and all by-products of petroleum as may deem necessary for the Company
- (aaae) To Transport All Petroleum Products, Fuels, Oils, Lubricants, and all By-Products of Petroleum in bulk from Dar- es Salaam or elsewhere to elsewhere by any available Transport Means- by Motor Trucks, Tanker-Ship Rails etc. where demand will be in existence.
- (aaaf) To Undertake and Carry on the Business of Supplies and Marketing of Fuels, Oil, Lubricants and all by- products of Petroleum.
- (aaag)To Carry on the Business of Merchants, dealers and Indent Agents, in all its Branches.
- (aaah) To Establish and acquire and carry on Trading Stations, Stores, Agencies, and Depots in Tanzania and in East Africa in general and to regulate and administer or to discontinue the same.
- (aaai) To Undertake the Business of Insurance Agent, Insurance Broker Agent Auction Mart Business, Debt Collection Business, Credit Management, and any other Professional Consultancies.
- (aaaj) To Undertake the Business of Importing and Exporting Chemicals in Tanzania and in East Africa as a whole.
- (aaak) To Undertake and Cary on the Business of Commodity Supplies and Services through Export and Import Facilities, i.e.. to purchase Agricultural Products such as Cotton, Coffee, Cashew Nuts, Groundnuts, Honey, Wax, and any other Agricultural Products
- (aaal) To Undertake and Carry on the Business of Clearing and Forwarding Business and to act as Shipping Agent of the Multinational Shipping Companies and rendering services related to Ships including Shipping Chandria in Tanzania and beyond.
- (aaam) To Undertake and Carry on the Business of Lorry Transport, Bus Transport Upcountry, and Town Buses Transport including Taxi Transport Rental Car Business

- (aaan) To Undertake and Carry on the Business of Printing, Secretarial Bureau, Internet Café' Super-Market, and General Supplies and Marketing of Stationery, various Items, and Industrial Goods in Tanzania and beyond.
- (aaaa) To Undertake and Carry on the Business of Estate Management, Leasing of Farms, and to Undertake Large Scale Business Farming.
- (aaap) To Undertake and Carry on Large Scale Business Fishing by Modern Fishing Boats and Techniques in the Indian Ocean, the Surrounding Lakes and Rivers, and sell the Fish or Prawns in the Domestic Market or Export them elsewhere.
- (aaaq) To Undertake and Carry on the Business of General Supplies of Timber and Building Hardware
- (aaar) To Undertake and Carry on the Business of Importing Motor vehicles spares, Motor Cycles Spares, Bicycles and their Spares, and all accessories and sell them in Tanzania and in East Africa as a whole.
- (aaas) To Undertake and Carry on the Business of Importing and Selling of Plant and Machinery, in Tanzania and beyond.

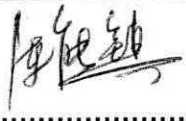
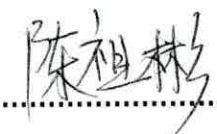

4. **LIABILITY.** The Liability of the Members is Limited.

5. **CAPITAL**

The Authorized Share Capital of the Company is Tanzanian Shillings (T.Shs 100,000,000/=), divided into 10,000 shares of Tanzania shillings (T.Shs 10,000/=) Each, with power for the Company to increase or reduce the said capital and to issue any part of its capital, original or increased,

with or without any preference, priority or special privilege or subjects to any postponement of rights or to any conditions or restrictions, and so that unless the condition of issue shall otherwise expressly declared, every issue of shares, whether declared to be preference or otherwise, shall be subject, to the powers herein before contained.

We the Several Persons whose names and addresses are subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names:

NAME, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURES OF SUBSCRIBERS
1. MR. CHEN NENG ZHEN P.O. BOX 105033 <u>DAR ES SALAAM</u>	5,000	.....
2. MR. CHEN ZU BIN FU JIAN FU QING 350001 <u>FUJIAN CITY-- CHINA</u>	2,500	.....
3. MR CHEN ZU YAO FU JIAN FU QING 350001 <u>FUJIAN CITY- CHINA</u>	2,500	.....

DATED AT DAR ES SALAAM THIS.....^{4th} DAY OF^{AUG.} 2008

WITNESS TO THE ABOVE SIGNATURES

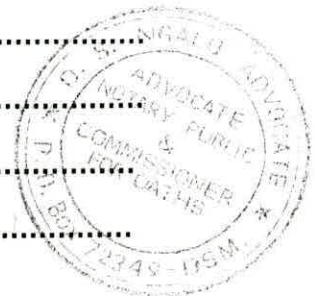
NAMES

SIGNATURE

POSTAL ADDRESS

QUALIFICATIONS

DESIDERI SEBASTIAN NGALD
P.O. BOX 72349
DAR ES SALAAM
TANZANIA



THE COMPANIES ACT, ACT NO 12 OF 2002

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PRELIMINARY

1. The Company is Registered as a Private, Company and accordingly, the Company may issue Special/Ordinary Resolution.
 - (i) Increase the Share as Capital by such sums to be divided into such Shares as the Resolution may prescribe
 - (ii) Consolidate its Shares of a larger than its existing Shares
 - (iii) Sub-divide its Shares into a smaller than its existing hares
 - (iv) Cancel any Shares which at the date of passing of the Resolution have not been taken or agreed to be take by any person
 - (v) Reduce its Share Capital in any way.
 - a) The Rights to transfer shares is the manner hereinafter provided.
 - (b) The Number of Members of the Company (exclusive of person who are in the employment of the Company and of person who having been formerly in the employment and have continued after determination of such employment to be members of the Company) is limited to fifty. Provided that
 - (c) where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Articles be treated as a single person.
 - (d) Any Invitation to the public to subscribe for any shares or debenture of the Company is prohibited.
 - (e) The Company shall not have power to issue share warrants to bearer.
2. Table A is First Schedule to the Companies Act shall not apply to this company.

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- 3 In this Articles, unless the Context otherwise requires, defined in the Companies Act, Act No 12 of the year 2002 or any statutory Modification thereof in force at the date of which these Articles become binding on the Company, shall have the meaning so defined; and words importing the singular shall include the plural, and vice versa, and words importing the masculine gender shall include females, and words importing persons shall include bodies corporate.
- 4 Any Branch or kind of Business, which the Company is either expressly or by implication authorized to undertake may be undertaken by the Directors at such time or times as they shall think fit, and further may be suffered by them to be in abeyance whether such Branch or kind of Business may have been actually commended or not so long as the Directors may deem it expedient not to commence or proceed with such Branch or kind of Business.
5. The Registered Office of the Company shall be at such place as the Directors shall from time to time appoint

6. CAPITAL

The Authorized Capital of the Company is T.shs 100,000,000/= divided into 10,000 Shares of T.shs. 10,000 Each.

SHARES.

7. Without prejudice to any special rights previously on the holders of any existing shares or class of shares, in the capital of the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.
8. Subject to the provisions of the Companies Act, Act No 12 Of the year 2002, any preference shares may, with the section of an Ordinary Resolution, be issued on the terms that they are, or at the option of the Company are liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may by Special Resolution determined.
9. The Rights conferred upon the holders of the shares of any class issued with preferred or other rights shall unless otherwise expressly provided by the terms of issues of the shares of that class, be deemed not to be varied by the creation or issue of further shares ranking pari passu hereof
10. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may be varied with the consent in writing of the holder of the three fourths of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate

general meeting of the holders of the shares of that class. To every such separate meeting the provision of this Articles relating to General Meeting shall mutually apply, but so that the necessary Quorum shall be two persons at least holding or representing by proxy on third of the issue shares of the class and that any holders of the class present in person or by proxy may demand a poll.

11. Every Person whose name is entered as member in the register of members shall, without payment, be entitled to one certificate under the common seal of the Company specifying the share or shares held by him and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the Company shall be bound to issue more than one certificate, and delivery of certificate of a share to one of several jointly holders shall be sufficient delivery to all.
12. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding one hundred shillings, and on such terms, if any, as to evidence and indemnity as the Directors think fit.

LIEN

13. The Company shall have a Lien on every share for all moneys (whether payable or not) called or payable at a fixed time in respect to that share, and the Company shall also have a lien on all shares standing registered in the name of a single person for all moneys presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Articles. The Company's lien, if any on a share shall extend to all dividends payable thereon.
14. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has Lien, but not sell shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, standing and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been to the registered holder for the time being of the share or the person entitled by reason of his death or bankruptcy to the share.
15. For giving effect to any such sell the Directors may authorize some person to transfer the share sold to the purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be found to see to the application of the purchaser money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale
16. The Proceeds of sale shall be applied in payment of such part of the amount in respect of which the Lien exists as is presently payable, and the residue shall be held (subject to a like lien for sums, not presently payable as existed upon the shares prior to the sale) by the Company on behalf of the person entitled to the shares at the date of the sale.

CALLS ON SHARES

17. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares, and each member shall (subject to receive at least fourteen days notice specifying the time or times of payment) pay to the Company at the time of specified the amount called in his shares. A call shall be deemed to have been made at the time when the Resolution of the Directors authorizing the call was passed.
18. The Joint Holders of a share shall be jointly and severally liable to pay all calls in respect hereof.
19. If sum called in respect of a share is not paid before or on the date appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at bank rate prevailing from time to time from the day appointed for payment thereof to the time of actual payment, but the directors shall be at liberty waive payment of the interest wholly or in part.
20. The Provision of these Articles as to the liability of joint holders and as to payment of the interest shall apply in the case of non-payment of any sum which, by the terms of issue of share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same has become payable by virtue of a call duly made and notified.
21. The Directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.
22. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so advance may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, without the sanction of any Company in General Meeting, the Bank Rate existing from time as may be agreed upon between the member paying the sum in advance and the Directors.

TRANSFER AND TRANSMISSION

23. Subject to the provisions hereinafter continued shares in the Company shall be transferred by written instrument in the common form signed by both the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of transferee is entered in the register of Members in respect thereof.

24. The Directors may in their absolute discretion and without assigning any reason therefore decline to register any transfer of shares to any person whom they do not approve not being already a member of the Company and may also decline to register any transfer of shares on which the Company has a Lien. The Director may also suspend the registration of transfers during the fourteen days immediately preceding the ordinary general meeting in each year.
- (a) A Fee not exceeding shillings two hundred and fifty is paid to the Company in respect thereof and
 - (b) The instrument of transfer is accompanied by the Certificate of the shares to which it relates, and such other evidence as the directors may reasonably require showing the right of the transfer to make the transfer. If the Director refuse to register a transfer of any shares, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
25. The Person representative of a deceased sole holder of share shall be the only person recognized by the Company as having any title to the share. In the case of share registers in the name of two or more holders, the survivors or survivor, or the person representatives of the deceased survivor, shall be the only person recognized by the company as having any title to the share.
26. Any Person becoming entitled to a share in consequence of the death or bankruptcy of a member shall upon such evidence being produced as may from time to time be required by the directors, have the right, either to be registered as a member in respect in the share or, instead of being registered himself, to make such transfer of share as the deceased or bankrupt person could have made; but the Directors shall, in either case, have the same rights to decline or suspend registration as they would have had in the case of transfer of the share by the deceased or bankrupt person before the death or bankruptcy.
27. Except as hereinafter provided no share in the Company shall be transferred unless and until the rights of pre-emption hereinafter conferred shall have been exhausted.
28. Every Member or other person referred to in Article 26 hereof who intends to transfer shares (hereinafter called the vendor) shall give notice in writing to board of his intention. The notice shall constitute the board his agent for the sale of the said shares in one or more lots at the direction of the board to members of the company at a price to be agreed upon by the vendor and the board, and in default of agreement, at a price which the auditor of the Company for the time being shall certify, by writing under his hand, to be in his opinion, the fair selling value thereof as between a willing vendor and a purchaser.

29. Upon the price being fixed as aforesaid the board shall forthwith give notice to all the members of the Company other than holders of

employees' shares of the number and price of the shares to be sold and invite each of them to state in writing within twenty one days from the date of the said notice whether he is willing to purchase any and if so what maximum number, of the said shares.

30. At the Expiration of the said twenty one days the Board shall allocate the said shares to or among the member or members who shall have expressed his or their willingness to purchase as aforesaid, and (if more than one) so far as may be pro rate according to the number of shares already held by them respectively, provided that no member shall be obliged to take more than the said maximum number of shares so notified by him as aforesaid. Upon such allocation being made the vendor shall bound on payment of the said price to transfer the shares to the purchaser or purchasers. If he make default in so doing the Chairman for the time being of the company or failing him one of the directors duly dominated by resolution of the board for that purpose shall forthwith be deemed to be duly appointed attorney of the vendor with full power to execute in the name and on behalf of the vendor a transfer of the shares to the purchasing member and the board may receive and give a good discharge for the purchase-money on behalf of the vendor and enter the name of the purchaser in the register of members as holder by transfer of the shares purchased by him.

31. In the event of the whole of the said shares not being purchased under Article 28 the vendor may, at any time within six- calendar months after the expiration of the said twenty one days, transfer the shares not sold to any person (subject to Article 17) and at any price.

32. Articles 25,26,27,28 and 29 hereof shall not apply to a transfer to a person who is already a member of the Company, nor to transfer merely for the purpose effecting the appointment of the new trustees, nor to a transfer by person representative to a legatee under the will of, or to the husband, wife or next of the kin of a deceased member, nor to a transfer by trustee to a beneficiary, provided that it is provided to the satisfactory of the board that the transfer bona fide falls within one of these exceptions.

FORFEITURE OF SHARES AND EXPROPRIATION OF SMALL HOLDING

- 33 If a Member fails to pay any call or installment of a call, on the day appointed for payment thereof, the Directors may at any time thereafter during such time as any part of such call or installment remain 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.

34. The Notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.
35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect and such forfeiture shall extend to any dividends in respect of any share so forfeited not actually paid at the date of the said notice.
36. A Forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.
37. A Person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding, remain liable to pay to the Company all moneys which at the date of the forfeiture, were present payable by him to the Company in respect of the shares, but his liability shall cease if and when the company receive payment in the full of the nominal amount of the shares.
38. The Holder for the time being of the issued shares in the Company shall be entitled at any time to purchase ex dividend all or any of the share held by any member of the Company at a price equal to the sum paid up thereon and upon the tender of that price by the holders of four fifths of the issued shares to any other member for the share held by him that member shall execute transfer of the share to the member by whom the tender is made or their nominees in such shares and proportion as they shall direct. If the member to whom the tender is made neglects or refuses to accept the sum tendered or to execute transfer of the shares Company may on proof of this neglect or refusal accept and give a good discharge for the money tendered on behalf of the member to whom the same shall have been tendered, and the provision of Article 23 shall apply to the execution of transfer of the shares and the registration of the member by whom the tender was made or their nominees as owners of the said shares.
39. A Statutory Declaration in writing that declarant is a Director of the company, and that a share in the Company has been duly forfeited or expropriated on a date stated in the declaration, shall be conclusive evidence of the fact therein stated as against all person claiming to be entitled to the share. The company may receive the consideration, given for the share on any sale or disposition thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see the application of the purchase-money, if any, nor shall his title to the share be affected by any irregularity in the proceedings in reference to the forfeiture or expropriation, sale or disposal of the share.

40. The Provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by terms of issue of share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

41. The Company may, from time to time by Ordinary Resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
42. Subject to any direction to the contrary that may be given by the resolution sanction the increase of share capital, all new shares shall before issue, be offered to such persons as at the date of the offer are entitled to receive from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration to that time, or on receipt of an intimation from the person to whom the offer is made that he declines to accept the share offered, the director may dispose of the same in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which by reason of the ratio which the new shares bear to shares held by person entitled to an offer of new shares cannot, in the opinion of the Director, be conveniently offered under this Article.
43. The New Shares shall be subject to the same provisions with reference to payment of calls, lien, transfer, transmission, forfeiture expropriation, and otherwise as the shares in the original share capital.
44. The Company may issue Ordinary/Special Resolution against the Shares;
- (i) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (ii) Sub-divide its existing shares, or any of them, into shares of smaller amount than in fixed by the Memorandum of Association, subject, nevertheless, to the Provisions in the Companies Act , Act No 12 of the year 2002,
 - (iii) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person; and may by special resolution:
 - (iv) Reduce its share capital and any capital redemption reserve fund in any manner and with, and subject to any incident authorized, and consent, required, by law

45. GENERAL MEETINGS

- (i) The Company shall in each Year hold a General Meeting in addition to any other meetings in the year, and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of an Annual General Meeting and that of the next. Provided that so long as the Company its first Annual General Meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and such place as the Directors shall appoint.
- (ii). All General Meeting other than the Annual General Meeting shall be called Extraordinary General Meetings.
- (iii). The Director may, whenever they think fit convene an Extraordinary General Meeting, and Extraordinary General Meeting shall also be convened by such requisitions, as provided by the Companies Act, Act No 12 of the Year 2002. If at any item there are not within the United Republic of Tanzania sufficient Directors capable of acting to form a quorum, any Director or any one member of the Company may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which Meetings may be convened by the Directors.

46. PROCEEDING AT GENERAL MEETINGS

- (i). An Annual General Meeting and a meeting called the passing resolution shall be called by twenty-one days' notice in writing at the least and all other meeting by fourteen days' notice in writing at least. Such notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day, and the hour of meeting and, in case of special business, the general nature of the business shall be given in the manner hereinafter mentioned, or in such other manner, if any, as may be prescribe by company in general meeting to such person as are, under these articles, entitled to receive such notices from the Company; but with the consent of all the members entitled to receive notice of some particular meeting may be convened by such shorter notice and in such manner as those member may think fit.
- (ii). The Accident omission to give notice to, or the non- receipt of notice of a meeting by, any member shall not invalidate the proceedings at any meetings
- (iii) All Business shall deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting, with the exception of sanctioning Directors and auditors, the election of directors in the place of those retiring rotation, and the appointment and fixing of the remuneration of the Directors.
- (iv) No Business shall be transacted at any General Meeting unless a Quorum of Member is present at the time when the Meeting proceeds to Business; same as here in otherwise provided two members personally present shall be a Quorum.

- (v). If within half an hour from the time appointed for the Meeting, the Meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the week, at the same time and place, and, if at the adjourned Meeting a Quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.
- (vi). The Chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.
- (vii). If there is no such Chairman, or if at any Meeting he is not present within fifteen minutes after the time appointed for holding the Meeting to act as Chairman, the member present shall choose some one of their number to be Chairman.
- (viii). The Chairman may, with the consent of any Meeting at which a Quorum is present (and shall if so directed by the Meeting), adjourn the Meeting from time to time and from place to place, but no Business shall be transacted at any adjourned meeting other than the Business left unfinished at the Meeting from which the adjournment took place. When a Meeting is adjourned for thirty days or more, notice of adjourned Meeting shall be given as in the case of an Original Meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the Business to be transacted at an adjournment or of the Business to be transacted at an adjourned.
- (ix). At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least one member entitled to vote present in person or by proxy; and unless a poll is so demanded, a declaration by the Chairman that the resolution has, on a show hands, been carried, or carried unanimously, or by particular majority, or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact, without proof of the number or proportion of the vote recorded in favor or, or against the resolution.
- (x). If a Poll is duly demanded it shall be taken in sum manner as the Chairman directs, and the result of the poll shall be deemed to be a resolution of the Meeting at which the poll was demanded.
- (xi). In the case of an equality of votes, whether on a show of hands or on a poll the chairman of the Meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.
- (xii). A Poll demanded on the election of a Chairman, or in question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the Meeting directs.
- (xiii). Any Ordinary Resolution of the Company determined on without any General Meeting and evidence by writing under the hands of all the Directors or a Sole Director and of a member of the Company holding three-fourths of the issue shares of the Company shall be as valid and effectual as an Ordinary Resolution duly passed at a General Meeting of the Company duly convened and held.

47. VOTES OF MEMBERS

- (i). On show of hands every member present in person shall have one vote. On a poll every member shall have one vote for each share for which he is the holder.
- (ii) In the case of joint holders the vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of member.
- (iii) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote whether on a show or on a poll, by his committee, a curator bonus, or other person in the nature of a committee or curator boons appointed by that court, and any such committee, curator boons, or other person may, on a poll, vote by proxy.
- (iv). No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares of the Company have been paid.
- (v). No Objection shall be raised to the qualification of any vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered and every vote not disallowed at such Meeting shall be valid for all purpose. Any such Objection made in due time shall be referred to the Chairman of the Meeting whose decision shall be final and conclusive.
- (vi). On a Poll votes may be given either personal or by proxy.
- (vii) The Instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing, or if the appointer is a corporation, either under the common seal, or under the hand of an official or attorney so authorized. A Member shall not be entitled to appoint more than one proxy to attend on the same occasion nor may a proxy vote except on a poll
- (viii) The Instrument appointing a proxy and the power of attorney, if any, under which it is signed or a naturally copy of that power or authority shall be deposited at the registered Office of the Company not less than forty-eight hours before the time for holding the Meeting, or adjourned Meeting, or taking of the poll at which the person named in the instrument of proxy shall not be treated as valid.
- (ix). An Instrument appointing a proxy may be in the following form, which the Directors shall approve:

RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

"I.....of.....act, being a Member of **Ri Long International Trade Tanzania Limited** hereby appointto act. as my proxy to vote for me and on my behalf at the Ordinary {or Extraordinary, as the case may be} General Meeting of the Company to be held on theday ofand at any adjourned Meeting thereof".

Signed this.....day of..... (Year)...Signature of Member

- (x). Any Corporation, which is a member of the Company, may by resolution of its Directors or other governed body authorize such person as it thinks fit to act as its representative at any Meeting of the Company and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

48. DIRECTORS

- (i) The Directors shall be not less than two in number and shall be appointed by the subscribers to the Memorandum of Association. Unless and until otherwise determined by the Company by Ordinary Resolution the number of Directors (excluding alternate Directors) shall not be less than two and no more than seven.
- (ii) The Names of the first Directors of the Company are as follows:
1. MR. CHEN NENG ZHEN
 2. MR. CHEN ZU BIN
 3. MR. CHEN ZU YAO
- (iii) (a) The Remuneration Directors shall from time to time be determined by the Company in General Meeting.
- (b) In addition to their usual remuneration the Directors shall also be paid such traveling, hotel, and other expenses as may reasonably be incurred by them in the exercise of their duties, including any such expenses incurred in connection with their attendance at meeting director.
- (iv) Any Director any in writing appoint any person, who is approved by the majority of the Directors, to be his alternative to act in his place at any Meeting of the Directors to which he is unable to be present. Every such alternate shall be entitled to notice of meeting of the Directors any to attend and vote there at as a Director when the person appointing him is not personally present, and where he is a Director, to have a separate vote on behalf of the Director he is representing in addition to his own vote. A Director may at any time in writing revoke the appointment of an alternate appointed by him. Every such alternate shall be an officer of the Company and shall not be deemed to be the agent of the Director appointing him. The remuneration of such alternate shall be payable out of the remuneration payable to the Director appointing him, and the proportion thereof shall be agreed between then. An alternate Director need not any share qualification.

- (v) A Director and alternate Director shall not require a share qualification by nevertheless shall be entitled to attend and speak at any General Meeting of the Company and at any separate Meeting of the Holder of any class of share in the Company.
- (vi) The Company may by Extraordinary Resolution remove any Director before the expiration of his period of office, and may by an Ordinary Resolution appoint another person in his stead. An vacancy occurring in the Board of Directors may be filled up by the Company by an Ordinary Resolution.

49. POWERS AND DUTIES OF DIRECTORS.

- (i) The Business of the Company shall be managed by the Directors, who may pay all expenses incurred in forming and registered the Company, and may exercise all such powers of the Company as are not by the Companies Act, Act No 12 of the Year 2002, or any statutory modification there of, for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of these Articles and of the said Act, and the exercise of such power shall be subjected to control of any General Meeting of the Company specially convened for the purpose, but no resolution of the Company in General Meeting shall invalidate any prior act of the Directors, which would have been valid if that resolution had not been passed.
- (ii) The Directors may from time to time appoint one or more of their body to the office of Managing Director or Manager for such term and at such remuneration (whether by way of salary, or commission, or participation in profits, or party in one way and partially in another) as they may think fit. The office of Managing Director shall be subjected to determination ipso factor if he ceases from any cause to be a Director, or if the Company in General Meeting resolves that his tenure of the office of Managing Director or Manager to be determined. The Directors shall dully comply with the provisions of the Companies Act , Act No 12 of the Year 2002 or any statuary modification thereof for the time being in force, and particular with the provisions in regard to registration of the particular of mortgages and charges affecting the property of the Company, or created by it, and to keeping a register of the Directors and Secretaries, and to sending to the register of Companies an annual of member, and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital , or conversion of shares into stock, and copies of special and extraordinary resolutions and copy of the register of Director of Directors and notification of any changes therein.

- (iii) The Directors shall cause minutes to be made in the books provided for the purpose;
 - (a) Of all appointments of officers made by the Directors;
 - (b) Of the Names of the Directors present at each meeting of the Directors and of any committee of the Directors;
 - (c) Of all Resolution and proceedings at all meeting of the company, and of the Directors, and of committees of directors and every director present at any meeting of the directors of committee of directors shall sign his name in a book to be kept for that purpose.

(iv) **BORROWING POWERS:**

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

50. DISQUALIFICATION OF DIRECTORS

- (i) The Office of any Director shall be vacated, if the Director;
 - (a) Resigns his office by notice in writing to the Company; or
 - (b) Become bankrupt in his territory or in any other territory which is declared to be a reciprocating territory under section 147 of the bankruptcy ordinance; or
 - (c) Is found lunatic or becomes unsound mind; or
 - (d) Is punished with imprisonment for a term exceeding six months without the option of fine; or
 - (e) Is requested in writing by all his co-Directors to resign.
- (ii) Any Directory or any company of firm of which a Director is a member, may enter into contracts with the Company and any Director may vote as a Director or shareholder in respect of such contract and retain or his own use profits made by him under any such contract; provided always that unless he be at the time Sole Director, he must disclose his interest to his co- directory before the contract is entered into by the Directors and if he be at the time Sole Directors be interested contract the contract must be entered into by the Company in General Meeting, and before the contract is entered into, the Directors must disclose his or their interest to the Meeting.

51. PROCEEDING OF DIRECTORS

- (i) The Directors may meet together for the dispatch of, adjourn and otherwise regulate their Meeting, as they think fit, question arising at any Meeting shall be decided by a majority of votes. In case of any equality of vote the Chairman shall have a second or casting vote. A director may, and the secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.
- (ii) The Quorum necessary for the Directors may fix the transaction of the Business of the Directors and unless so fixed shall be two.
- (iii) The continuing Directors may act notwithstanding any vacancy in the body, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the Quorum of Directors, the continuing Director may act for the purpose of increasing the number of Directors to that number, or summoning a General Meeting of the Company, but for no other purpose.
- (vi) The Directors may elect a Chairman of their General Meeting and determine the period for which he is to hold office; but if no such chairman is elected, or if at any Meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the Meeting.
- (vii) The Directory may delegate any of their powers to committees consisting of such member of their body as they think fit; any committee so formed shall in the exercise of the powers so delegate conform to any regulation that may be imposed on them by the Director.
- (viii) A Committee may elect a Chairman of the Meeting; if no such Chairman is elected, or if at any Meeting the Chairman is not present within five minutes after the time appointed for holding the same, the members present may choose any of their number to be Chairman of the meeting.
- (ix) A Committee may meet and adjourn as they think proper. Question arising at any Meeting shall determined by a majority of votes of the members present, and in the case if an equality of votes the Chairman shall have a second or casting vote.
- (x) All acts done by any Meeting of the Directors or of a Committee of Directors, or any person acting as a Director, shall, notwithstanding that it afterward discovered that there was some effect in the appointment of any such Directors or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed to be a Director.
- (xi) A Resolution determined on without any Meeting of Directors and evidenced by writing under the hands of all the Directors, or Sole Director, or of all members of a committee, or of sole member of a committee, shall be as valid and effectual as a resolution dully passed at Meeting of the Directors or of such committee

52. SECRETARY

- (i) The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them.
- (ii) No person shall be appointed or hold office as a Secretary who is;
 - (a) the Sole Director of the Company; or
 - (b) a Corporation the Sole Director of which is the Sole Director of the Company; or
 - (c) the Sole Director of a Corporation which is the Sole Director of the Company.
- (iii) A Provision of the Companies Act, Act No 12 or these Regulations 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 both as Director and as, or in place of the Secretary.

53. THE SEAL

- (i) The Director shall provide for the safe custody of the seal, which shall only be used by the authority of the Director or of a committee of the Directors or of a committee of the Directors authorized by the Directors in the behalf, and every instrument to which the Seal Secretary or by a second Director or by some other person appointed by the Directors for the purpose but so that the Directors may be resolution determine, either general or in any particular case, that the signature of any Director may be affixed by some mechanical means to be specified in such resolution, provided that the use of such means is by such resolution restricted to certificates which have first been approved for sealing by the Auditors, Transfer Auditor, Transfer Agents or Bankers of the Company in writing.

54. DIVIDENDS AND RESERVE

- (i) The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.
- (ii) The Directory may from time to time pay to he member such interim dividends as appear to the Directors to be justified by the profits of the Company.
- (iii) No dividend shall be paid otherwise than out profits.
- (iv) Subject to the rights of persons, if any entitled to shares with special rights as to dividends, all so long as nothing is paid up on any of shares in the Company dividend may be declared and paid according to the amount of the shares. No amount paid on a share in advance of call shall, while carrying interest, be treated for purpose of this Article as paid on the share.

- (v) The Directors may, recommending and dividend, set aside out of the profits of the Company such sum as they think proper as a reserve which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalizing dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the Business of the Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit.
- (vi) If several persons are registered as joint holders of any share any one of them may give effectual receipts for any dividends payable on the share.
- (vii) No Dividend shall bear interest against the Company.

55. ACCOUNTS

- (i). 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 respect of which the receipt and expenditure takes place. All sales and purchase of goods by the company; and The Assets and liabilities of the Company. Proper books of accounts mean 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.
- ii) The Books of Accounts shall be kept at the resided Office of the Company, or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
- (iii). The directors shall from time to time determine whether and to what extended and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorized by the Directors or by the Company in General Meeting.
- (vi) The Director shall from time to time in accordance with the companies Act, Act No 12 of the Year 2002 or any statutory modification thereof for the time being in force, cause to be prepared and to be laid before the Company in General Meeting such profit an loss account, balance sheet, group account (if any) and reports as are referred to in those sections.
- (vi) A Copy of every Balance Sheet (including every document required by the law to be annexed thereto) which is to be laid before the Company in General Meeting before the date of the Meeting together either a copy of the Auditors' report, shall not less than twenty one days be sent to every member of, and every holder of debentures of the company and to every person registered under regulation 19. Provided that the regulation shall not require a copy of those documents to sent to any member of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

56. CAPITALISATION OF PROFITS

- (i) The Company in General Meeting may upon the recommendation of the Directors resolve that the desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's Reserve Accounts or to the credit of the Profit and Loss Account or otherwise available for distribution, and accordingly that such sum be free from distribution amongst the members who would have been entitled there to distributed by law or dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unused shares or debentures of the Company to be allotted and distributed, credited as fully paid up to any amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. Provided that a Share Premium Account and Capital Redemption Reserve Fund may, for the purpose of this regulation, only be applied in the paying up of unused shares to be issued to members of the Company as fully paid bonus shares.
- (ii) Whenever such resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments issue of fully paid up shares or debentures, if any, and general shall do all acts and things to give effect thereto, with full power to the Director to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they as they think fit for the case of share of debentures becoming distributed in fractions, and also to authorized any person to enter on behalf of all member entitled thereto into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any other shares or debentures to which they may be entitled up on such capitalization, or (as the case may require) for the payment up by the company or the behalf, by the application thereto of the respective proportions of the profits of the resolved to be capitalized of the amounts or any part of the amounts remaining unpaid on their existing shares, and may agreement made under such authority shall be effectively and binding on all such members.

57. AUDIT

- (i) Auditor shall be appointed and their duties regulated in accordance with the companies Act, Act No 12 of the Year 2002 or any statutory modification thereof for the time being in force.

58. NOTICES

- (i) A Notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address, or (if has registered address in Tanzania, to the address, if any within Tanzania supplied by him to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed affected by properly addressing prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been affected at the time at which the latter would be delivered in the ordinary course of post.


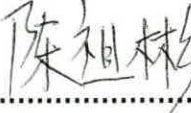
- (ii) If a member has no registered address in Tanzania and has not supplied to the Company an address within The Republic of Tanzania for the giving of notice addressed to him and displayed in the registered office of the Company, shall be deemed to do duly given on the day on which it is so displayed.
- (iii) A Notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.
- (iv) A Notice may be given to the Company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representative of the deceased, or trustees of the bankruptcy, or by any like description, at the address, in the United Republic of Tanzania supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
- (v) Notice of any General Meeting shall be given in the same manner hereinbefore authorized to:-
 - (a) Every member of the Company except those members who (having no registered address within the United Republic of Tanzania) have not supplied to the Company an address within The United of Tanzania for the giving of notice to them,
 - (b) Every person entitled to share in consequence of death or bankruptcy of a member, who, but for his death or bankruptcy, would be entitled to receive notice of the meeting and
 - (c) The Auditors for the time being of the company. No other person shall be entitled to receive notices of General Meeting.

59. WINDING UP

- (i) If the Company shall be wound up the liquidator may with the sanction of an extraordinary resolution of the Company and any other sanction required by the Companies Act, Act No 12 of the Year 2002 divide amongst the members in specie 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 deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the contributors as the liquidator with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability

60. INDEMNITY

Subject to the Provisions of the Companies Act , Act No 12 of the Year 2002 every Director, Managing Director, Agent, Auditor, Secretary and other Officer for the time being of the Company shall be indemnified any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted.

NAME, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURES OF SUBSCRIBERS
1. MR. CHEN NENG ZHEN P.O. BOX 105033 <u>DAR ES SALAAM</u>	5,000	.....
2. MR. CHEN ZU BIN FU JIAN FU QING 350001 <u>FUJIAN CITY-- CHINA</u>	2,500	.....
3. MR CHEN ZU YAO FU JIAN FU QING 350001 <u>FUJIAN CITY- CHINA</u>	2,500	.....

DATED AT DAR ES SALAAM THIS.....^{4th} DAY OF Aug..... 2008

WITNESS TO THE ABOVE SIGNATURES

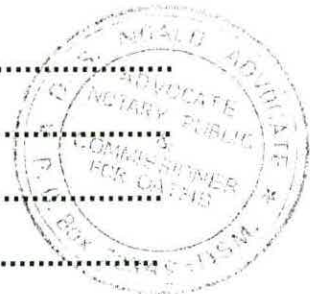
NAMES

SIGNATURE

POSTAL ADDRESS

QUALIFICATIONS


DESIDERI SEBASTIA NGALO
P.O. BOX 7234
DAR ES SALAAM
TANZANIA



RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

CERTIFICATE OF INCORPORATION NO

I HEREBY CERTIFY THAT RI LONG INTERNATIONAL TRADE TANZANIA LIMITED IS THIS DAY INCORPORATED UNDER THE COMPANIES ACT , ACT NO 12 OF THE YEAR 2002,

GIVEN UNDER MY HAND AT DAR ES SALAAM THIS DAY OF.....
TWO THOUSAND AND SEVEN .

.....
REGISTRAR OF COMPANIES.

NAME HAS BEEN APPROVED VIDE FOLIO NO . 34 DATED 31ST JULY 2008

VOLUME CXXXXXIX



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 MR CHEN NENG ZHEN
(director/directors/agent of M/S RI LONG INTERNATIONAL
TRADE TANZANIA LTD
(name of business enterprise) apply for registration of CERTIFICATE OF INCENTIVES
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at Plot No: 11 Block 55
AGGREY STREET / ILALA - DSM

Copies of the following documents are attached to this application:

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

3. The Head Office of the Company will be situated at AGGREY STREET - ILALA / DSM

4. The Principal Officers of the Company are

1. CHEN NENG ZHEN 2. CHEN ZU BIN
3. CHEN ZU YAO

5. Auditors of the Company are

6. The authorized share capital of the Company is Tshs./US\$ 100,000,000/- DIVIDED INTO
10,000 SHARES OF TSHS. 10,000/- EACH.

7. The intended capital investment of the Company in terms of Section 2(2) of the Act

is Tshs./US\$ 700,000/-

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 Tshs./US\$

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

I, CHEN NENG ZHEN of Post Office Number Buye 105033

- DSM do solemnly and sincerely declare that I am a director/duly

authorized agent of M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

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

Declared at Dar es Salaam }
The 01 day of DEC } 2008
2003 }

X CHEN NENG ZHEN
Applicant

Before me:

[Signature]
Commissioner for Oaths



APPLICATION SUMMARY

Company Name: M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

Certificate of Incorporation Number: 66890 Status: PRIVATE LIMITED COMPANY

Certificate of Incorporation Date: 05/08/2008

Post Box: 105033

Town: DSM

Sector: MANUFACTURING Sub-Sector: FURNITURE / BEDS

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
USD \$ 500,000	-	USD \$ 200,000	-

Project Objectives: ESTABLISHING AND OPERATING A PROJECT FOR MANUFACTURING HIGH QUALITY FURNITURE

Capacity:

Employment: Foreign: 5 Local: 25 Total: 30

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: PLOT NO 11 BLOCK 55

Street: AGGREGY STREET District: ILALA Region: DSM

(Attach sketch map showing project location)

Shareholders	Nationality	%
1. CHEN NENG ZHEN	CHINESE	50%
2. CHEN ZU BIN	-	25%
3. CHEN ZU YAO	-	25%
		<u>100%</u>

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

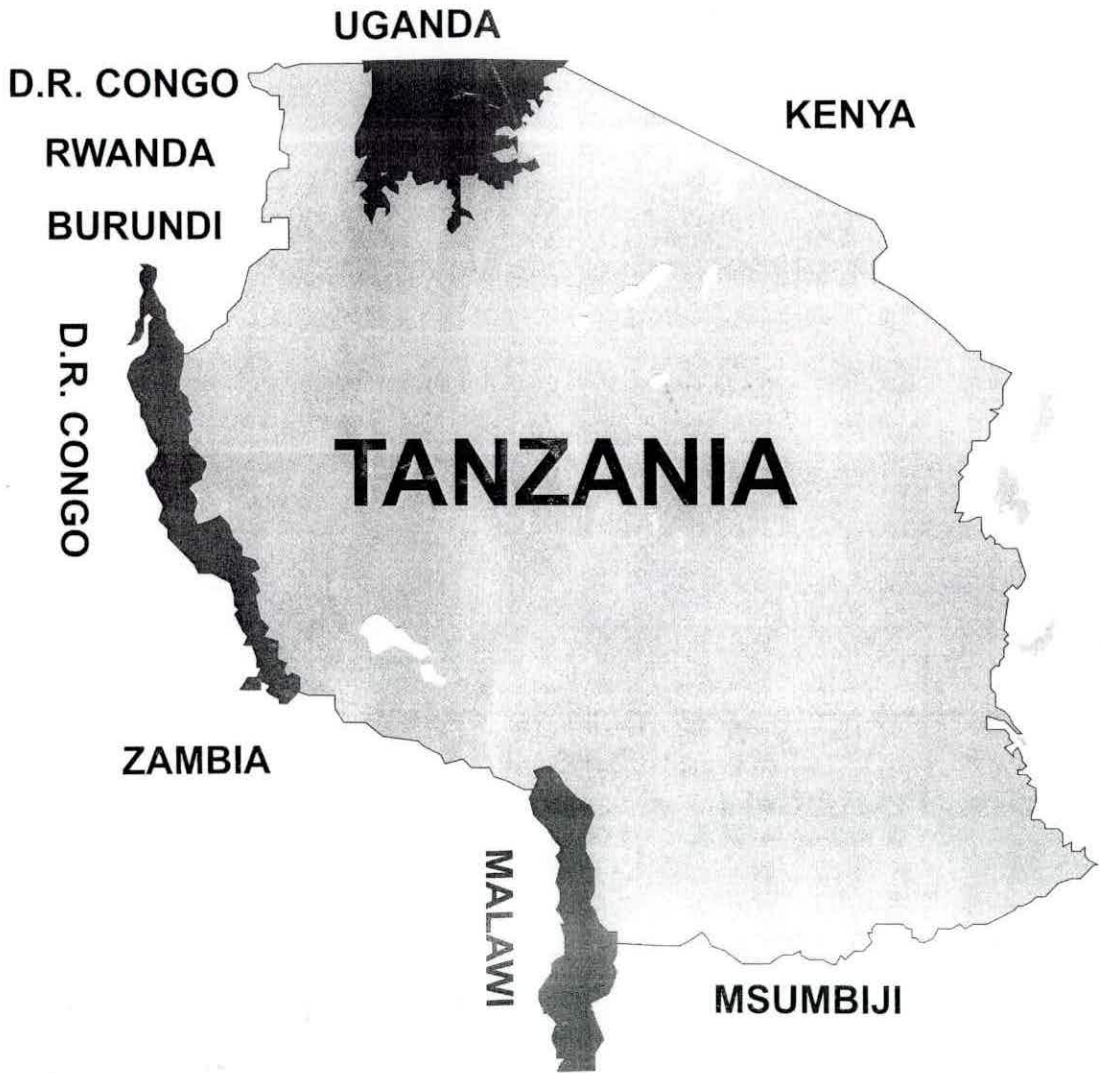
Land/Building	.....	40,000
Plant/MACHINERY	.....	450,000
Vehicles	.....	100,000
Furniture & Fittings	.....	10,000
Pre-expenses	.....	50000
Others	.....	-
Working Capital	.....	50,000
TOTAL	USD &	700,000/-

Contact Details:

Name: CHEN NENG ZHEN Title: M/DIRECTOR
Telephone: 0715-600089 Fax:
Email:

Payments to be made payable to:

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





TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,
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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 MR CHEN NENG ZHEN
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is Tshs./US\$ 700,000/-

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 Tshs./US\$

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

I, CHEN NENG ZHEN of Post Office Number Buyo 105033

- DSM do solemnly and sincerely declare that I am a director/duly

authorized agent of M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

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

Declared at Dar es Salaam }
The 01 day of DEC 1 2008
2003 }

CHEN NENG ZHEN
Applicant

Before me:

[Signature]

Commissioner for Oaths



APPLICATION SUMMARY

Company Name: M/S RI LONG INTERNATIONAL TRADE
TANZANIA LIMITED

Certificate of Incorporation Number: 66890 Status: PRIVATE LIMITED COMPANY

Certificate of Incorporation Date: 05/08/2008

Post Box: 105033

Town: DSM

Sector: MANUFACTURING Sub-Sector: FURNITURE / BEDS

Investment Financing Plan in Million US\$/Tshs.

	Foreign Equity	Local Equity	Foreign Loan	Local Loan
USD \$	<u>500,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>

Project Objectives: ESTABLISHING AND OPERATING
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Street: AGGREGY STREET District: ILALA Region: DSM

(Attach sketch map showing project location)

Shareholders	Nationality	%
1. <u>CHEN NENG ZHEN</u>	<u>CHINESE</u>	<u>50%</u>
2. <u>CHEN ZU BIN</u>	<u>-</u>	<u>25%</u>
3. <u>CHEN ZU YAO</u>	<u>-</u>	<u>25%</u>
.....	<u>100%</u>

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

Land/Building	40,000
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Contact Details:

Name: CHEN NENG ZHEN Title: M/DIRECTOR

Telephone: 0715-600089 Fax:

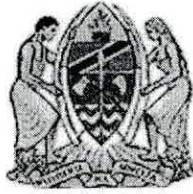
Email:

Payments to be made payable to:

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STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: **SCBLZTX**
ACCOUNT NO.: **8702006002000**



TANZANIA



Certificate of Incorporation

Section 15

No 66890

I HEREBY CERTIFY THAT

RI LONG INTERNATIONAL TRADE TANZANIA**LIMITED =====**

is this day incorporated under the Companies Act, 2002 and that the Company is Limited

Given under my hand at Dar es salaam

this **5TH** day of **AUGUST**

TWO THOUSAND AND EIGHT


Asst. Registrar of Companies



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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Declared at Dar es Salaam }
The 01 day of DEC } 2008
2003 }

x CHEN NENG ZHEN
Applicant

Before me:

[Signature]
Commissioner for Oaths



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(Attach sketch map showing project location)

Table with 3 columns: Shareholders, Nationality, %

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Working Capital	50,000
TOTAL	USD \$ 700,000/-

Contact Details:

Name: CHEN NENG ZHEN Title: M/DIRECTOR
Telephone: 0715-600089 Fax:
Email:

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







中國銀行
BANK OF CHINA

BANK OF CHINA PUTIAN BRANCH

TEL:00865942227888 FAX:00865942227000 ADD:LICHENG STREET PUTIAN CITY FUJIAN

The executive Director,

Tanzania Investment Centre,

P .o Box 938,

Dar es salaam.

Dear Sir or Madam:

RE: RI LONG INTERNATIONAL TRADE(TANZANIA) COMPANY LIMITED

RI LONG INTERNATIONAL TRADE (TANZANIA)COMPANY WAS INCORPORATED IN
TANZANIA WITH THE FOLLOWING DIRECTO

1 CHEN NENG ZHEN

2 CHEN ZU BIN

3 CHEN ZU YAO

AND ACCOUNT NAME : RI RONG INTERNATIONAL READE COMPANY LIMITED

ACCOUNT NO.4409331440000742

WE BELIEVE THE DIRECTORS TO BE HONEST AND OF HIGH INTEGRITY AND
THAT ARE REBIABLE AND GOOD FOR NORMAL BUSINESS ENGAGEMENTS

THIS INFORMATION IS STRICTLY PROVIDED FOR NOMAL BUSINESS
TRANSACTIONS AND WE BANK OF CHINA PUTIAN BRANCH WILL NOT BE LIABLE
FOR ANY MISCONDUCT WHATSOEVER ARIING THE COURSE OF THE BUSINES
WE KINDLY REQEST YOU TO GIVE THEM ALL THE NECESSARY ASSISTANCE.

REGARDS

DIRECTOR: Wang Jian

SIGNATURE:



LEASE AGREEMENT

1. **THIS AGREEMENT** is made this 15th day of Sept, 2008

BETWEEN

AHMED MOHAMED ALLY of P.O.BOX 16132, Dar es Salaam (hereinafter referred to as "The Lessor") of the part.

AND

RI LONG INTERNATIONAL TRADE TANZANIA LTD of P.O.BOX 105033 DSM (hereinafter referred to as "The Lessee") of the second part.

2. WHEREAS:

- a) The Lessor is the beneficial owner of House on Plot No. 11 Block 55 Aggrey Street, Dar es Salaam.
- b) The Lessor is desirous of the letting and the Lessee has agreed to rent the STOO in 1st Floor "The Demised Premises" at a rental of Tshs. 500,000/= (Tanzania Shillings five hundred thousand only) per month of which the Lessor hereby acknowledges receipt for Five (5) years effective from 15th October, 2008 which is 30,000,000/= Thirty millions only) Five years.
- c) The said lease shall expire on 15th day of October, 2013
- d) The parties hereto have agreed that the demised premises shall be used for the Factory purpose only.

3. NOW THEREFORE, the parties hereto agree as follows:-

- a) The Lessor hereby leases the demised premises to the Lessee for the period of Five (5) years effective from 15th October, 2008.
- b) The demised premises shall be used exclusively for the Factory purpose only.
- c) The lease shall be discontinued by either party giving the other three months notice, provided, however, and it is hereby agreed that the Lessor and the Lessee may renew the said lease on such terms and conditions to be mutually agreed upon.

4. THE LESSEE covenants with the LESSOR as follows:-

- a) To keep the said demised premises and appurtenances thereof including doors, windows and other fixtures, fittings, fastenings, electrical wire fittings, sanitary and water apparatus therein and the painting and decoration thereof in a good substantial repair and good condition.

CERTIFIED TRUE COPY OF
ORIGINAL REFERRED BY ME



- b) To allow Lessor and/or his workers and agents at all reasonable times to enter upon the demised premises for the purpose of inspecting the state of repairs thereto as may be necessary and of seeing that the conditions of tenancy are being observed.
- c) To repay the Lessor the cost of any special cleansing necessitated by reason of having allowed the demised premises to become dirty or verminous.
- d) To repay the Lessor the cost of repairing any damage done to the premises or to the fixture and fittings (other than that resulting from air wear and tear) and of cleansing stoppages in drains due to carelessness or misuse.
- e) Not to sublet, assign or part with possession of the demised premises for any purpose other than for the shop purposes.
- f) Not to make or permit or cause to be made any alterations in or addition to the demised premises without prior consent in writing of the Lessor.
- g) Not to keep or store in the demised premises mineral oil mineral spirits or liquid fuel or any inflammable liquids.
- h) Not to do or permit or cause to be done anything whereby any policy of insurance is rendered void or voidable.
- i) The Lessee shall be responsible for the security of his property within the said demised premises and shall keep the Lessor immune from claim to any damage or loss to such property.

5 **THE LESSOR** hereby covenants with the Lessee as follows:-

- a) To pay and discharge all existing land rent and service charge payable in respect of the demised premises.
- b) To keep the said demised premises in sufficient repair for the same to be usable for the purpose permitted under this Agreement.
- c) That the Lessee performing his obligation shall peacefully hold and enjoy the demised premises without any interruption by the Lessor or those claim through or under him.


6 **PROVIDED ALWAYS** and it is hereby mutually agreed that:-

- a) In the event of the demised premises, or any part thereof at any time during the lease being damaged or destroyed by fire so as to be wholly or partly unfit for use and occupation then the rent thereby reserved or proportion thereof according to the nature of the damage sustained shall be suspended until the demised premises shall again be rendered fit for habitation and use.




- b) If any covenant on the Lessee's part herein contained shall not be performed or observed, it shall be lawful for the Lessor at any time thereafter to re-enter upon the demised premises or any other part thereof and thereupon the term hereby created under this lease shall forthwith cease and determined but without prejudice to any right of action of the Lessor in respect of any breach of the Lessee's covenants herein contained and subject to the Lessee's rights on the balance of the liability on the money prepaid as rent.
- c) Lessor shall repay the Lessee the cost of necessary and urgent repairs carried on the demised premises or to fixtures and/or fittings therein, which should be done subsequent to having obtained prior consent in writing of the Lessor.
- d) The Lessee shall pay all electricity and water bills in respect of the demised premises.
- e) The Lessee shall bear the costs of minor repairs such as repairing and or replacing plugs.

SIGNED and DELIVERED at Dar es Salaam by the said **AHMED MOHAMED ALLY** identified to me by.....the later being known to me personally in my presence this 15th Sep. 2007.



AHMED MOHAMED ALLY


SIGNATURE.....
 POSTAL ADDRESS.....
 QUALIFICATION.....



CERTIFIED TRUE COPY OF ORIGINAL PERUSED BY ME



SIGNED and DELIVERED at Dar es Salaam by the said **RI INTERNATIONAL TRADE TANZANIA LTD** identified to me by.....the latter being known to me personally in my presence this 15th day of Sept. 2007



SIGNED BY ZUBINCHEN

SIGNATURE.....
 POSTAL ADDRESS.....
 QUALIFICATION.....



Regional Manager - Ijala Tax Region

STAMP DUTY

Shs 60,000/- Collected
 Receipt No. 155130 Date 18/9/07

Regional Manager - Ijala Tax Region

STAMP DUTY

THE UNITED REPUBLIC OF TANZANIA
STAKABADHI YA SERIKALI
EXCHEQUER RECEIPT

30324904

1



KIASI
Amount

Shs.

NIMEPOKEA KWA
Received from

R1 LONG INTERNATIONAL TRADE (T) LTD

Shs.									
U	S	D	7	5	0				

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

US DOLLAR SEVEN HUNDRED FIFTY ONLY

NA SENTI
And Cents

KWA MALIPO YA
In Respect of

CERTIFICATE OF INCENTIVES

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

CASH

SAHIHI YA MPOKEAJI-*Receiving Officer's*
Signature.

CHEQ- Title

ACC 109 FEB. 2009

TAREHE - Date

KITUO - Station

DSM.

Govt. Press, Dsm.

041618

For Executive Director
Tanzania Investment Centre

TICC/PP.10/041618/2

5 January 2009

Managing Director,
Ri Long International Trade (T) Ltd,
P.O. Box 105033,
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT OF A PROJECT FOR MANUFACTURING HIGH
QUALITY FURNITURE**

We wish to acknowledge receipt of your project proposal to manufacture high quality furniture as presented in the TIC P.A. 1 Form No. 07544 and Feasibility Study with a projected investment of USD 0.7 m.

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

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

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

TICC/PP.10/041618/2

5 January 2009

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

Yours sincerely,

Tanzania Investment Centre



R. P. Mbilinyi

Ag. Executive Director

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

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

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



TIC Evaluation Report

Name of the Company
Ri Long International Trade (T) Ltd.

Post Box	Aggrey Street Plot No. 11 Block 55	COI Number	66890	Contact	Mr. Chen Neng Zhen
Post Office	105033	COI Date	05/08/2008	Designation	Managing Director
Region	Dar Es Salaam	Application F. No	07544	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0715 600 089
		Sub Sector	Furniture/Beds Manufacturer	Fax	0
		File No	041618	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Plot No. 11 Block 55	<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>0.5</td> <td>0</td> <td>0.2</td> <td>0</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0.5	0	0.2	0			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0.5	0		0.2	0									
Street	Aggrey												
District	Ilala												
Region	Dar es Salaam												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.04
Chen Zu Yao	Chinese	25	Plant	0.45
Chen Zu Bin	Chinese	25	Vehicles	0.1
Chen Neng Zhen	Chinese	50	Furniture & Fittings	0.01
			Pre-expenses	0.05
			Others	0
			Working Capital	0.05
			Total	0.7

Employment	30	Evaluated By	Zakaria kingu
Capacity	xxx	Drawn By	Sarah Registry
Project Turn Over			

Description

To establish a project for manufacturing high quality furniture

Recommendations

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

Decision

Approved subject to no importation of furniture and finished goods.

[Signature]
 Ag EXD
 24/12/08

M/S RI LONG INTERNATIONAL TRADE (T) LIMITED
P.O. BOX 105033, DAR ES SALAAM, TANZANIA
TEL: 0715-600089

①

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

03/12/2008

**RE: APPLICATION FOR THE CERTIFICATE OF
INCENTIVES- IN ESTABLISHING & OPERATING A
PROJECT FOR MANUFACTURING HIGH QUALITY
FURNITURE.**



Please refer to the captioned subject,

We are applying for the Certificate of incentives in establishing and operating a project for manufacturing high quality furniture.

The Certificate of incentives will enable the proposed project to qualify for import Duty and VAT exemption on Capital/ Deemed Capital Goods.

Attached herewith please find the Incorporation Certificate, Memorandum and Articles of Association, Bank letter, feasibility study, Board Resolution etc.

We hope that our request will be considered.

Yours Sincerely

Chen Neng Zhen
Chen Neng Zhen
Managing Director

M/S RI LONG INTERNATIONAL TRADE (T) LIMITED
P.O. BOX 105033, DAR ES SALAAM, TANZANIA
TEL: 0715-600089

BOARD OF DIRECTORS MEETING HELD AT MANAGING
DIRECTOR'S OFFICE ON 20TH NOVEMBER, 2008 AT 10.00HRS

BOARD RESOLUTION

1. PRESENT

- Chen Neng Zhen	M/Director – Chairman
- Chen Zu Bin	Director - Secretary
- Chen Zu Yao	Director - Member

2. RESOLUTION

- (a) It was resolved that a project should register with Tanzania Investment Centre (TIC) in establishing and operating a project for manufacturing high quality furniture.
- (b) The registration which will make the proposed project to qualify for Tax exemption on Capital/ Deemed Capital Goods.
- (c) To allocate funds for the intended furniture manufacturing project.

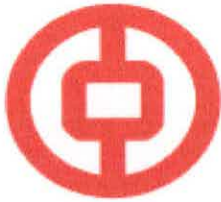
3. The meeting was closed at 12.00 hrs

CHEN NENG ZHEN

.....
Chen Neng Zhen
Chairman

CHEN ZU BIN

.....
Chen Zu Bin
Secretary



中國銀行
BANK OF CHINA

BANK OF CHINA PUTIAN BRANCH

TEL:00865942227888 FAX:00865942227000 ADD:LICHENG STREET PUTIAN CITY FUJIAN

The executive Director,

Tanzania Investment Centre,

P .o Box 938,

Dar es salaam.

Dear Sir or Madam:

RE: RI LONG INTERNATIONAL TRADE (TANZANIA) COMPANY LIMITED

RI LONG INTERNATIONAL TRADE (TANZANIA) COMPANY WAS INCORPORATED IN
TANZANIA WITH THE FOLLOWING DIRECTOR

1 CHEN NENG ZHEN

2 CHEN ZU BIN

3 CHEN ZU YAO

WE BELIEVE THE DIRECTORS TO BE HONEST AND OF HIGH INTEGRITY AND
THAT ARE REBIABLE AND GOOD FOR NORMAL BUSINESS ENGAGEMENTS

THIS INFORMATION IS STRICTLY PROVIDED FOR NOMAL BUSINESS
TRANSACTIONS AND WE BANK OF CHINA PUTIAN BRANCH WILL NOT BE LIABLE
FOR ANY MISCONDUCT WHATSOEVER ARIING THE COURSE OF THE BUSINES
WE KINDLY REQEST YOU TO GIVE THEM ALL THE NECESSARY ASSISTANCE.

REGARD

王建梁 BANK OF CHINA

CTIN.: 00334168



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

RI LONG INTERNATIONAL TRADE TANZANIA LIMITED
.....

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

107-044-957
.....

with effect from 19-Aug-2008
.....

JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

LEASE AGREEMENT

1. **THIS AGREEMENT** is made this 15th day of Sept, 2008

BETWEEN

AHMED MOHAMED ALLY of P.O. BOX 16132, Dar es Salaam (hereinafter referred to as "The Lessor") of the first part.

AND

RI LONG INTERNATIONAL TRADE TANZANIA LTD of P.O. BOX 105033
DSM

(hereinafter referred to as "The Lessee") of the second part.

2. **WHEREAS:**

- (a) The Lessor is the beneficial owner of House on Plot No. 11 Block 55 Aggrey Street, Dar es Salaam.
- (b) The Lessor is desirous of the letting and the Lessee has agreed to rent the STOO in 1st Floor "The Demised Premises" at a rental of Tshs.500,000/= (Tanzania Shillings five hundred thousand only) per month of which the Lessor hereby acknowledges receipt for one (1) year effective from 15th October, 2008 which is 6,000.000/= (six millions only) for 5 years.
- (c) The said lease shall expire on 15th day of October, 2009
- (d) The parties hereto have agreed that the demised premises shall be used for the shop purpose only.

3. **NOW THEREFORE**, the parties hereto agree as follows:-

- (a) The Lessor hereby leases the demised premises to the Lessee for the period of one (1) year effective from 15th October 2008.
- (b) The demised premises shall be used exclusively for the shop purpose only.
- (c) The lease shall be discontinued by either party giving the other three months notice, provided, however, and it is hereby agreed that the Lessor and the Lessee may renew the said lease on such terms and conditions to be mutually agreed upon.

4. **THE LESSEE** covenants with the **LESSOR** as follows:-

- (a) To keep the said demised premises and the appurtenances thereof including doors, windows and other fixtures, fittings, fastenings, electrical wire fittings, sanitary and water apparatus therein and the painting and decoration thereof in a good substantial repair and good condition.

I, **HENRY SYLVESTER MKUMBI**
Advocate, Notary Public and
Commissioner for Oaths
do hereby certify that the foregoing
is a true and correct copy of the original

Signature Henry Sylvester Mkumbi Date 6/12/2008

- b) To allow Lessor and/or his workers and agents at all reasonable times to enter upon the demised premises for the purpose of inspecting the state of repairs thereto as may be necessary and of seeing that the conditions of tenancy are being observed.
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- d) To repay the Lessor the cost of repairing any damage done to the premises or to the fixture and fittings (other than that resulting from air wear and tear) and of cleansing stoppages in drains due to carelessness or misuse.
- e) Not to sublet, assign or part with possession of the demised premises for any purpose other than for the shop purposes.
- f) Not to make or permit or cause to be made any alterations in or addition to the demised premises without prior consent in writing of the Lessor.
- g) Not to keep or store in the demised premises mineral oil mineral spirits or liquid fuel or any inflammable liquids.
- h) Not to do or permit or cause to be done anything whereby any policy of insurance is rendered void or voidable.
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- c) That the Lessee performing his obligation shall peacefully hold and enjoy the demised premises without any interruption by the Lessor or those claim through or under him.

6 **PROVIDED ALWAYS** and it is hereby mutually agreed that:-

- a) In the event of the demised premises, or any party thereof at any time during the lease being damaged or destroyed by fire so as to be wholly or partly unfit for use and occupation then the rent thereby reserved or proportion thereof according to the nature of the damage sustained shall be suspended until the demised premises shall again be rendered fit for habitation and use.

I, HENRY SYLVESTER MKUMBI
 Advocate, Notary Public and
 Commissioner for Oaths
 do hereby certify that the foregoing
 is a true and correct copy of the original

Signature Henry Sylvester Mkumbi Date 6/12/2020

Certified true copy of the original Ahmed 6/12/2008

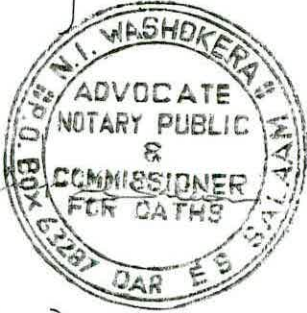


- b) If any covenant on the Lessee's part herein contained shall not be performed or observed, it shall be lawful for the Lessor at any time thereafter to re-enter upon the demised premises or any other part thereof and thereupon the term hereby created under this lease shall forthwith cease and determined but without prejudice to any right of action of the Lessor in respect of any breach of the Lessee's covenants herein contained and subject to the Lessee's rights on the balance of the liability on the money prepaid as rent.
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- d) The Lessee shall pay all electricity and water bills in respect of the demised premises.
- e) The Lessee shall bear the costs of minor repairs such as repairing and or replacing plugs.

SIGNED and DELIVERED at Dar es Salaam by the said **AHMED MOHAMED ALLY** identified to me by.....the later being known to me personally in my presence this 15th Sep. 2007.

[Signature]
.....
AHMED MOHAMED ALLY

SIGNATURE *[Signature]*
POSTAL ADDRESS *P.O. Box 63287*
QUALIFICATION *Advocate*



SIGNED and DELIVERED at Dar es Salaam by the said **RI INTERNATIONAL TRADE TANZANIA LTD** identified to me bythe latter being known to me personally in my presence this 15th day of Sept. 2007

[Signature]
.....
SIGNED BY ZUBINCHEN

SIGNATURE *[Signature]*
POSTAL ADDRESS *P.O. Box 63287*
QUALIFICATION *Advocate*



Regional Manager-Ilala Tax Region
.....
Receipt
.....
Shs
.....
Collected
.....
STAMP DUTY

STAMP DUTY
Shs 60,000/- Collected
Receipt No. 155132 Date 18/9/08
.....
Regional Manager-Ilala Tax Region



No 00215411

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041618

This is to certify that

RI LONG INTERNATIONAL TRADE TANZANIA LTD

P.O. BOX 105033

of address

DAR ES SALAAM

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

RI LONG INTERNATIONAL TRADE TANZANIA LTD

Which is located at

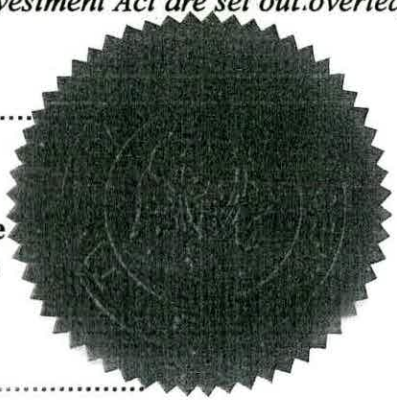
PLOT NO. 11, BLOCK 55, AGGREY STREET

ILALA DISTRICT - DAR ES SALAAM

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

Executive Director

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



Dated 9TH MARCH 2009

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

1. Shareholders
- | | Nationality | Shareholding (%) |
|----------------|-------------|------------------|
| Chen Neng Zhen | Chinese | 50 |
| Chen Zu Bin | Chinese | 25 |
| Chen Zu Yao | Chinese | 25 |
2. Proposed Activities: To establish a project for manufacturing high quality furniture
3. Sector: Manufacturing Subsector: Furniture manufacturer
4. Investment cost: Foreign USD 0.7m. Local - Total USD 0.7m.
5. Project Financing: Equity USD 0.5m. Loans USD 0.2m. Total USD 0.7m.
6. Source, terms and conditions of loan
7. Assets to be invested:
- | Capital items: | Foreign | Local | Total |
|----------------|-----------|-------|-----------|
| | USD 0.7m. | - | USD 0.7m. |
8. Technology Agreement: None
9. Date of TIC Registration: 5th January 2009
10. Implementation period: January 2009 - December 2011
11. Operative date: January 2012
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
- (i) Applicable Import Duty: And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
 - (ii) Applicable with-holding Tax: As per Income Tax Act, 2004 (as amended)
 - (iii) Eligibility of Capital Allowances: As per Income Tax Act, 2004 (as amended)
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
- (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate

Finished goods are not allowed under this Certificate

Signed

Executive Director

**FEASIBILITY STUDY FOR THE
IMPLEMENTATION PROGRAMME**

OF

**M/S RI LONG INTERNATIONAL TRADE
TANZANIA LIMITED**

IN

**ESTABLISHING AND OPERATING A
PROJECT FOR MANUFACTURING HIGH
QUALITY FURNITURE**

PREPARED BY
M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED
P. O. BOX 105033
DAR ES SALAAM
TEL: 0715-600089

**FEASIBILITY STUDY FOR THE
IMPLEMENTATION PROGRAMME**

OF

**M/S RI LONG INTERNATIONAL TRADE
TANZANIA LIMITED**

IN

**ESTABLISHING AND OPERATING A
PROJECT FOR MANUFACTURING HIGH
QUALITY FURNITURE**

PREPARED BY
M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED
P. O. BOX 105033
DAR ES SALAAM
TEL: 0715-600089

**M/S RI LONG INTERNATIONAL TRADE TANZANIA
LIMITED
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M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

INVESTMENT PROPOSAL FOR THE ESTABLISHING AND OPERATING A PROJECT FOR MANUFACTURING HIGH QUALITY FURNITURE

1. INVESTMENT PROPOSAL

This feasibility study has been prepared by **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** for the company's implementation programme in establishing and operating a project for setting up facilities for manufacturing high quality furniture in Dar es Salaam.

The business plan has been prepared to give an analysis of the financial, technical and other resources required for the implementation programme and also assess its economic viability and commercial viability for presentation to the company's promoters (shareholders) in order to allocate funds and machinery as well as equipment to supplement the equity contribution.

2. COMPANY'S BACKGROUND

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED is a private owned company registered/ incorporated in Tanzania by Registrar of companies under company's ordinance **CAP 212**, on **5th** day of **August, 2008** with Certificate of Incorporation **No. 66890**.

The company was incorporated with prime objectives of carrying on business of manufacturing high quality furniture for local and export market. Over the years furniture manufacturing was carried out by local people. However, it was done individually, lacking skills, technology, capital and quality. Some carried out in small scale lacking capital and tools. Hence **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** since it has been incorporated has tried to reduce this over dependence on importing furniture by manufacturing different furniture of high quality. The proposed project will save the foreign currency by manufacturing furniture which people used to import. The company determines to manufacture high quality furniture as well as to increase production capacity.

The main purpose of the project proposal is to establishing and operating facilities for manufacturing high quality furniture to correspond with the growing demand. The quality of company's products will guarantee customer's satisfaction in this intended programme.

There is a very big market for the high quality furniture which influenced the management of **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** to invest in manufacturing them. The proposed project will import machinery from china and install new, modern and sophisticated machinery and use of new Chinese technology.

Hence, in its implementation the proposed project is estimated to cost **USD \$ 700,000**. The estimated capital investment cost will be on new and modern machinery, workshop equipment, utility vehicles and other expenses.

3. MARKET POTENTIAL

There is an extensive market potential for the company's furniture manufactured under this implementation programme as the market is growing day by day especially in urban as well as rural areas for households decorations etc. The intended project in its implementation programme will manufacture high quality furniture.

The market survey undertaken by **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** has realized that there is high demand for high quality furniture which will be made suitable for households, hotels, hostels, apartments, real estates etc

There are number of factors which will make the proposed project to dominate the market like quality and goodwill. There are **few** manufacturers and importers of furniture who can compete with the company's furniture as most of individuals are not prompt and faithfully (honest) and their furniture are of poor quality There is also high demand of company's furniture in neighboring countries.

Later the intended project expects to export the furniture to the neighboring countries in order to earn foreign currency especially in this implementation programme.

4. THE COMPANY'S OBJECTIVES

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED is a project for carrying on business of manufacturing high quality furniture. The mission of project is basically aimed at production and marketing the high quality furniture for local and foreign market in order to achieve the following objectives:-

- To foster the growth of furniture manufacturing industry in Tanzania.
- To reduce dependence on external sources for importation of furniture.
- To promote local markets for locally manufactured furniture.
- To promote export market for locally manufactured furniture.
- To promote brand and quality of locally manufactured furniture.
- To promote growth and expansion of private sector.
- The company will create more employment (more job opportunities from unskilled to professionals/technicians etc.)
- Skill development (human resources development) through on job training and use of modern Chinese machinery and application of new technology (Chinese Technology).
- Income generation, alleviation of poverty and improve their social welfare
- The company contributes to the government revenue through taxes and other levies.

5. PLAN/PROSPECTS

- High production performance.
- To increasing export market to neighboring countries and hence resulting foreign earnings in addition to the prevailing local market.

- To purchase/ import new plant & machinery and workshop equipment with introduction of new Chinese technology.
- To increase the volume of production capacity

6. SHAREHOLDERS (PROMOTERS)

The following sponsors are promoting the proposed project **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED**. These are Directors and shareholders of **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** with their shareholders position.

No	Name of Shareholders	No. of Shares	Nationality	% shareholding structure
1.	Mr. Chen Neng Zhen	5,000	Chinese	50%
2.	Mr. Chen Zu Bin	2,500	Chinese	25%
3.	Mr. Chen Zu Yao	2,500	Chinese	25%
TOTAL		100		100%

The share capital of the company is **Tshs.100, 000,000/=** divided into **10,000** shares of **Tshs. 10,000/=** each, Without prejudice to any special rights previously on the holders of any existing shares or class of shares, in the capital of the company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the company may from time to time by ordinary resolution determine.

7. LOCATION

The company's business premises are located at plot **No.11, Block 55 Aggrey Street, in Ilala District/ Dar es Salaam**. The Postal Address: P. O. Box 105033 Dar es Salaam/ Tanzania, Tel; 0715-600089

8. THE COMPANY'S IMPLEMENTATION SCHEDULE

8.1 DECEMBER - 2008

- Preparing feasibility study for the implementation programme in setting up facilities for manufacturing of High quality furniture.
- Registration with **Tanzania Investment Centre (TIC)** in implementation programme for the proposed project i.e. application for the Certificate of Incentives.

8.2 JANUARY - 2009

- Application for Tax exemption on capital/deemed capital goods after being awarded certificate of incentives.
- Ordering/Importing new machinery, workshop equipment, tools, generators, office equipment, utility vehicles etc.
- Clearing the goods from the customs control (at the Port and Airport)

8.3 FEBRUARY- 2009

- Installing the plant and machinery.
- Recruiting new staffs and training them on new Chinese technology/ skills (on how to operate new plant and machinery).
- Fully commencement of manufacturing of high quality furniture.

9. CAPITAL INVESTMENT COST

Land/Building	USD \$	40,000
Plant/Machinery	USD \$	450,000
Vehicles	USD \$	100,000
Furniture and Fittings	USD \$	10,000
Pre-expenses	USD \$	50,000
Working Capital	USD \$	50,000
TOTAL CAPITAL	USD \$	<u>700,000</u>

10. FINANCIAL PLAN (SOURCE OF FUNDS)

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED is a project for manufacturing high quality furniture. The proposed project has

firmed up finances for the implementation programme by its own foreign funds (equity) and foreign loan:-

Own foreign fund (equity)	USD \$ 500,000
Foreign loan	USD \$ 200,000
TOTAL	<u>USD \$ 700,000</u>

11. SUBMISSION

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED wishes to submit its plan and application to the **Tanzania Investment Centre (TIC)** its proposal for registration and award of Certificate of Incentives in the proposed programme of investing in FURNITURE manufacturing project. This will enable the project to qualify for Tax exemption on Capital/ Deemed Capital Goods.

12. LIST OF MACHINERY & EQUIPMENT FOR FURNITURE MANUFACTURING:

- Woodworking machines,
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- Drilling machines,
- Routers,
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- Bend saw,
- Cutting machines,
- Jig saw,
- Chisel,
- Glueing machines,
- Clamps,
- Vices,
- Hand Saw,
- Files,
- Moulding machines,
- Tape fixing machines,
- Hammers, Spraying machines, compressors, generators etc

13. RAW MATERIALS:-

- MDF/ Boards,
- Varnish,
- Glue,
- Handles & Fittings.

14. **PLANT LAYOUT**

PLANNING
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CUTTING
1
JOINING & DESIGNING
1
SANDERING
1
FINISHING & POLISHING
(HANDLES, GLUEING & FITTING SECTION).

15. **ECONOMIC GROWTH**

The positive economic growth which had been registered in Tanzania have attracted more investments in the country, which resulted an increase in purchasing power of people, hence increase in demand for traveling bags & suitcases and other things.

16. **COMPETITION/MARKET**

Though there are number of importers and manufacturers of furniture in Tanzania, still the supply is not enough compared to the level of demand.

However, the company expects to dominate the local and export market because of the quality of the furniture. Also the prices of the furniture will be affordable.

The other factors which the company is proud of in dominating the markets are promptness and goodwill.

17. **PROMOTION/ ADVERTISEMENT**

Promotion/ advertisement, is one of the marketing strategies and aids to trade. The company will advertise its products in the newspapers, street banners and later on in the televisions.

18. **BUSINESS STRATEGY**

Management of the company has developed and implemented some strategies in order to increase productivity, meet the growing demand and dominate the entire market. These business strategies are technology/

product quality, Advertisement/ promotion, employing qualified and experienced personnel, on job training, business discipline etc

19. ENVIRONMENTAL ISSUE

All the project's operations will be carried out in environmental friendly matter. For example- manufacturing, workshop and service operations.

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The overall management of the **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** is vested in the Board of directors. Mr. Chen Neng Zhen is the Managing Director of the company; he is well versed in manufacturing of furniture. The other Directors are: Mr. Chen Zu Bin and Chen Zu Yao.

21. MANPOWER AND TRANSFER OF TECHNOLOGY

This project being manufacturer of furniture, in its implementation programme will usher in the country Chinese technology (Transfer of knowledge/technology). The advantages to the country are quite significant, and will get the advantage of value addition due to such incoming technology.

Further the country can reduce its dependence on importation of furniture. Hence Tanzanians will be able to purchase high quality furniture manufactured locally at a reasonable price.

The programme will cause more people to be employed about **25** local people and raise their income, improve their social welfare and pay taxes; it is poverty alleviation programme to them.

Local employees will get on job training on carpentry and metal engineering work and in long run will improve the technical competence in manufacturing of high quality furniture.

22. CONCLUSION AND RECOMMENDATION

The financial evaluation of the proposed project done so far indicates that this programme will be profitable both economically and financially viable venture.

The management being experienced businessmen possess ample managerial capabilities in various business disciplines. Based on the above factors, it is recommended that the company should be granted the certificate of incentives for the proposed programme so as to enjoy tax exemption on capital/deemed capital goods and increase its production capacity.

23. FINANCIAL AND ECONOMIC ANALYSIS

23.1 Projected Profit and Loss Account

The company envisages generating a profit of **USD \$ 100,000** this operating year. The profit amount is expected to steadily rise to **USD \$ 120,000** in year two, **USD \$ 140,000** in year three and **USD \$ 160,000** in year four.

23.2 Projected cash flows

The projected cash flows for the next five years indicate that the company will have enough funds to service/repay the loan and interest payments. Hence the financial obligations will be met in a timely fashion.

24. SENSITIVITY ANALYSIS

To assess further the viability of the implementation project, sensitivity analysis has been worked out on the basis of several unfavourable conditions that might negatively affect the operations of **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED**

24.1 Effect of cost increase on profitability (on the basis of year II Furniture income in USD \$)

Income	Costs	Increase	Profit before depreciation
340,000	220,000	%	120,000
340,000	231,000	5%	109,000
340,000	242,000	10%	98,000

24.2 Effect of Furniture income decrease/drop on profitability (on the basis of year II costs in USD \$)

Income	Income Decrease	Cost	Profit before depreciation
340,000	%	220,000	120,000
323,000	5%	220,000	103,000
306,000	10%	220,000	86,000

The viability/profitability of the company operations appears more sensitive to sale income/revenue than increase in the operating costs. This implies that the company should strive to maintain the existing market and undertake an aggressive marketing strategy to hire more clients and expand its market or clients base.

Appendix I

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PROJECTED INCOME STATEMENT

Income	Years			
	I	II	III	IV
Sales Income	300.0	340.0	375.0	460.0
Total Income	300.0	340.0	375.0	460.0
Machinery & equipments	100.0	100.0	100.0	150.0
Utilities	40.0	50.0	60.0	70.0
Salaries and wages	30.0	30.0	35.0	40.0
Transportation/fuel	10.0	15.0	15.0	20.0
Administrative expenses	20.0	25.0	25.0	30.0
Total Expenditure	200.0	220.0	235.0	300.0
Net Profit (pre tax and depreciation)	100.0	120.0	140.0	160.0

Appendix II

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PROJECTED CASHFLOW STATEMENT

(Fig. USD \$ '000')

Year	I	II	III	IV	V	Total
Cash inflow						
Income from operation	100.0	120.0	140.0	160.0	180.0	700.0
	100.0	120.0	140.0	160.0	180.0	700.0
Cash outflow						
Interest payments	20.0	16.0	12.0	8.0	4.0	60.0
Loan re-payment	40.0	40.0	40.0	40.0	40.0	200.0
Taxes	10.0	12.0	15.0	17.0	20.0	74.0
Wear and tear	5.0	5.0	5.0	5.0	5.0	25.0
	75.0	73.0	72.0	70.0	69.0	359.0
Surplus cash generated	25.0	47.0	68.0	90.0	111.0	341.0

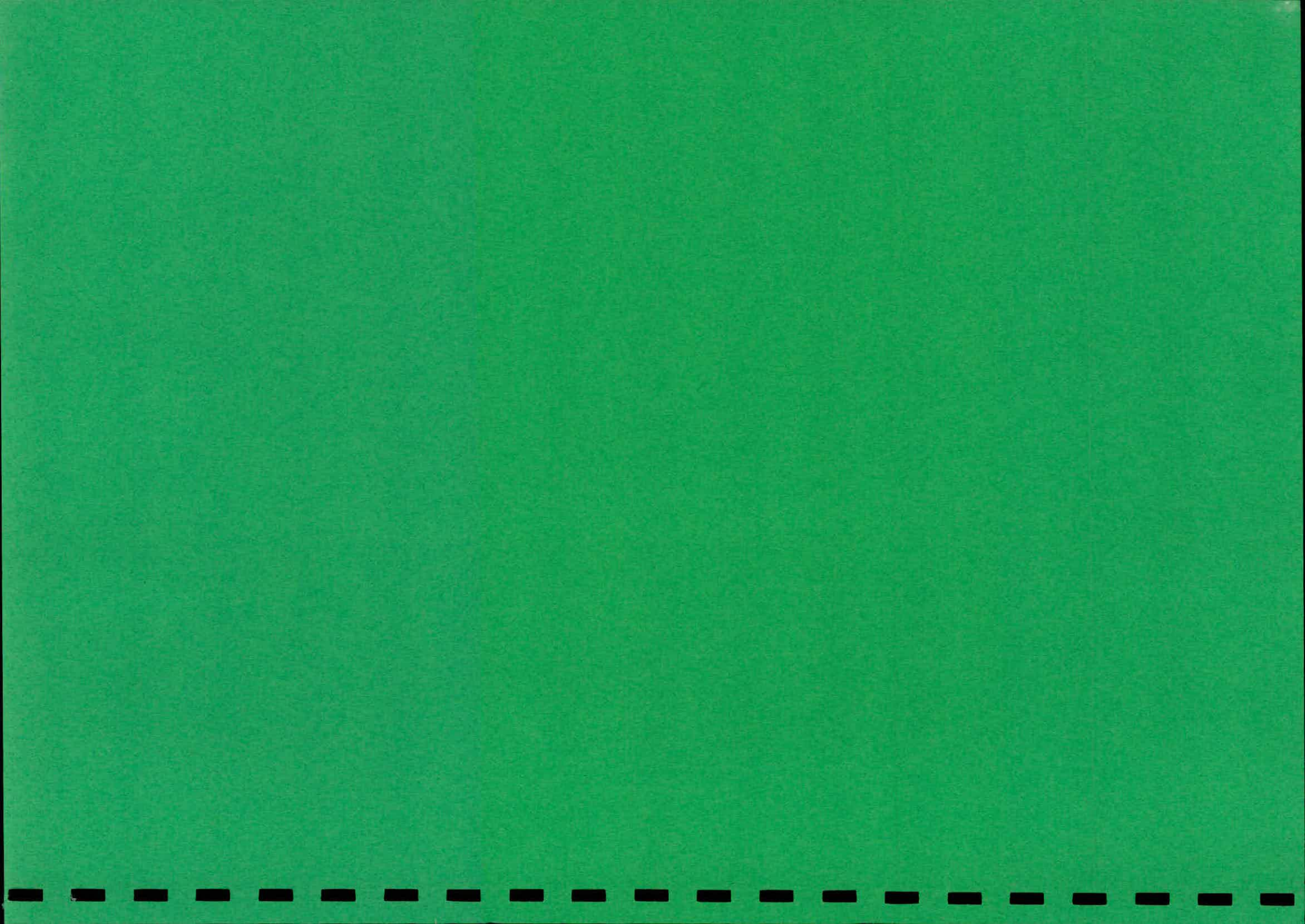
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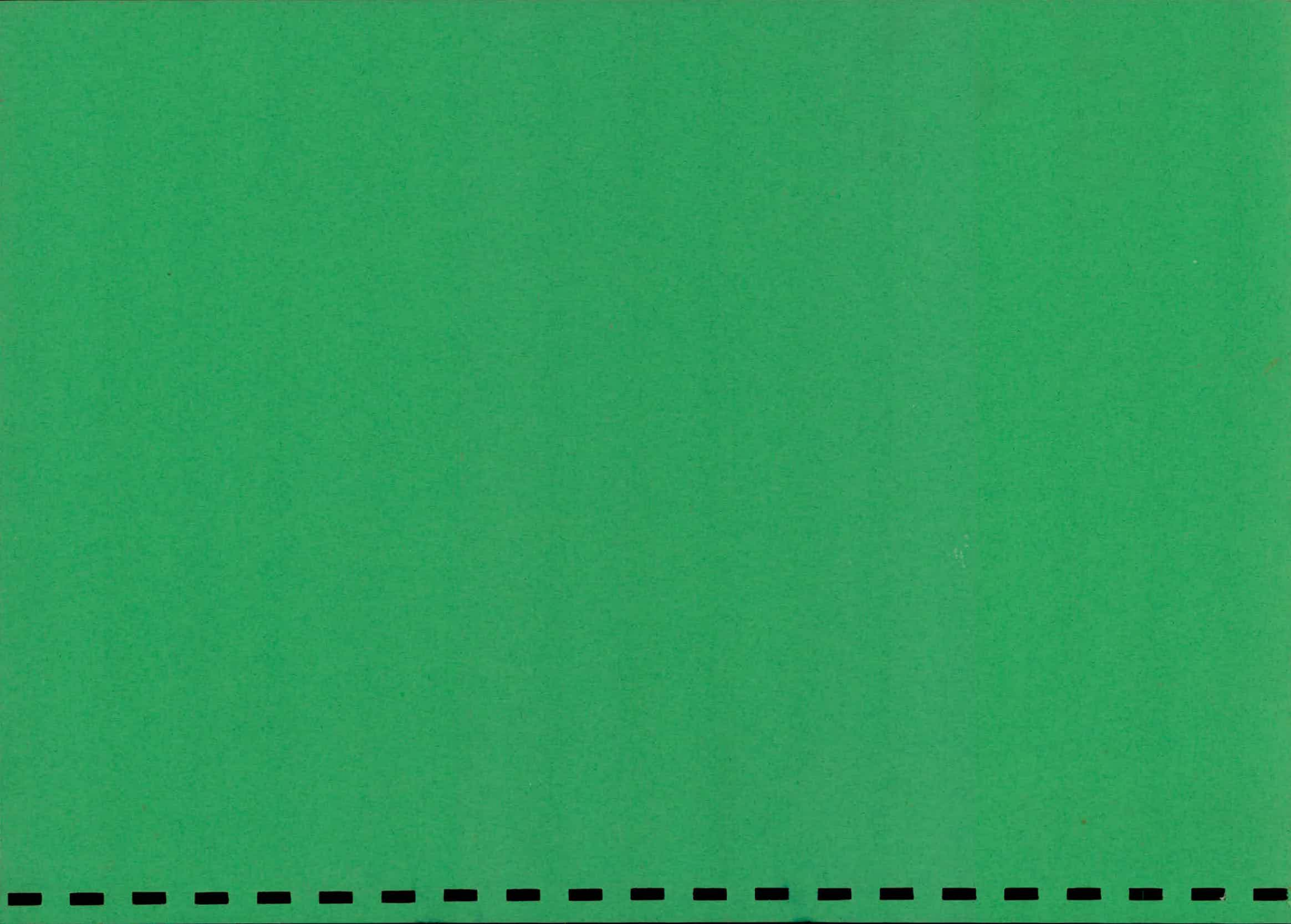
M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PROJECTED LONG TERM LOAN REPAYMENT

(Fig. in USD \$ '000')

Year	Repayment			
	Principal	Interest	Total	Amount
0				200.0
I	40.0	20.0	60.0	160.0
II	40.0	16.0	56.0	120.0
III	40.0	12.0	52.0	80.0
IV	40.0	8.0	48.0	40.0
V	40.0	4.0	44.0	0.0





**FEASIBILITY STUDY FOR THE
IMPLEMENTATION PROGRAMME**

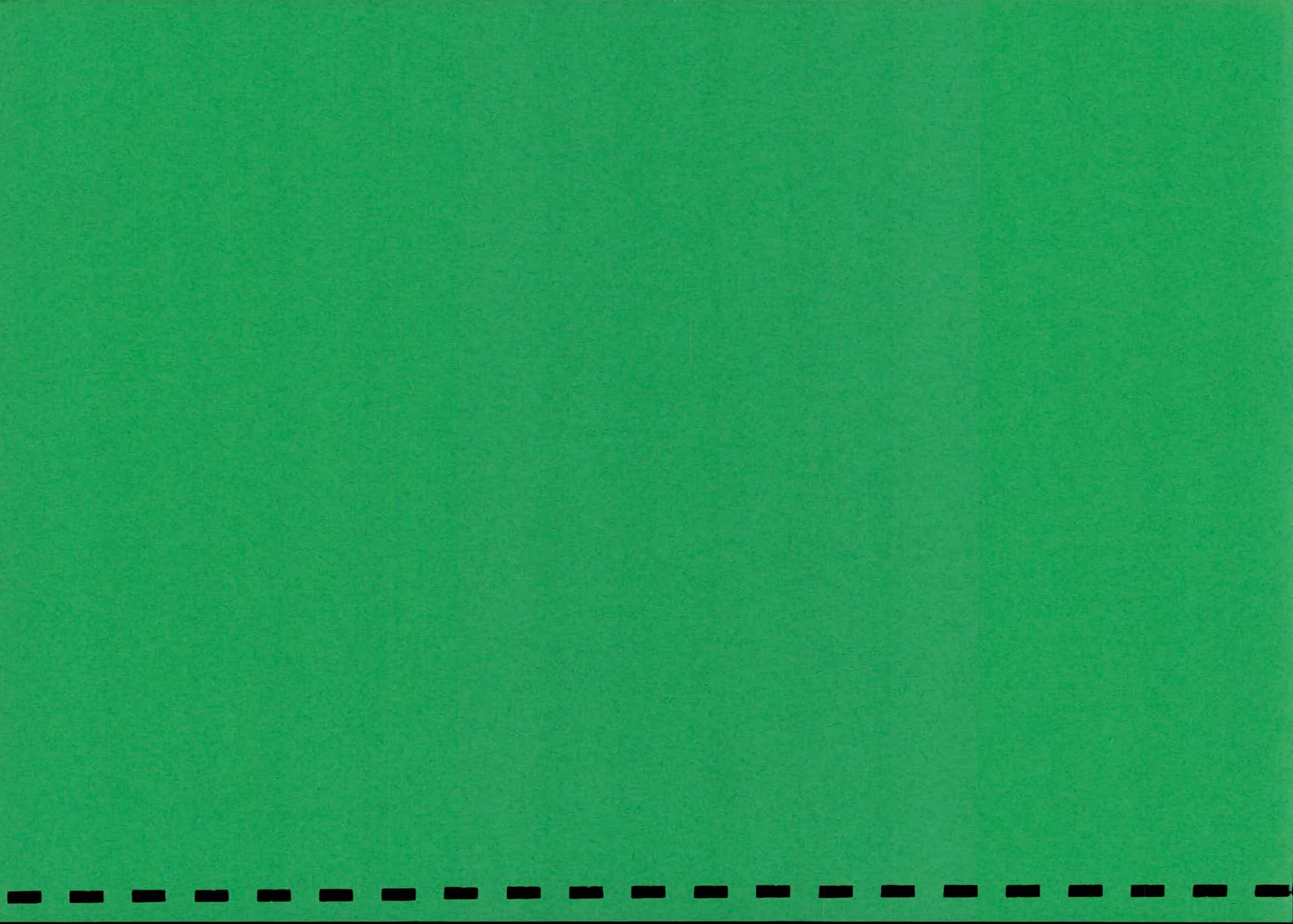
OF

**M/S RI LONG INTERNATIONAL TRADE
TANZANIA LIMITED**

IN

**ESTABLISHING AND OPERATING A
PROJECT FOR MANUFACTURING HIGH
QUALITY FURNITURE**

PREPARED BY
M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED
P. O. BOX 105033
DAR ES SALAAM
TEL: 0715-600089



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**M/S RI LONG INTERNATIONAL TRADE TANZANIA
LIMITED
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M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

INVESTMENT PROPOSAL FOR THE ESTABLISHING AND OPERATING A PROJECT FOR MANUFACTURING HIGH QUALITY FURNITURE

1. INVESTMENT PROPOSAL

This feasibility study has been prepared by **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** for the company's implementation programme in establishing and operating a project for setting up facilities for manufacturing high quality furniture in Dar es Salaam.

The business plan has been prepared to give an analysis of the financial, technical and other resources required for the implementation programme and also assess its economic viability and commercial viability for presentation to the company's promoters (shareholders) in order to allocate funds and machinery as well as equipment to supplement the equity contribution.

2. COMPANY'S BACKGROUND

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED is a private owned company registered/ incorporated in Tanzania by Registrar of companies under company's ordinance **CAP 212**, on **5th** day of **August,2008** with Certificate of Incorporation **No. 66890**.

The company was incorporated with prime objectives of carrying on business of manufacturing high quality furniture for local and export market. Over the years furniture manufacturing was carried out by local people. However, it was done individually, lacking skills, technology, capital and quality. Some carried out in small scale lacking capital and tools. Hence **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** since it has been incorporated has tried to reduce this over dependence on importing furniture by manufacturing different furniture of high quality. The proposed project will save the foreign currency by manufacturing furniture which people used to import. The company determines to manufacture high quality furniture as well as to increase production capacity.

The main purpose of the project proposal is to establishing and operating facilities for manufacturing high quality furniture to correspond with the growing demand. The quality of company's products will guarantee customer's satisfaction in this intended programme.

There is a very big market for the high quality furniture which influenced the management of **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** to invest in manufacturing them. The proposed project will import machinery from china and install new, modern and sophisticated machinery and use of new Chinese technology.

Hence, in its implementation the proposed project is estimated to cost **USD \$ 700,000**. The estimated capital investment cost will be on new and modern machinery, workshop equipment, utility vehicles and other expenses.

3. MARKET POTENTIAL

There is an extensive market potential for the company's furniture manufactured under this implementation programme as the market is growing day by day especially in urban as well as rural areas for households decorations etc. The intended project in its implementation programme will manufacture high quality furniture.

The market survey undertaken by **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** has realized that there is high demand for high quality furniture which will be made suitable for households, hotels, hostels, apartments, real estates etc

There are number of factors which will make the proposed project to dominate the market like quality and goodwill. There are **few** manufacturers and importers of furniture who can compete with the company's furniture as most of individuals are not prompt and faithfully (honest) and their furniture are of poor quality There is also high demand of company's furniture in neighboring countries.

Later the intended project expects to export the furniture to the neighboring countries in order to earn foreign currency especially in this implementation programme.

4. THE COMPANY'S OBJECTIVES

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED is a project for carrying on business of manufacturing high quality furniture. The mission of project is basically aimed at production and marketing the high quality furniture for local and foreign market in order to achieve the following objectives:-

- To foster the growth of furniture manufacturing industry in Tanzania.
- To reduce dependence on external sources for importation of furniture.
- To promote local markets for locally manufactured furniture.
- To promote export market for locally manufactured furniture.
- To promote brand and quality of locally manufactured furniture.
- To promote growth and expansion of private sector.
- The company will create more employment (more job opportunities from unskilled to professionals/technicians etc.)
- Skill development (human resources development) through on job training and use of modern Chinese machinery and application of new technology (Chinese Technology).
- Income generation, alleviation of poverty and improve their social welfare
- The company contributes to the government revenue through taxes and other levies.

5. PLAN/PROSPECTS

- High production performance.
- To increasing export market to neighboring countries and hence resulting foreign earnings in addition to the prevailing local market.

- To purchase/ import new plant & machinery and workshop equipment with introduction of new Chinese technology.
- To increase the volume of production capacity

6. SHAREHOLDERS (PROMOTERS)

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7. LOCATION

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8.3 FEBRUARY- 2009

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Vehicles	USD \$	100,000
Furniture and Fittings	USD \$	10,000
Pre-expenses	USD \$	50,000
Working Capital	USD \$	50,000
TOTAL CAPITAL	USD \$	<u>700,000</u>

10. FINANCIAL PLAN (SOURCE OF FUNDS)

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED is a project for manufacturing high quality furniture. The proposed project has

firmed up finances for the implementation programme by its own foreign funds (equity) and foreign loan:-

Own foreign fund (equity)	USD \$ 500,000
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	I	II	III	IV
Sales Income	300.0	340.0	375.0	460.0
Total Income	300.0	340.0	375.0	460.0
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Administrative expenses	20.0	25.0	25.0	30.0
Total Expenditure	200.0	220.0	235.0	300.0
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Appendix II

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PROJECTED CASHFLOW STATEMENT

(Fig. USD \$ '000')

Year	I	II	III	IV	V	Total
Cash inflow						
Income from operation	100.0	120.0	140.0	160.0	180.0	700.0
	100.0	120.0	140.0	160.0	180.0	700.0
Cash outflow						
Interest payments	20.0	16.0	12.0	8.0	4.0	60.0
Loan re-payment	40.0	40.0	40.0	40.0	40.0	200.0
Taxes	10.0	12.0	15.0	17.0	20.0	74.0
Wear and tear	5.0	5.0	5.0	5.0	5.0	25.0
	75.0	73.0	72.0	70.0	69.0	359.0
Surplus cash generated	25.0	47.0	68.0	90.0	111.0	341.0

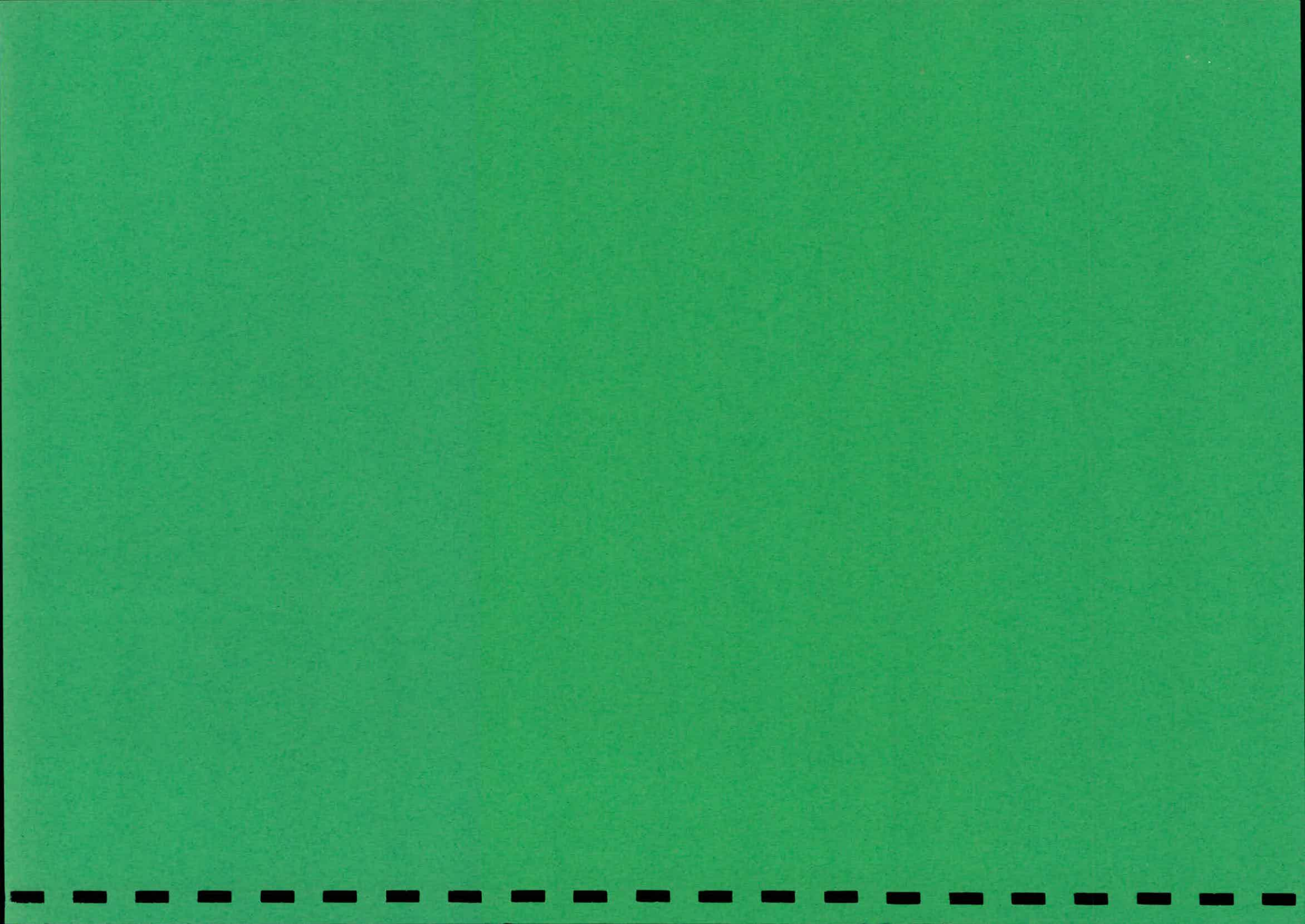
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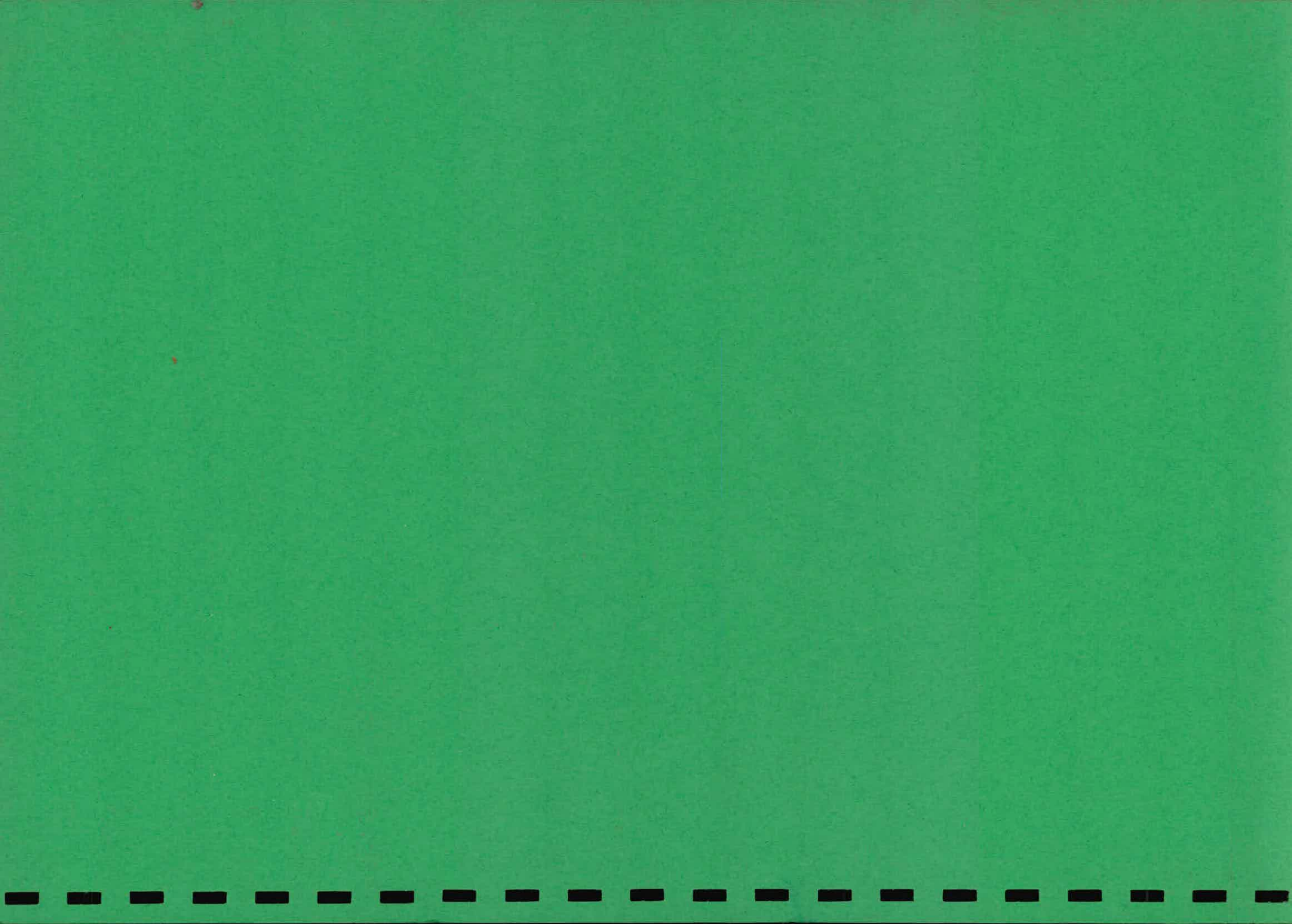
M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PROJECTED LONG TERM LOAN REPAYMENT

(Fig. in USD \$ '000')

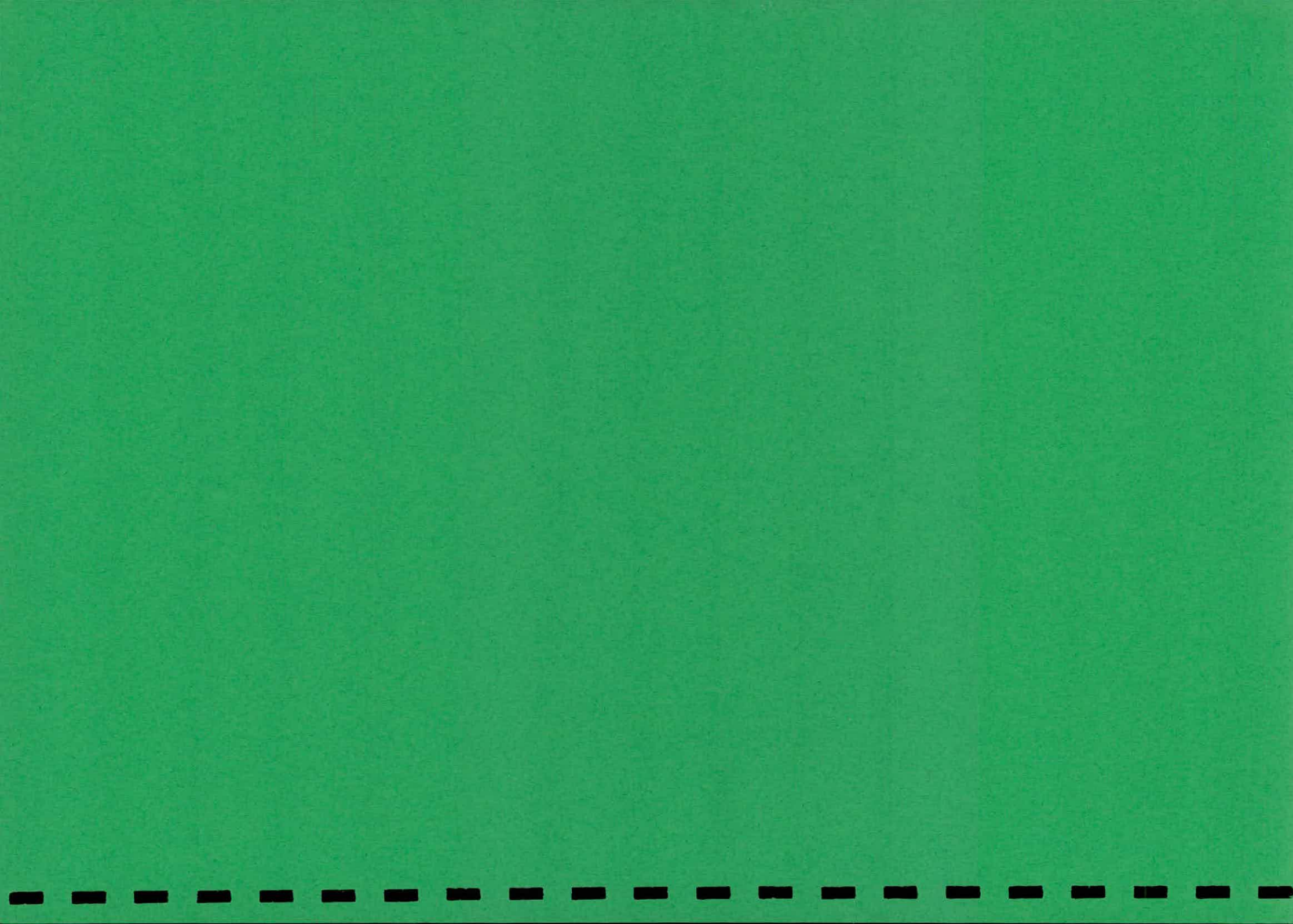
Year	Repayment			Amount
	Principal	Interest	Total	
O				200.0
I	40.0	20.0	60.0	160.0
II	40.0	16.0	56.0	120.0
III	40.0	12.0	52.0	80.0
IV	40.0	8.0	48.0	40.0
V	40.0	4.0	44.0	0.0





**FEASIBILITY STUDY FOR THE
IMPLEMENTATION PROGRAMME
OF
M/S RI LONG INTERNATIONAL TRADE
TANZANIA LIMITED
IN
ESTABLISHING AND OPERATING A
PROJECT FOR MANUFACTURING HIGH
QUALITY FURNITURE**

PREPARED BY
M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED
P. O. BOX 105033
DAR ES SALAAM
TEL: 0715-600089



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**M/S RI LONG INTERNATIONAL TRADE TANZANIA
LIMITED
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M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

INVESTMENT PROPOSAL FOR THE ESTABLISHING AND OPERATING A PROJECT FOR MANUFACTURING HIGH QUALITY FURNITURE

1. INVESTMENT PROPOSAL

This feasibility study has been prepared by **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** for the company's implementation programme in establishing and operating a project for setting up facilities for manufacturing high quality furniture in Dar es Salaam.

The business plan has been prepared to give an analysis of the financial, technical and other resources required for the implementation programme and also assess its economic viability and commercial viability for presentation to the company's promoters (shareholders) in order to allocate funds and machinery as well as equipment to supplement the equity contribution.

2. COMPANY'S BACKGROUND

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED is a private owned company registered/ incorporated in Tanzania by Registrar of companies under company's ordinance **CAP 212**, on **5th** day of **August,2008** with Certificate of Incorporation **No. 66890**.

The company was incorporated with prime objectives of carrying on business of manufacturing high quality furniture for local and export market. Over the years furniture manufacturing was carried out by local people. However, it was done individually, lacking skills, technology, capital and quality. Some carried out in small scale lacking capital and tools. Hence **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** since it has been incorporated has tried to reduce this over dependence on importing furniture by manufacturing different furniture of high quality. The proposed project will save the foreign currency by manufacturing furniture which people used to import. The company determines to manufacture high quality furniture as well as to increase production capacity.

The main purpose of the project proposal is to establishing and operating facilities for manufacturing high quality furniture to correspond with the growing demand. The quality of company's products will guarantee customer's satisfaction in this intended programme.

There is a very big market for the high quality furniture which influenced the management of **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** to invest in manufacturing them. The proposed project will import machinery from china and install new, modern and sophisticated machinery and use of new Chinese technology.

Hence, in its implementation the proposed project is estimated to cost **USD \$ 700,000**. The estimated capital investment cost will be on new and modern machinery, workshop equipment, utility vehicles and other expenses.

3. MARKET POTENTIAL

There is an extensive market potential for the company's furniture manufactured under this implementation programme as the market is growing day by day especially in urban as well as rural areas for households decorations etc. The intended project in its implementation programme will manufacture high quality furniture.

The market survey undertaken by **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** has realized that there is high demand for high quality furniture which will be made suitable for households, hotels, hostels, apartments, real estates etc

There are number of factors which will make the proposed project to dominate the market like quality and goodwill. There are **few** manufacturers and importers of furniture who can compete with the company's furniture as most of individuals are not prompt and faithfully (honest) and their furniture are of poor quality There is also high demand of company's furniture in neighboring countries.

Later the intended project expects to export the furniture to the neighboring countries in order to earn foreign currency especially in this implementation programme.

4. THE COMPANY'S OBJECTIVES

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED is a project for carrying on business of manufacturing high quality furniture. The mission of project is basically aimed at production and marketing the high quality furniture for local and foreign market in order to achieve the following objectives:-

- To foster the growth of furniture manufacturing industry in Tanzania.
- To reduce dependence on external sources for importation of furniture.
- To promote local markets for locally manufactured furniture.
- To promote export market for locally manufactured furniture.
- To promote brand and quality of locally manufactured furniture.
- To promote growth and expansion of private sector.
- The company will create more employment (more job opportunities from unskilled to professionals/technicians etc.)
- Skill development (human resources development) through on job training and use of modern Chinese machinery and application of new technology (Chinese Technology).
- Income generation, alleviation of poverty and improve their social welfare
- The company contributes to the government revenue through taxes and other levies.

5. PLAN/PROSPECTS

- High production performance.
- To increasing export market to neighboring countries and hence resulting foreign earnings in addition to the prevailing local market.

- To purchase/ import new plant & machinery and workshop equipment with introduction of new Chinese technology.
- To increase the volume of production capacity

6. SHAREHOLDERS (PROMOTERS)

The following sponsors are promoting the proposed project **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED**. These are Directors and shareholders of **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** with their shareholders position.

No	Name of Shareholders	No. of Shares	Nationality	% shareholding structure
1.	Mr. Chen Neng Zhen	5,000	Chinese	50%
2.	Mr. Chen Zu Bin	2,500	Chinese	25%
3.	Mr. Chen Zu Yao	2,500	Chinese	25%
TOTAL		100		100%

The share capital of the company is **Tshs.100, 000,000/=** divided into **10,000** shares of **Tshs. 10,000/=** each, Without prejudice to any special rights previously on the holders of any existing shares or class of shares, in the capital of the company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the company may from time to time by ordinary resolution determine.

7. LOCATION

The company's business premises are located at plot **No.11, Block 55 Aggrey Street, in Ilala District/ Dar es Salaam**. The Postal Address: P. O. Box 105033 Dar es Salaam/ Tanzania, Tel; 0715-600089

8. THE COMPANY'S IMPLEMENTATION SCHEDULE

8.1 DECEMBER - 2008

- Preparing feasibility study for the implementation programme in setting up facilities for manufacturing of High quality furniture.
- Registration with **Tanzania Investment Centre (TIC)** in implementation programme for the proposed project i.e. application for the Certificate of Incentives.

8.2 JANUARY - 2009

- Application for Tax exemption on capital/deemed capital goods after being awarded certificate of incentives.
- Ordering/Importing new machinery, workshop equipment, tools, generators, office equipment, utility vehicles etc.
- Clearing the goods from the customs control (at the Port and Airport)

8.3 FEBRUARY- 2009

- Installing the plant and machinery.
- Recruiting new staffs and training them on new Chinese technology/ skills (on how to operate new plant and machinery).
- Fully commencement of manufacturing of high quality furniture.

9. CAPITAL INVESTMENT COST

Land/Building	USD \$	40,000
Plant/Machinery	USD \$	450,000
Vehicles	USD \$	100,000
Furniture and Fittings	USD \$	10,000
Pre-expenses	USD \$	50,000
Working Capital	USD \$	50,000
TOTAL CAPITAL	USD \$	<u>700,000</u>

10. FINANCIAL PLAN (SOURCE OF FUNDS)

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED is a project for manufacturing high quality furniture. The proposed project has

firmed up finances for the implementation programme by its own foreign funds (equity) and foreign loan:-

Own foreign fund (equity)	USD \$ 500,000
Foreign loan	USD \$ 200,000
TOTAL	<u>USD \$ 700,000</u>

11. SUBMISSION

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED wishes to submit its plan and application to the **Tanzania Investment Centre (TIC)** its proposal for registration and award of Certificate of Incentives in the proposed programme of investing in FURNITURE manufacturing project. This will enable the project to qualify for Tax exemption on Capital/ Deemed Capital Goods.

12. LIST OF MACHINERY & EQUIPMENT FOR FURNITURE MANUFACTURING:

- Woodworking machines,
- Planners,
- Drilling machines,
- Routers,
- Sandering machines,
- Bend saw,
- Cutting machines,
- Jig saw,
- Chisel,
- Glueing machines,
- Clamps,
- Vices,
- Hand Saw,
- Files,
- Moulding machines,
- Tape fixing machines,
- Hammers, Spraying machines, compressors, generators etc

13. RAW MATERIALS:-

- MDF/ Boards,
- Varnish,
- Glue,
- Handles & Fittings.

14. **PLANT LAYOUT**

PLANNING
1
CUTTING
1
JOINING & DESIGNING
1
SANDERING
1
FINISHING & POLISHING
(HANDLES, GLUEING & FITTING SECTION).

15. **ECONOMIC GROWTH**

The positive economic growth which had been registered in Tanzania have attracted more investments in the country, which resulted an increase in purchasing power of people, hence increase in demand for traveling bags & suitcases and other things.

16. **COMPETITION/MARKET**

Though there are number of importers and manufacturers of furniture in Tanzania, still the supply is not enough compared to the level of demand.

However, the company expects to dominate the local and export market because of the quality of the furniture. Also the prices of the furniture will be affordable.

The other factors which the company is proud of in dominating the markets are promptness and goodwill.

17. **PROMOTION/ ADVERTISEMENT**

Promotion/ advertisement, is one of the marketing strategies and aids to trade. The company will advertise its products in the newspapers, street banners and later on in the televisions.

18. **BUSINESS STRATEGY**

Management of the company has developed and implemented some strategies in order to increase productivity, meet the growing demand and dominate the entire market. These business strategies are technology/

product quality, Advertisement/ promotion, employing qualified and experienced personnel, on job training, business discipline etc

19. ENVIRONMENTAL ISSUE

All the project's operations will be carried out in environmental friendly matter. For example- manufacturing, workshop and service operations.

20. PROJECT MANAGEMENT

The overall management of the **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED** is vested in the Board of directors. Mr. Chen Neng Zhen is the Managing Director of the company; he is well versed in manufacturing of furniture. The other Directors are: Mr. Chen Zu Bin and Chen Zu Yao.

21. MANPOWER AND TRANSFER OF TECHNOLOGY

This project being manufacturer of furniture, in its implementation programme will usher in the country Chinese technology (Transfer of knowledge/technology). The advantages to the country are quite significant, and will get the advantage of value addition due to such incoming technology.

Further the country can reduce its dependence on importation of furniture. Hence Tanzanians will be able to purchase high quality furniture manufactured locally at a reasonable price.

The programme will cause more people to be employed about **25** local people and raise their income, improve their social welfare and pay taxes; it is poverty alleviation programme to them.

Local employees will get on job training on carpentry and metal engineering work and in long run will improve the technical competence in manufacturing of high quality furniture.

22. CONCLUSION AND RECOMMENDATION

The financial evaluation of the proposed project done so far indicates that this programme will be profitable both economically and financially viable venture.

The management being experienced businessmen process ample managerial capabilities in various business disciplines. Based on the above factors, it is recommended that the company should be granted the certificate of incentives for the proposed programme so as to enjoy tax exemption on capital/deemed capital goods and increase its production capacity.

23. FINANCIAL AND ECONOMIC ANALYSIS

23.1 Projected Profit and Loss Account

The company envisages generating a profit of **USD \$ 100,000** this operating year. The profit amount is expected to steadily rise to **USD \$ 120,000** in year two, **USD \$ 140,000** in year three and **USD \$ 160,000** in year four.

23.2 Projected cash flows

The projected cash flows for the next five years indicate that the company will have enough funds to service/repay the loan and interest payments. Hence the financial obligations will be met in a timely fashion.

24. SENSITIVITY ANALYSIS

To assess further the viability of the implementation project, sensitivity analysis has been worked out on the basis of several unfavourable conditions that might negatively affect the operations of **M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED**

24.1 Effect of cost increase on profitability (on the basis of year II Furniture income in **USD \$**)

Income	Costs	Increase	Profit before depreciation
340,000	220,000	%	120,000
340,000	231,000	5%	109,000
340,000	242,000	10%	98,000

24.2 Effect of Furniture income decrease/drop on profitability (on the basis of year II costs in USD \$)

Income	Income Decrease	Cost	Profit before depreciation
340,000	%	220,000	120,000
323,000	5%	220,000	103,000
306,000	10%	220,000	86,000

The viability/profitability of the company operations appears more sensitive to sale income/revenue than increase in the operating costs. This implies that the company should strive to maintain the existing market and undertake an aggressive marketing strategy to hire more clients and expand its market or clients base.

Appendix I

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PROJECTED INCOME STATEMENT

Income	Years			
	I	II	III	IV
Sales Income	300.0	340.0	375.0	460.0
Total Income	300.0	340.0	375.0	460.0
Machinery & equipments	100.0	100.0	100.0	150.0
Utilities	40.0	50.0	60.0	70.0
Salaries and wages	30.0	30.0	35.0	40.0
Transportation/fuel	10.0	15.0	15.0	20.0
Administrative expenses	20.0	25.0	25.0	30.0
Total Expenditure	200.0	220.0	235.0	300.0
Net Profit (pre tax and depreciation)	100.0	120.0	140.0	160.0

Appendix II

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PROJECTED CASHFLOW STATEMENT

(Fig. USD \$ '000')

Year	I	II	III	IV	V	Total
Cash inflow						
Income from operation	100.0	120.0	140.0	160.0	180.0	700.0
	100.0	120.0	140.0	160.0	180.0	700.0
Cash outflow						
Interest payments	20.0	16.0	12.0	8.0	4.0	60.0
Loan re-payment	40.0	40.0	40.0	40.0	40.0	200.0
Taxes	10.0	12.0	15.0	17.0	20.0	74.0
Wear and tear	5.0	5.0	5.0	5.0	5.0	25.0
	75.0	73.0	72.0	70.0	69.0	359.0
Surplus cash generated	25.0	47.0	68.0	90.0	111.0	341.0

Appendix III

M/S RI LONG INTERNATIONAL TRADE TANZANIA LIMITED

PROJECTED LONG TERM LOAN REPAYMENT

(Fig. in USD \$ '000')

Year	Repayment			Amount
	Principal	Interest	Total	
O				200.0
I	40.0	20.0	60.0	160.0
II	40.0	16.0	56.0	120.0
III	40.0	12.0	52.0	80.0
IV	40.0	8.0	48.0	40.0
V	40.0	4.0	44.0	0.0

