

CNT INVESTMENT COMP

LID

EXD

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 1.0 M
- (b) Legal entity has been incorporated under certificate No. 67812 of 07/10/2008

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

9th April 2009

EXD

In response to the TIC letter of registration dated 9th April 2009

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from Agreement Bank of China
- (c) Bank loan Agreement as evidence of lend

With the above submission EXD is requested to sign Certificate of Incentives No. 041677 herein attached.

19/05/09



DIF

DIF

3. M/s CNT Investment Co. Ltd has changed project location to Plot No. 21/24 Rajpindhari Street, Gherani Indusrial Area, Valsa Dsr. TIC. It is requested to amend the certificate of Investment to reflect the new project location. I submit for your kind consideration and approval
JL
SIFPS
28.06.2010

4. ERD (Fio/11)

M/s CNT Investment Co. Ltd has changed its project location as requested on Fio and lease agreement (Fij) Amendment of OI has been made to change location and it is hereby submitted to you for your approval and signature.



A.G. DIF

21/07/2010

Plot 57, Mandela Road Light Industrial Area,

Calls: +255 755 258 138

P. O. Box 106267 Dar es Salaam

+255-768 100 000

23/03/09

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

Sir/Madam



Re: Application for a Certificate of Incentives

We have pleasure to apply for a Certificate of incentives from TIC for our company CNT INVESTMENT COMPANY LIMITED, which has been established to invest in electronics assembling factory, at plot 57, along Mandela road in Dar es Salaam. If granted, the project will use the certificate to purchase building materials, machinery and other equipments for its establishment. We are applying to your office for the Certificate of Incentives to help us implement this project successfully.

Attachments

- i. Copies of application form
- ii. Copies of business plan
- iii. A memorandum
- iv. A copy of a certificate of incorporation
- v. Land ownership evidence
- vi. Bank Letter
- vii. Board Resolution

Regards

Devis
DIRECTOR

Devis
640

Dear MR/MS

Our bank have to wear JIAHUI GOU customers ,the banks in good standing ,has no adverse record irregularities.

Agricultural Bank of China

March 20 2009



Dear MR/MS

Our bank have to wear XIAO WU DAI customers ,the banks in good standing ,has no adverse record irregularities.

Agricultural Bank of China

March 20 2009



CNT INVESTMENT COMPANY LIMITED

Plot 57, Mandela Road Light Industrial Area,

Calls: +255 755 258 138

P. O. Box 106267 Dar es Salaam

+255-768 100 000

BOARD RESOLUTION

We the board members have agreed to establish a company which will operate a project that will be called CNT INVESTMENT COMPANY LIMITED. The project will use a capital of more than United States \$ 800,000.00 to purchase machinery, hire land to establish factory premises, buy vehicles, pay salaries and raw materials.

Signed



Board Chairperson



Board Secretary

LEASE AGREEMENT

This agreement is made this 25 day of March, 2009

BETWEEN

Ahmer Mohamed Mbarak of P. O. BOX 668, Dar es Salaam hereinafter referred to as **LESSOR** of one part.

AND

CNT Investment Company Limited of P. O. Box 106267, Dar es Salaam hereinafter referred to as **LESSEE** of the other part.

Where as the is a lawful owner of the premises at Plot 57, Mandela Road Light Industrial Area in Dar es Salaam hereinafter referred to as **the PREMISE**

Whereas the lesser is desirous of leasing the structure premises to lessee and the lessee is desirous of renting the same.

NOW THEREFORE THIS DEED WITNESSES AS FOLLOWS:

1. The premises are leased for ten years at a rent of Tshs 200,000/- per month.
2. The renting period is divided into two equal periods of rent payments that is five years whose rent is equals a total of Tshs 12,000,000/- (twelve million only) payable in one installment up on signing this contract.
3. That by signing this contract the Lessor acknowledges receipt of the agreed Tshs 12,000,000/- (twelve million only) and the Lessee signifies the rent payment in full.
4. That the leased premises shall be used for commercial purposes only.
5. That this agreement shall be operative for ten years from March 15th, 2009 to March 15th, 2020, save that upon expiry of the same, the two parties may sit and agree on the continuation or otherwise of the lease on a new terms, provided that the lessee gives to the lessor a three (3) months notice prior to expiry date, of the intention to enter leasehold.

6. That the lessee shall do renovations as per business requirements and will bear all the costs incurred therein.
7. That the Lessee shall bear all electricity and water bills.
8. That the lessee shall keep the leased premises in a good and rentable state expect for normal wear and tear
9. That the lessee shall not sublet the leased premises
10. That the lessee shall not do any major change without the lessor's consent
11. That the lessee shall allow the lessor to visit and inspect the leased premises during daytime provided that a two (2) day notice is given to the lessee to that effect

IN WITNESS WHERE OF the parties we execute this lease and manner set out on the day and year.

SIGNED and DELIVERED by the said

Ahmer Mohamed Mbarak, who is known to me

Personally in my presence on 25 day of MAR, 200...

Signature..... [Signature]

P. O. Box DAR ES SALAAM



[Signature]

LESSOR

SIGNED and DELIVERED by the representative of the said

CNT INVESTMENT Co. Ltd, Who is known to me

Personally in my presence on 25 day of MAR, 2009

Signature..... [Signature]

P. O. Box DAR ES SALAAM



[Signature]

LESSEE

on behalf of

CNT INVESTMENT CO. LTD

AS WITNESS TO THE ABOVE SIGNATURES [Signature]



2

Name of the Company
Cnt Investment Co. Ltd.

Post Box	Mandela Road, Plot No. 57	COI Number	67812	Contact	Mr. Guojianui
Post Office	106267	COI Date	07/10/2008	Designation	Director
Region	Dar Es Salaam	Application F. No	07812	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0755 258 138 Or 0768 1000 000
		Sub Sector	Electronic Equipments	Fax	0
		File No	041677	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	Plot No. 57	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>1</td> <td>0</td> <td>0</td> <td>0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	1	0	0	0		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
1	0		0	0								
Street	Mandela											
District	Kinondoni											
Region	Dar es Salaam											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.18
Dai Xiao Wu	Chinese	5	Plant	0.686
GuoJia hui	Chinese	95	Vehicles	0.1
			Furniture & Fittings	0.009
			Pre-expenses	0.005
			Others	0.015
			Working Capital	0.005
			Total	1

Employment	24	Evaluated By	Zakaria kingu
Capacity	1960 items/24 hrs	Drawn By	Sarah Registry
Project Turn Over			

Description

To establish a project for manufacturing of electronic equipments

Recommendations

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

Decision

Approved for...
E.A. 3/4

3

TICC/PP.10/041677/3

9 April 2009

Managing Director,
CNT Investment Company Ltd,
P.O. Box 106267,
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
MANUFACTURING OF ELECTRONICS EQUIPMENTS**

We wish to acknowledge receipt of your project proposal to manufacture electronic equipments as presented in the TIC P.A. 1 Form No. 07812 and Feasibility Study with a projected investment of USD 1.0 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:

- Company Board Resolution accompanied by 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.

You will also be required to submit to the Centre a Progress Report on the implementation of the project after every six months for our information and review. Guidelines for the preparation of the report are contained in annexure 2 also attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Please also note that a facilitation fee equivalent to US\$ 750.00 is payable at the ruling exchange rate before your Certificate of Incentives is prepared. Please make deposit direct to the bank as per bank details below:

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

.../2

TICC/PP.10/041677/3

9 April 2009

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

Yours sincerely,
Tanzania Investment Centre



B. D. Chonjo

For: Executive Director

Copy to: Permanent Secretary,
Ministry of Finance 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

4

EXTRACT FROM THE BOARD RESOLUTION

On its first meeting as a Board of Directors of the CNT Investment Co. Ltd, it was decided that:

1. The project to produce electronics in Tanzania be established under the company name of CNT Investment Co. Ltd
2. The project Value of investment be USD 1,000,000.00 raised by shareholders.
3. The project be established in any favourable industrial area in Dar es Salaam
4. The company applies for a Certificate of Incentives issued by TIC to help in the project establishment

Signed by

DXWu!

BOARD CHAIR



CNT INVESTMENT COMPANY LIMITED P. O. Box 106267, Plot 57, Mandela Rd Light Industrial

Area Tell +255 755 258 138, or +255 768 100000

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

30325599 1

TFN. 614 (Rev. 8.94)

SIMIPOKEA KWA
Received from

CNT INVESTMENT CO. LTD



KIASI
Amount

Shs.						Cts.
0	0	0	0	0	0	0

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

USDOWAR SEVEN HUNDRE FIFTY ONLY

NA SENTI
And Cents

KWA MALIPO YA
In Respect of

CERTIFICATE OF INCENTIVES

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

CASH

For Executive Director
Tanzania Investment Centre

KITUO - Station

SALIMI YA MPOKEAJI - Receiving Officer's
Signature

[Signature]

CHEO - Title

Acc.

TAREHE - Date

22 APR 2007

BEM.

Govt. Press, Dsm.

PROOF OF BANK CREDIT

5

TO:

The Executive Director,
Tanzania Investment Center ,
P.o.box 938,
Dsm,



Dear Sir:

RECOMENDATION

On GUO JIAHUI and DAI XIAOWU ,

The above mentioned has been our costomer
since April 4, 2007 to now ,

He holds on account No:62284 8008 09514 56716 .His
account is very well operated to our satisfaction.
Please assist him in his investment plans.

Regards.

AGRICULTURAL BANK OF CHINA

May 5, 2009

(2)

CHI

TO:

The Executive Director,
Tanzania Investment Center ,
P.o.box 938,
Dsm,

D41677



Dear Sir:

RECOMENDATION

On DAI XIAOWU ,

The above mentioned has been our costomer, since April 4, 2007 to now , He holds on account No:62284 8008 09514 56716 . He has five million of deposits in our banks , His account is very well operated to our satisfaction.

Please assist him in his investment plans.

Regards.


AGRICULTURAL BANK OF CHINA

刘明
May 13, 2009

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CNT INVESTMENT CO. Ltd
P.O. Box 106257
DAR ES SALAAM
Tel: +255 768 100000

20/05/09

The Commissioner for Customs and Excise
Tanzania Revenue Authority
P. O. Box 9053
Dar es Salaam

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



RE: DUTY AND VAT EXEMPTION ON CAPITAL/DEEMED CAPITAL GOODS

The above captioned subject refers.

Our company is involved activities establishing a factory for electronics manufacturing/assembly in Tanzania. The project is registered with TIC and owns a valid Certificate of Incentives No. 041677 and has a TIN registration No. 107-241-388. In its implementation, we are applying for duty and VAT exemption on capital/deemed capital goods.

Attached are:

- I. List of items exemption is sought for
- II. Copy of Certificate of Incentives
- III. TIN Certificate

Thanking you in advance.

Sincerely Yours,

GUO JIA HUI
FOR DIRECTOR

A handwritten signature in black ink, appearing to read "Guo Jia Hui".

CTIN.: 00330485



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

CNT INVESTMENT COMPANY LTD

.....

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

107-241-388

10-Oct-2008

with effect from


JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

Certificate Form No. 1
of The Original
Signature *[Signature]*
Date 22/05/2009



No. 00215578

For: Executive Director THE UNITED REPUBLIC OF TANZANIA
Tanzania Investment Centre

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041677

This is to certify that

CNT INVESTMENT COMPANY LTD

of address P.O. BOX 106267

DAR ES SALAAM

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

CNT INVESTMENT COMPANY LTD

Which is located at PLOT NO. 57, MANDELA ROAD, LIGHT INDUSTRIAL AREA

KINONDONI DISTRICT - DAR ES SALAAM

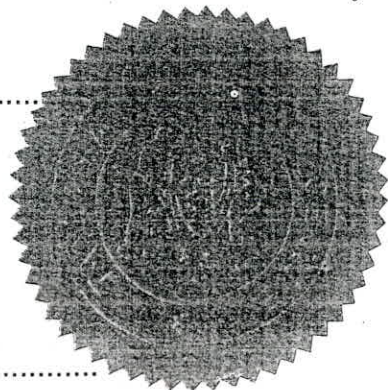
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

[Signature]

Executive Director

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

Dated 18TH MAY 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 (%)
Guo Jia Hui	Chinese	95
Dai Xiao Wu	Chinese	5

2. Proposed Activities : To establish a project for manufacturing of electronic equipments

3. Sector: Manufacturing Subsector Electronic equipments

4. Investment cost: Foreign USD 1.00m. Local - Total USD 1.00m.

5. Project Financing:

Equity	USD 1.00m.	Loans	-	Total	USD 1.00m.
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6. Source, terms and conditions of loan

7. Assets to be invested:

Capital items:	Foreign	Local	Total
	USD 1.00m.	-	USD 1.00m.

8. Technology Agreement None

9. Date of TIC Registration: 9th April 2009

10. Implementation period April 2009 - March 2012

11. Operative date April 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

CTN INVESTMENT COMPANY LTD

OFFICE EQUIPMENT

- | | |
|---------------------------------------|----------------------------------|
| 1. Computer 4Nr. | 2. Printers 3Nr |
| 3. Ph;toecopy machine 1Nr. | 4. Office tables 5Nr. |
| 5. Office chairs 9Nr | 6. Confernce tables 1 set |
| 7. Sofa 2Nr | 8. A/C 5Nr. |
| 9. Telephone receivers 2Nr. | 10. Cabinet 2Nr |
| 11. Shelves 2Nr. | 12. Ceiling fans 20Nr |
| 13. Electric water heater 2Nr | 14. Refrigerator 3Nr |
| 15. Water boiler 3Nr | |

CONSTRUCTION MATERIALS

- | | |
|-----------------------------------|------------------------------------|
| 1. Cement 10T. | 2. Steel bars 15T |
| 3. GIS 1000M ² | 4. Floor 1000M ² |
| 5. WC 3Nr. | 6. Capet 1000M ² |
| 7. Truss 5T | 8. Saws 50kg |
| 9. Water pipes 1000m | 10. Nails 20kg |
| 11. Locks 30Nr | 12. Glasses 5T |
| 13. Gypsum 1000M ² | 14. AUDI saloon car 1Nr |
| 15. BMW saloon car 1Nr | 16. Truck 1Nr. |

*BOQ
Required.*



CTN INVESTMENT COMPANY LTD

TV		
Accessory	1. capacitor 474. 684. 394. 102	100ctns
	2. resistance 1. 5. 180. 330	200ctns
	3. magnetic grain	300ctns
	4. assembly belt	300ctns
	5. 502 gel	5ctns
	6. big-head pen	20ctns
	7. AV cable	50bundles
	8. packing gel	50ctns
	9. silicic gel	50ctns
	10. rosin	50ctns
	11. clean water	100kg
	12. remoter	20pcs
Implement	1. multimeter	50pcs
	2. hair brush	300pcs
	3. knife edge	100pcs
	4. gun head (single/double)	50pcs
	5. electric screwdriver	100pcs
	6. DC transformer	50pcs
	7. gel gun	100pcs
	8. multi-functional socket	200pcs
	9. tweezer	200pcs
	10. electric searing-iron (50W)	300pcs
	11. searing-iron head (50W)	300pcs
	12. searing-iron shelf	10pcs
	13. large. medium. small flat screwdriver	60pcs
	14. electric drier	20pcs
	15. gel strip	100ctns
	16. electric adhesive plaster	50ctns
	17. searing-iron core	100pcs
	18. sleeve	100pcs
	19. large. medium. small cross screwdriver	300pcs
	20. large. small wire cutter	100pcs
Fitment	1. small wire cutter	50pcs
	2. sharp wire cutter	100pcs
	3. angle iron	500kgs
	4. electrical wire	3000m
	5. switch	200pcs
	6. lighting tube	500pcs
	7. wire tube (corner etc.)	3000m
	8. electricity-leak protection switch	50pcs
Facility	1. production assembly line	2pcs (20 meters)
	2. dynamo	2pcs
	3. signal receiver	2pcs
	4. regeneration apparatus	2pcs
	5.	5pcs
	6. mould	10pcs
	7. working table	6pcs
	8. DVD	10pcs

CTN INVESTMENT COMPANY LTD

Speaker			
Type	Item	Specification	
Facility	1. inserted pullswire	1pc	
	2. stannum pullswire	5pcs	
	3. assembly pullswire	1pc	
	4. aging shelf	10sets	
	5. fork truck	4sets	
	6. mini-caving machine	1set	
Apparatus	1. stannum furnace(together with thermometer)	1set	
	2. Leg-cutter	1set	
	3. Knife-grindder	1set	
	4. wave parameter	8sets	
	5. audio&swept signal machine	2sets	
	6. digital electronic bridge	2sets	
	7. regulator(equipped load)	2sets	
	8. signal machine	12sets	
	9. multimeter	12sets	
Implement	1. flat/ cross screwdriver	30sets	
	2. electronic screwdriver F	100sets	
	3. electronic screwdriver P	100sets	
	4. electronic screwdriver	200sets	
	5. table electric driller	1set	
	6. handle electric driller	3sets	
	7. mini-handed electric driller	5sets	
	8. microphone	50sets	
	9. electronic screwdriver W	100pcs	
	10. lotus plug	500pcs	
	11. speaker cable	10bundles	
	12. air compressor	1set	
	13. air pipe	10bundles	
	14. steam gun	10pcs	
	15. oil sprayer	5pcs	
	16. wooden knife	10pcs	
	17. searing iron(60W constant temperature	320pes	
	18. searing iron head/core	200package	
	19. searing iron shelf	300pcs	
	20	30pcs	
	21. heat melting glue	100ctns	
	22. gun for heat-melting glue	100pcs	
	24. wire-opening clamp	30pcs	
	28. sleeve	10sets	
	29. multimeter	20pcs	
	Accessory	1. machine clean oil	100kg
		2. resin acid	100kg
		3. assistant welding	10ctns
		25. black glue	100kg
26. packing machine		5sets	
27. packing glue		300kg	
4. silicic gel		300kg	
23. yellow gel		300kg	
5. alcohol	200kg		

CTN INVESTMENT COMPANY LTD

Required-equipments for DVD new factory				
Seq	Item	Specification (Model)	Qty	
1	I-shaped production assembly line	motor-operated belt (30m)	1	
2	aero-shaped production assembly line	motor-operated belt (20m)	1	
3	flat production assembly line	manual flat (10m)	1	
4	plug-in unit production line	manual flat together with aluminum shelf (5m)	1	
5	aging shelf	mobile with wheels	15	
6	power supply socket	without coils	200	
7	oscilloscope	dual-channel equipped with connecting wires	7	
8	millivoltmeter	dual-channel equipped with connecting wires	7	
9	High-voltage testing machine		1	
10	constant temperature searing-iron	with attemperator for a special purpose	2	
11	general searing-iron		40	
12	Screwdriver	Model 801 & 802	40	
13	Television	general TV	15	
14	HD TV	with YUV tri-color	2	
15	Display	with VGA interface	2	
16	solder machine	digital-regulated measurment 54*40	1	
17	feet-cutting machine		1	
18	feet-cutting knife	diamond brand	2	
19	plastic-machine		1	
20	package machine		5	
21	package wires	manual drive (6m)	1	
22	small-gummed paper		5	
23	component case	small-scale	50	
24	component case	large-scale	100	
25	circuit board clamp		1	
26	gel-gun	pyrosol	10	
27	VCD disk	for the testing purpose	100	
28	DVD disk	for the testing purpose	100	
29	MPEG4 disk	aging	500	
30	various screwdriver-heads	for the use of screwdriver 801&802	100	
31	fork truck		1	
32	glue frame	semi-manufactured articles	50	
33	copy machine		1	
34	Computer	Full set	3	
35	office table	Full set	3	
36	fluorescent lamp		100	
37	Air exhaust fan	turbofan	1	
38	Fan	ceiling fan	60	
39	Printer	1/1 Canon inkjet	1	

CTN INVESTMENT COMPANY LTD

Air-condition workshop facilities	
Item	QTY
Pressure meter(high & low pressure)	1set
electric current appearance(digital display)	1pc
multi-meter(digital display)	1pc
electric weighter(50kg)	1pc
hexangular	1set
sleeve	2pcs for 8mm, 10mm, 14mm separately
wrench	2pcs for 250mm, 200mm, 320mm separately
pipe amplifier	1set
sharp/flat wire cutter	2pcs separately
flat screwdriver	1set
cross screwdriver	1set
tubule knife	2pcs
air pump 22V (4L-6L)	1pc
flat cutter	2pcs
air compressor	1set
compressor	5sets
protection machine	5sets
Oxygen	50bottles
acetylene	50bottles
Oxygen gun	2pcs
electric wire	3000m
multi-functional socket	100pcs
iron hammer	1pcs for big and small unit
handed grinder	1pc
handed electric drill	1pc
welding rod	10kg
welding machine 22V	1pc
welding rod bar	1 package

9

TICC/PP.10/041677/9

01/06/2009

Commissioner for Customs & Excise,
Tanzania Revenue Authority,
P.O. Box 9053,
DAR ES SALAAM

Dear Sir,

**RE: DUTY/VAT EXEMPTION ON THE CAPITAL/DEEMED CAPITAL
GOODS OF CERTIFICATE OF INCENTIVES NO. 041677**

M/S CNT Investment Company Limited is a TIC registered company with certificate of incentives **No. 041677** which is valid up to **March 2012**

The company has been registered with objectives of establishing a project for manufacturing of electronic equipments.

Attached herewith please find a list of Capital/ Deemed capital Goods for Duty and VAT exemption approval.

Yours sincerely

TANZANIA INVESTMENT CENTRE


N.A. Senzia

FOR: EXECUTIVE DIRECTOR

CNT INVESTMENT COMPANY LIMITED

Tanzania Dar es Salaam 21/24 Mapinduzi Street, Gerezani Industry Area

60

**CNT INVESTMENT CO. LTD
P.O. BOX 106257
DAR ES SALAAM**

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



RE: CHANGE OF PROJECT LOCATION

Kindly refer to the captioned subject

We wish to inform your good office that we have changed project location from Plot no, 57 Mandela road Dar es salaam to **Plot No.21/24, MAPINDUZI STREET, GEREZANI INDUSTRIAL AREA, ILALA, DAR ES SALAAM.**

In view of the above we request you to amend our certificate of Incentives to reflect the new project location

Kindly do the needful to enable up process Industrial licence and clear goods pending at the port.


Managing Director
CNT INVESTMENT CO. LTD



JAMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA

STAKABADHI YA SERIKALI
EXCHEQUER RECEIPT

NIMEPOKEA KWA
Received from

CNT INVESTMENT COMPANY LTD
Director
for Export Investment Centre

37889690

1

TFN. 614 (Rev. 8.94)

Shs.				Cts.	
1	0	0	0	0	0

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

USD SEVEN HUNDRED FIFTY ONLY

NA SENTI
And Cents

KWA MALIPO YA
In respect of

CERTIFICATE OF INCENTIVE

KWA FEDHA TASLIMU/HUNDI

NAMBA By Cash/Cheque No. **CASH**

KITUO - Station

ECZ/UTA

SAHIHI YA MPOKEAJI
Signature

Receiving Officer's
[Signature]

CHEO - Title
AZE

AREHE - Date
19-05-2010

As



No 00215578

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041677.....

This is to certify that

CNT INVESTMENT COMPANY LTD

of address P.O. BOX 106257

DAR ES SALAAM

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

CNT INVESTMENT COMPANY LTD

Which is located at PLOT NO. 57, MANDELA ROAD, LIGHT INDUSTRIAL AREA

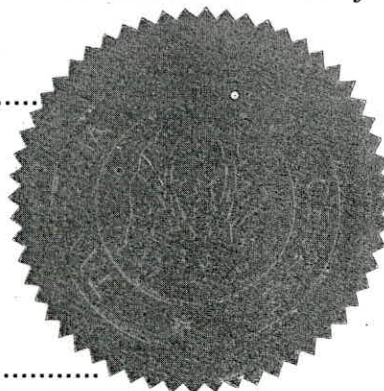
KINONDONI DISTRICT - DAR ES SALAAM

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

Executive Director

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

Dated 18TH MAY 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 (%)
Guo Jia Hui	Chinese	95
Dai Xiao Wu	Chinese	5
2. Proposed Activities: To establish a project for manufacturing of electronic equipments
3. Sector: Manufacturing Subsector: Electronic equipments
4. Investment cost: Foreign USD 1.00m. Local - Total USD 1.00m.
5. Project Financing: Equity USD 1.00m. Loans - Total USD 1.00m.
6. Source, terms and conditions of loan
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	USD 1.00m.	-	USD 1.00m.
8. Technology Agreement: None
9. Date of TIC Registration: 9th April 2009
10. Implementation period: April 2009 - March 2012
11. Operative date: April 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

11

103-457-874

Let him

LEASE AGREEMENT

129600
2/1/10

This Agreement is made this 1st day of March 2010 between Surinder Singh whose Postal Address is P.O. Box 777 Dar es Salaam (hereinafter referred to as the Lessor) of the one part and Tanzania CNT Investment Company Limited. (hereinafter referred to as the Lessee) of the other part.

17/03/10

- A. WHEREAS the Lessor is the lawful owner of all that Property located on 21/24 Mapinduzi Street, Gerezani Industry Area and that he desire to lease part of the said premises to the Lessee (hereinafter referred to as the demised premises).
- B. WHEREAS the Lessee has presented themselves to the Lessor as having the capacity, desire and intention to lease part of the demised premises at an agreed consideration, and upon the terms and conditions hereinafter set forth.
- C. This contract is Valid from **1st March 2010 to 30th April 2015.**

NOW THEREFORE:

It is hereby agreed by and between the parties hereto as follows: -

- 1. The Lessor agrees to make available to the Lessee for exclusive use of the demised premises for a lease term of **5** Calendar years at a consideration of **USD 800** per month. The rent shall be reviewed after 5 years and the considered rent shall be added.
- 2. On the commencement of the agreement, one full year's rent's is payable. Thereafter, on the completion of the 12 months paid for, the following year's rent is payable in advance on the 01 April **2015**
- 3. If the rent hereby reserved shall be in arrear for a period of forty days, then the Lessor shall repossess the demised premises until settlement.

4. Property gain tax of 10% is the Lessor's obligation.
5. The Lessor further agrees to permit the Lessee to peacefully and quietly possess and enjoy the demised premises during the duration of the lease.
6. The Lessee will during the continuance of the said tenancy keep the demised premises in good and tenantable repair and will permit the Lessor and his agents with or without workmen or others at all reasonable times with a prior notice to enter the demised premises and inspect the condition thereof.
7. The Lessee shall NOT ERECT NOR DEMOLISH any permanent structure without the consent of the Lessor in writing.
8. All bills concerning Electricity, Water, Security, Minor renovations and other daily costs shall be incurred by Lessee.
9. Notwithstanding paragraph 3 above, the Lessee shall not use the premises in a manner leading to public nuisance and / or contrary to the Law of the Land. With all fitting and fixtures thereto belonging to the Lessor.
10. The Lessee will not on the determination/ expiration of this lease deliver possession of the demised premises to the Lessor in a good tenantable condition.
11. Each part retains the right to terminate this Agreement upon issuance of a 3 months notice in writing.

WHEREFORE the Parties have put their hands on this Agreement as follows

SIGNED and DELIVERD at

Dar es Salaam by the said

SURINDER SINGH

This 1st day of MARCH 2010

Wilder
.....
LESSOR

Witness:

Name: BEATUS EDOMS

Address: P.O. Box 22216

Signature: Beatus

Qualification: ADVOCATE



SIGNED and DELIVERD at

Dar es Salaam by the said

Davis Gwa

This 1st day of MARCH 2010



Witness:

Name: BEATUS EDOMS

Address: P.O. Box 22216

Signature: Beatus

Qualification: ADVOCATE



STAMP DUTY
129,600/- collected
Receipt No. 1823676 Dated 2/3/2010
National Revenue Officer - Fom...



No 00215578

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041677

This is to certify that

CNT INVESTMENT COMPANY LTD

of address P.O. BOX 106267

DAR ES SALAAM

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CNT INVESTMENT COMPANY LTD

Which is located at PLOT NO. 57, MANDELA ROAD, LIGHT INDUSTRIAL AREA

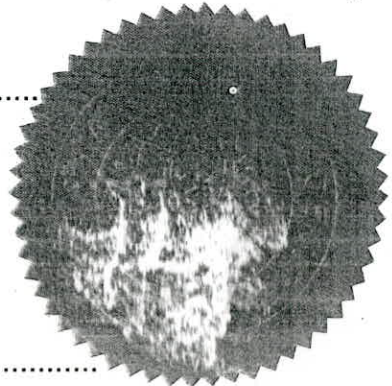
KINONDONI DISTRICT - DAR ES SALAAM

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

Executive Director

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

Dated 18TH MAY 2009



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1. Shareholders
Guo Jia Hui Chinese 95
Dai Xiao Wu Chinese 5
.....
.....
2. Proposed Activities : To establish a project for manufacturing of electronic equipments
3. Sector: Manufacturing Subsector Electronic equipments
4. Investment cost: Foreign USD 1.00m. Local - Total USD 1.00m.
5. Project Financing:
Equity USD 1.00m. Loans - Total USD 1.00m.
6. Source, terms and conditions of loan.....
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(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

THE COMPANIES ACT, 2002
(NO. 12 OF 2002)

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION
OF

CNT INVESTMENT COMPANY LTD

Incorporated this Day of 2008

DRAWN BY:

GUO JIA HUI
(SUBSCRIBER)
P.O. BOX 106267
DAR ES SALAAM

THE UNITED REPUBLIC OF TANZANIA
CERTIFICATE OF INCORPORATION

NO.

I hereby certify that

CNT INVESTMENT COMPANY LTD

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

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



5000/=
 33284565 06-10-2008
 [Signature]

THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

CNT INVESTMENT COMPANY LTD

2500/=
 33284565 06-10-2008
 [Signature]

1. The name of the Company is "CNT INVESTMENT COMPANY LTD "
2. The registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is formed are.
 - (a) To carry on the business of electricians, electronic technicians, manufacturers, importers and dealers in all kinds of electrical and electronic machinery, articles, apparatus, appliances for any purpose whatsoever and to manufacture, sell, supply, service, maintain and deal in dry and other batteries, semi-conductors, fluorescent lamps, electric bulbs, accumulators, meters, engines, dynamos, air-conditioners, scientific instruments of any kind.
 - (b) To carry on the business of traders, general merchants, wholesalers and retailers, exporter and importers, commissioning agents and manufacturers, representation and to buy, sell, hire, manufacture, barter, trade and deal in property, goods, produce articles and merchandise of all kinds and to transact any and every description of agency, commission, distribution, marketing, commercial, industrial, manufacturing, mercantile, insurance and financial business.
 - (c) To carry on business of geophysical surveys of domestic borehole drilling, large diameter oil drilling, deep hole shallow to medium depth wells by using down the hole hammer and mud or rotary circulation small and large volume testing, mine dewatering drilling, mud rotation, drilling for sandy conditions, rural, urban oil drilling and all pump installations and water plumbing, boiler mechanical, electrical and all general merchandise.

- (d) To sell, exchange, lease, let mortgage or otherwise dispose of the lands, houses, flats, offices, buildings and other property of the Company or any interest therein and to grant licenses for the use of occupation of the same or any part thereof.
- (e) To undertake or direct the management of the property, buildings, lands, and estate of any tenure or kind by any persons or corporations, whether members of the Company or not, in the capacity of stewards or receivers or otherwise.
- (f) To carry on the business of drilling for ground oil, supply of drilling equipments, and selling of oil products from oilfields, mining rights for all kinds of minerals, precious stones and all general merchandise.
- (g) To carry on all or any of the business of manufacturers, designers, consultant, experts, buyers, sellers, hirers, renters, recording, servicing, maintaining and repairing, exporters, importers, distributors, agents and dealers of and in musical and other instruments of all kinds including wireless, television, radio, gramophone, gramophone records, audio cassettes tape recorders, video recorders, empty and recorded video tapes cassettes or otherwise and the business of recording thereof, video screens, video cameras, video films, cinematograph and photographic apparatus, records, rolls, films and all kinds of electronics and electrical equipment, appliances apparatus, machinery, devices, accessories, spares, materials and requisites of every kind whereby sound and vision is recorded, amplified, produced, reproduced, transmitted or received.
- (h) To engage in selling and distribution of equipments like radio calls, computers Guns, Meters, Security videos and tapes, Fire fighting equipments, security cameras, scanners, escorts, tight security caravans, by railway, roads losses, news papers publishing, periodical journals, magazines, books and other literature works and to act as News agents, minerals prospecting e.g. gold, rubies, diamonds, Tanzanite and other related minerals, auction business, commission agency, and brokers.
- (i) To carry on the business of manufacturers, importers, exporters, dealers, agents for manufacturers, importers, exporters and dealers in all kinds of ware, merchandise, substances, devices, articles and

things capable of being used in any such business as aforesaid and deemed requisite for the purposes of the business of the Company.

- (j) To carry on the business of marketing, services, software development, Web designing, consultancy and selling of all types of information technologies computer systems, computer Accessories, conference systems, telecommunication systems, providing internet services, security systems, public address systems, Data communication and to train, research, install and after sale services of electronics equipments, Data security and Data Networks and any other systems or components which the company may think fit, necessary or incidental to this business.
- (k) To carry on business of wireless computer application services, security monitoring, satellite networks, solar power services, electronic communication, web services, internet services, broadcast of messages, solar power products, and information communication technology.
- (l) To carry on the business of traders, general merchants, wholesalers and retailers, exporters and importers, commissioning agents and manufacturers, representation and to buy, sell, hire, manufacture, barter, trade and deal in property, goods, produce articles and merchandise of all kinds and to transact any and every description of agency, commission, distribution, marketing, commercial, industrial, manufacturing, mercantile, insurance and financial business.
- (m) To carry on the business of buying and selling, exporting and importing all kinds of semi precious and precious minerals in various forms including raw, rough, processed or semi processed minerals as well as cut and polished gemstones, petroleum products, house hold products, food stuff products.
- (n) To arrange safaris, hunting expeditions, game tours, sight seeing tours, package tours and other kind of passengers transportation for the purpose of the meeting the demand of the general public at large comprehensive rates and to undertake visits and transportation of tourist to the national game parks, wildlife sanctuaries, natural habitats places of scenic beauty, places of historical values and historical monuments, places of tourist attractions within the mainland of Tanzania and neighboring countries.

- (o) To carry on the business of tour operators, hoteliers and safari promoters, tourist agents, transportation, car hirers, bailers and carriers of goods and passengers, cargoes of various kinds and as freight forwarders,, to hire heavy vehicles like trucks, buses vans, minibuses, campers, mountain climbers, pick-ups for commutation of passengers and members of staff, employees, working personnel, labourers of parastatal organizations, private and public bodies, companies, hotels, industrial, social, cultural, educational and economical organization.
- (p) To act as investment company, holding company, finance company and to deal in all types of investment whatsoever. To hold and own shares, land, buildings, commercial buildings, invest in securities, bond share, debentures, options, warrant, convertible stock, promissory notes, bills of exchange, loans, bills, shipping documents ships, aircraft, self propelling vehicles and all types of property whatsoever.
- (q) To carry on the business of traders in industries, general merchants, wholesalers and retailers, exporters and importers, commissioning agents and manufacturers, representation and to buy, sell, hire, manufacture, barter, trade and deal in property, goods, produce articles and merchandise of all kinds and to transact any and every description of agency, commission, distribution, marketing, commercial, manufacturing, mercantile, insurance and financial business.
- (r) To lend and advance money or give credit to such persons, firm or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company, and to give guarantee to become surety for any persons, firm or companies for the due payment of money for the performance of any obligations or liabilities.
- (s) To carry on the business of traders, general merchants, wholesalers and retailers, exporter and importers, commissioning agents and manufacturers, representation and to buy, sell, hire, manufacture, barter, trade and deal in property, goods, produce articles and merchandise of all kinds and to transact any and every description of agency, commission, distribution, marketing, commercial, industrial, manufacturing, mercantile, insurance and financial business.

- (t) To carry on the business of building constructions, estate management export and import international trade, hardware, building materials supplies
- (u) To carry on all or any of the business of manufacturers, designers, consultant, experts, buyers, sellers, hirers, renters, recording, servicing, maintaining and repairing, exporters, importers, distributors, agents and dealers of and in musical and other instruments of all kinds including wireless, television, radio, gramophone, gramophone records, audio cassettes tape recorders, video recorders, empty and recorded video tapes cassettes or otherwise and the business of recording thereof, video screens, video cameras, video films, cinematograph and photographic apparatus, records, rolls, films and all kinds of electronics and electrical equipment, appliances apparatus, machinery, devices, accessories, spares, materials and requisites of every kind whereby sound and vision is recorded, amplified, produced, reproduced, transmitted or received.
- (v) To carry on the business of supplying of stationery, office equipment, writing materials, teaching aids and other educational establishment and as agents, school uniforms and stationers in all their business and to buy and sell stationery, office requirements and equipment, all types of books, sundry goods and to act as general merchants and commission agents of print and bind and manufacture stationers and other requirements.
- (w) To carry on the business as manufacturers of sellers, buyers and dealers in berated and mineral water, soft drinks of all description and to import, buy and dell concentrates, syrup, chemicals etc. and all other allied products relating to this type of business.
- (x) To carry on the business of importers, and warehousemen shipping and forwarding agents, packers, carriers and freight contractors, import, buy sell butter exchange, store pack, ship, transport and otherwise, food stuffs, consumable goods household goods and textiles, metals, wood, hardware & building materials, plastics, paper and paper products, articles and equipment, machinery, tools and articles, merchandise, commodities and goods of every description.
- (y) To carry on business as tourist agents and contractors and to facilitate traveling and to provide for tourists and travelers accommodation tours, receptions, recreation facilities, expeditions, safaris, hotels, inns, clubs,

camping places, tents, caravans, caravan sites, game lodges, game parks and conveniences of every kind.

- (z) To carry on the business of marketing, services, consultancy and selling of all types of information technologies, computer systems, conference systems, telecommunication systems, security systems, public address systems, data communication and train, research, install and after sale services of electronic systems, voice and data networks and any other systems or components which the company may think fit necessary or incidental to this business.

AND it is hereby declared that the interpretation of this clause, the powers conferred on the company by any paragraph shall not be restricted by reference to any other paragraph or to the name of the company or by juxtaposition of two or more objects and that in the event of any ambiguity, every paragraph hereto including this clause shall be constructed in such a way as to widen and not to restrict the powers of the company.

4. The Liability of the members is Limited

5. The capital of the Company is Shs. 30,000,000/= divided into 100 shares of Shs. 30,000/= each. The Company shall have powers to increase its capital and to divide the shares in its capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company

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

Names, Address, and Description of Subscribers	Number of Shares Taken by Each Subscriber	Signature
<p>GUO JIA HUI P.O.BOX 106267 DAR ES SALAAM</p>	<p>95</p>	<p><i>GUOJIAHUI</i></p>
<p>DAI XIAO WU P.O.BOX 106267 DAR ES SALAAM</p>	<p>5</p>	<p><i>DAIXIAOWU</i></p>

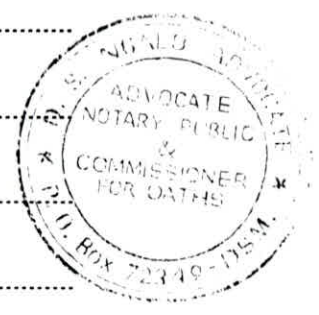
Dated at Dar es Salaam this 6th day of OCT 2008.

WITNESS to the above Signatures:-

Signature *[Signature]*

Postal Address DESIDER SEBASTIAN NGAILO
P. O. Box 72349
DAR ES SALAAM
TANZANIA

Qualification: *Associate*



5000F
332845050610-28
Days

2500F
332845050610-28
Days

THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CNT INVESTMENT COMPANY LTD

PRELIMINARY

1. In these articles:-
 - "the Act" means the Companies Act;
 - "the articles" means the articles of the company;
 - "clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
 - "Secretary" shall mean any person appointed to perform the duties of Secretary of the Company;

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photograph, and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these articles become binding on the company.

PRIVATE COMPANY

2. The Company is a **Private Company** and accordingly -
 - (a) The right to transfer shares is restricted in manner herein after prescribed.

- (b) The number of members of the Company (exclusive of persons who are in the employment of the Company and of the persons who having been formerly in the employment of the Company were in such employment and have continued after the determination of such employment to be members of the company) is limited to fifty; provided that where two or more persons holding one or more shares in the company jointly they shall for the purpose of this regulation be treated as single member.

MEMBERS

3. The number of members with which the company proposes to be registered is two but the directors may from time to time register an increase of members. The subscribers to the memorandum of association and such other persons as the directors shall admit to membership, shall be members of the company.

GENERAL MEETINGS

4. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next.
Provided that so long as the company holds 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 place, as the directors shall appoint.
5. All general meetings other than annual general meetings shall be called extraordinary general meetings.
6. The directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by section 133 of the Act. If at any time there are not within Tanzania sufficient directors capable of acting to form a quorum, any director or any two members of the company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meeting may be convened by the directors.

NOTICE OF GENERAL MEETINGS

7. Every general meeting shall be called by twenty-one clear days' notice in writing at the least. The notice shall specify the place, the day and hour of meeting and, in case of special business, the general nature of that business:

Provided that a meeting of the company shall, notwithstanding that it is called by shorter notice than that specified in this article be deemed to have been duly called if it so is agreed:-

- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
 - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representation not less than ninety – five percent of the total voting rights at that meeting of all the members.
8. Subject to the provisions of the articles, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors. The accidental omission to give notice of a meeting to, or the non receipt to notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

9. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election in the place of those retiring and the appointment of, and the fixing of the remuneration of the auditors.
10. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; two thirds of the directors, entitled to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorized representative of a corporation, shall be a quorum.

11. If within half an hour from the time appointed for the meeting quorum is not present, or if during the course of a meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the directors may determine.
12. The Chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the general meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for the holding of the meeting and willing to act, the directors present shall elect one of their number to be chairman of the meeting and, if there is only one director and willing to act, he shall be chairman.
13. If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be a chairman of the meeting.
14. 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 which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days notice of the adjourned meeting shall be given specifying the time and place of the meeting and the general nature of the business to be transacted. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
15. 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 demand:-
 - (a) by the chairman; or
 - (b) by at least (three) members present in person or by proxy; or

- (c) by any member or members present in person or by proxy and representing not less than one – tenth of the total voting rights of all the members having the right to vote at the meeting.

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to the effect in the book containing the minutes of proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may, before the poll is taken, be withdrawn

16. Except as provided in article 18, if a poll is duly demand it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
17. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
18. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time as the chairman of the meeting directs, and any business other than upon which a poll has been demanded may be proceeded with pending the taking of the poll.
19. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall have effect as if it had been passed at a general meeting duly convened and held, and consist of several instruments in the like form each executed by or on behalf of one or more member.

VOTE OF MEMBERS

20. Every member shall have one vote.
21. A member in respect of whose estate a manager has been appointed under section 26 of the Mental Diseases Act, may vote, whether on a show

of hands or on a poll, by his said manager, and any such manager may, on a poll, vote by proxy.

22. No member shall be entitled to vote at any general meeting unless all moneys presently payable by him to the company have been paid.

23. On a poll votes may be given either personally or by proxy.

24. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing, or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the company.

25. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company or at such other place within the Territory as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting of adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

26. An instrument appointing a proxy shall be in the following form or a form as near hereto as circumstances admit:-

"..... Limited
I/We of, being a member/ members of the above – named company, hereby appoint, of or failing him of, as my/our proxy to vote for me/us on my/or behalf at the {annual or extraordinary, as the case maybe} general meeting of the company to be held on theday of200....., and at any adjournment thereof.

Signed this day of,200"

27. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:-

"..... Limited.

I/Weof Being a member/members of the above named company, hereby appoint of of or failing him of, as my/our proxy to vote for me/us on my/our behalf at the {annual or extraordinary, as the case may be} general meeting of the company to be held on theday of.....200....., and at any adjournment thereof.

Signed thisday of.....200

This form is to be used* in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit.

*Strike out which ever is not desirable of desired"

28. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
29. A vote given in accordance with the terms of an instrument of proxy, or poll demanded by proxy, or by the duly authorized representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at its registered office (or at such other place at which the instrument of proxy was duly deposited) before the commencement of the meeting or adjourned meeting at which the proxy is used.

CORPORATIONS ACTING BY REPRESENTATION AT MEETINGS

30. Any corporation which is a member of the company may by resolution of its directors or other governing 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.

DIRECTORS

31. The Number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum of association or a majority of them and until such determination the signatories to the Memorandum of Association shall be the first directors. Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall be not less than two.
32. The remuneration of the directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The directors shall also be paid all traveling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the company or in connection with the business of the company.
33. Any Director, who devotes special attention to the business of the company, which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration, by way of salary or otherwise, as the Board may determine, which shall be charged as part of the Company's ordinary working expenses.
34. The following persons shall be first Directors to the Company:-
 1. **GUO JIA HUI**
 2. **DAI XIAO WU**

BORROWING POWERS

35. The director may exercise all the powers of the company to borrow money, and to mortgage or charge its undertaking and property, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the company or any third party.

POWERS AND DUTIES OF DIRECTORS

36. Subject to the provisions of the Act, the memorandum and the articles and to any directors given by special resolution, the directors, who may exercise all the powers of the company, shall manage the business of the company. No

alteration of the memorandum or articles and no such directions shall invalidate any prior act of the directors, which would otherwise have been valid. The powers given by this article shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

37. The directors may by power of attorney appoint any person to be the attorney or agent of the company for such purposes and on such conditions as they determine, including authority for the attorney or agent to delegate all or any of his powers.
38. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as they case may be, in such manner as the directors shall from time to time by resolution determine,
39. The directors shall cause minutes to be made in 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 committees of the directors;
 - (c) of all resolutions and proceedings at all meetings of the company, and of the directors, and of committees of directors.

DISQUALIFICATION OF DIRECTORS

40. The office of director shall be vacated if the directors:-
 - (a) Without the consent of the company in general meeting holds any other office of profit under the company; or
 - (b) Becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) Ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director; or
 - (d) Becomes of unsound mind; or

- (e) Resigns his office by notice in writing to the company; or
- (f) Is directly or indirectly interested in any contract with the company and fails to declare the nature of his interest in manner required by the Act.

A director shall not vote in respect of any contract in which he is interested or any matter arising thereat, and if he does so vote shall not be counted.

- 41. The company may by ordinary resolution appoint a person who is willing to act as director to fill a vacancy or be an additional director.
- 42. The directors may appoint a person who is to act to be a director, either to fill a vacancy or as an additional director, but so that the total number of directors shall not at anytime exceed the number fixed by or in accordance with these articles. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re - election.
- 43. The company may by ordinary resolution, of which special notice had been given in accordance with section 144 of the Act, remove any director before the expiration of his period of office notwithstanding anything in the article or any agreement between the company and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the company.
- 44. The company may by ordinary resolution appoint another person in place of a director removed from office under the immediately preceding article. Without prejudice to the powers of the directors under article 40 the company in general meeting may appoint any person to be a director either to fill a vacancy or as an additional director.
- 45. Subject to the provisions of the articles, the directors may regulate their meetings as they think fit. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any directors who are absent from Tanzania.

46. The continuing directors may act notwithstanding any vacancy but, if and so long as their number is reduced below the number fixed by or pursuant to the articles of the 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.
47. The directors may appoint one of their numbers to be the chairman of the board of directors and determine the period of which he is to hold office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if no such chairman is appointed, or if he is unwilling to preside, 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.
48. The directors may delegate any of their powers to any committee consisting of one or more directors; any committees so formed shall in the exercise of the powers so to any such regulations, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.
49. All act done by a meeting of the directors or of a committee of directors or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such director, or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and was entitled to vote.
50. A resolution in writing signed by all the directors entitled to receive notice of a meeting of the directors, or of a committee of directors, shall be as valid and effectual as if it had been passed at a meeting of the directors or {as the case may be} a committee of directors duly convened and held, and may consist of several documents in the like form each signed by one or more directors.

SECRETARY

51. 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.

52. A provisions of the Act or these articles requiring or authorizing a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

THE SEAL

53. The seal shall only be used by the authority of the directors or of a committee of the directors authorized by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.
54. The directors shall cause proper books of account to be kept with respect to:-
- (a) all sums of money received and expended by the company and the matters in respect to which the receipt and expenditure takes place;
 - (b) all sales and purchase of goods by the company; and
 - (c) the assets and liabilities of the company.
55. Property books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and air view of the state of the company's affairs and to explain its transactions.
56. The books of account shall be kept at the registered officer of the company, or subject to section 151 (4) of the Act, at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.
57. No number shall (as such) have right of inspecting any accounting records or other book or document of the company except as conferred by statue or authorized by the directories or by ordinary resolution of the company.
58. The directors shall from time to time in accordance with sections 153,155 and 150 of the Act, cause to be prepared and to be laid before the company in general meeting, such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

35. In accordance with section 164 of the Act, the copy of the company's annual accounts to be laid before the company in general meeting together with a copy of the directors' report and the auditors shall not less than twenty – one days before the date of the meeting be sent to every member of, and every holder of debentures of, the company. Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the company is not aware or to more than one of the joint holders of any debentures.

AUDIT

36. Auditors shall be appointed and their duties regulated in accordance with sections 170 to 179 of the Act.
61. Any notice to be given to or by any person pursuant to the articles shall be in writing and calling a meeting of directors. The company may give any notice to a member either personally or by sending it by post in a prepared envelope addressed to the member at his registered address, or by leaving it at that address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected at the expiration of seventy – two hours after the letter containing the same was posted. A member whose registered address is not within the Tanzania and who gives to the company an address within the Tanzania at which notices may be given him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company.

NOTICES

62. 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.
63. 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 notices to him, a notice addressed to him, and displayed in the registered office of the company, shall be deemed to be dully given on the day on which it is so displayed.

64. 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.
65. A notice may be given by the company to the persons 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 representatives of the deceased, or trustees of the bankrupt, or by any like description, at the address.
66. Notice of any general meeting shall be given in the same manner herein before authorised to 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 Republic.
67. 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, 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 any, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such decision 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 up on 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.

LIEN

68. The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time in respect at that share and the company's lien, if any, a on a share shall extend to all dividends payable thereon.



INDEMNITY

40. The Directors, Auditors and Secretary and other officers for the time being of the Company and the trustee, if any, for the time being acting in relation to any of the officers of the Company, shall be indemnified out of its assets against all costs, charges, expenses,

losses and liabilities sustained or incurred by the conduct of the Company's business or in the discharge of his duties.

ARBITRATION

70. If and whenever any dispute or difference shall arise between the company and any of the members or their respective representatives touching upon the construction or meaning of any of the Articles herein contained or any act matter or thing made or done or omitted to be done or with regard to the rights or liabilities arising here under or arising out of the relation existing between the parties by reasons of these Articles or the Act, such differences shall (unless a sole arbitrator be agreed upon) forthwith be referred to the arbitration of three (3) arbitrators, one to be appointed by each party and the third to be appointed by the first two, or in the event of failure to agree within or any then existing statutory modifications or re-enactment thereof shall apply.

Names, Address, and Description of Subscribers	Number of Shares Taken by Each Subscriber	Signature
GUO JIA HUI P.O.BOX 106267 DAR ES SALAAM	95	
DAI XIAO WU P.O.BOX 106267 DAR ES SALAAM	5	

Dated at Dar es Salaam this 6th day of OCT 2008.

WITNESS to the above Signatures:-

Signature 

Postal Address DESIDERI SEBASTIAN NGALO
P.O. BOX 72349
DAR ES SALAAM
TANZANIA

Qualification: Advocate



TANZANIA



Certificate of Incorporation

Section 15

No **67812**

I HEREBY CERTIFY THAT

CNT INVESTMENT COMPANY 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 **7TH** day of **OCTOBER**

TWO THOUSAND AND EIGHT

A handwritten signature in black ink, appearing to read 'J. K. M. M.', written over a dotted line.

Assist. Registrar of Companies



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 GUOJIAHUI
(director/directors/agent of CINT INVESTMENT COMPANY 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 57 MANDELA RD
LIGHT INDUSTRIAL AREA DAR ES SALAAM

Copies of the following documents are attached to this application:

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

3. The Head Office of the Company will be situated at PLOT 57 MANDELA ROAD DSM

4. The Principal Officers of the Company are GUOJIAHUI
DAI XIAO WU

5. Auditors of the Company are NOT YET APPOINTED

6. The authorized share capital of the Company is Tshs/US\$ ~~30,000,000~~ 30,000,000

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 1,000,000

8. The month and day of the financial year end is

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

I/We enclose a cheque/cash made payable to the Tanzania Investment Centre for Tshs./US\$ 100.00 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, GUOJIAHUI of Post Office Number 106267

DAR ES SALAAM do solemnly and sincerely declare that I am a director/duly authorized agent of CNT INVESTMENT COMPANY LTD

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

Declared at Dar es Salaam }
The 26th day of MARCH } 2009 }
GUOJIAHUI
Applicant

Before me:

B...
Commissioner for Oaths



APPLICATION SUMMARY

Company Name: CNT INVESTMENT COMPANY LTD

Certificate of Incorporation Number: 67812 Status: NEW

Certificate of Incorporation Date: 7th OCTOBER 2008

Post Box: 106267

Town: DAR ES SALAAM

Sector: MANUFACTURING Sub-Sector:

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity Local Equity Foreign Loan Local Loan
1 - - -

Project Objectives: TO MANUFACTURE ELECTRONICS

Capacity: 1960 ITEMS/24hrs

Employment: Foreign: 4 Local: 20 Total: 24

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: 57

Street: MANDELA ROAD District: KINDONDONI Region: DAR ES SALAAM
(Attach sketch map showing project location)

Table with 3 columns: Shareholders, Nationality, %
GUOJIAHUI CHINESE 95
DAI XIAO WU CHINESE 5

Investment Breakdown US\$/Tshs.M

Land/Building 0.180
Plant 0.686
Vehicles 0.100
Furniture & Fittings 0.009
Pre-expenses 0.005
Others 0.015
Working Capital 0.005
TOTAL 1.000

Contact Details:

Name: GUOJIAHUI Title: DIRECTOR

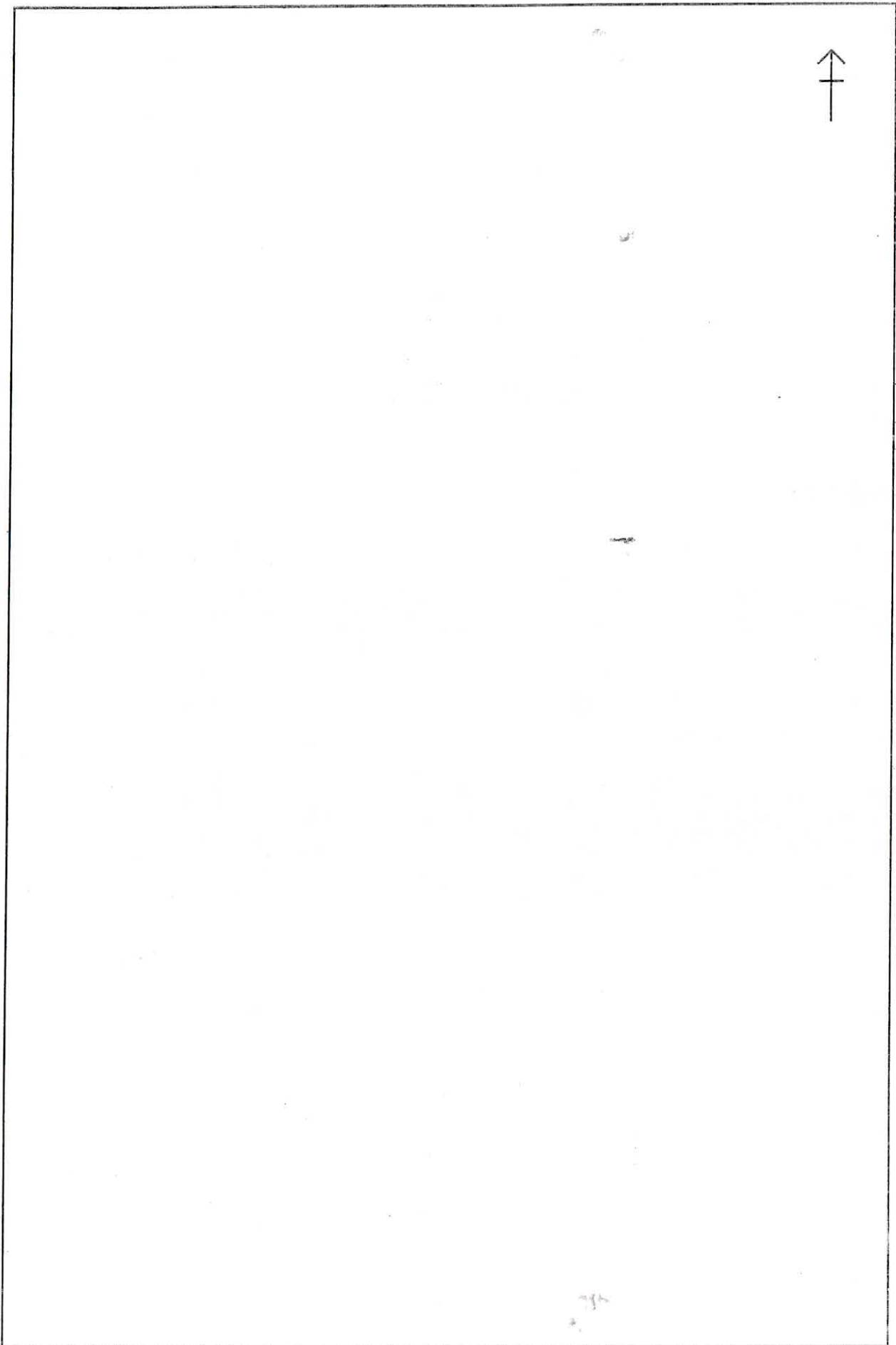
Telephone: 0755258138 Fax:
0768100000

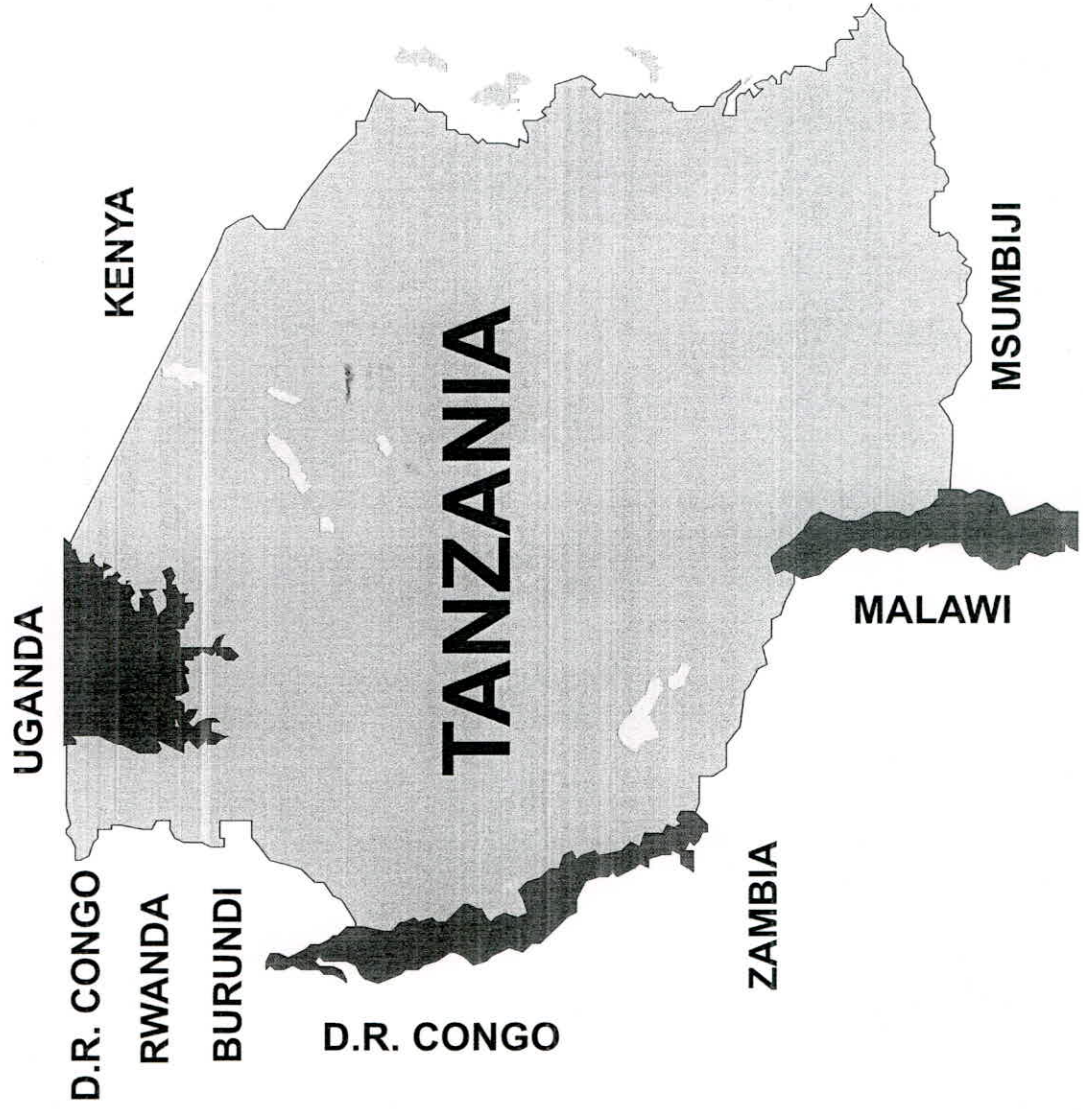
Email:

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







TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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The 26th day of MARCH 2009 }
Applicant GUOJIAHUI

Before me:

Bruce
Commissioner for Oaths


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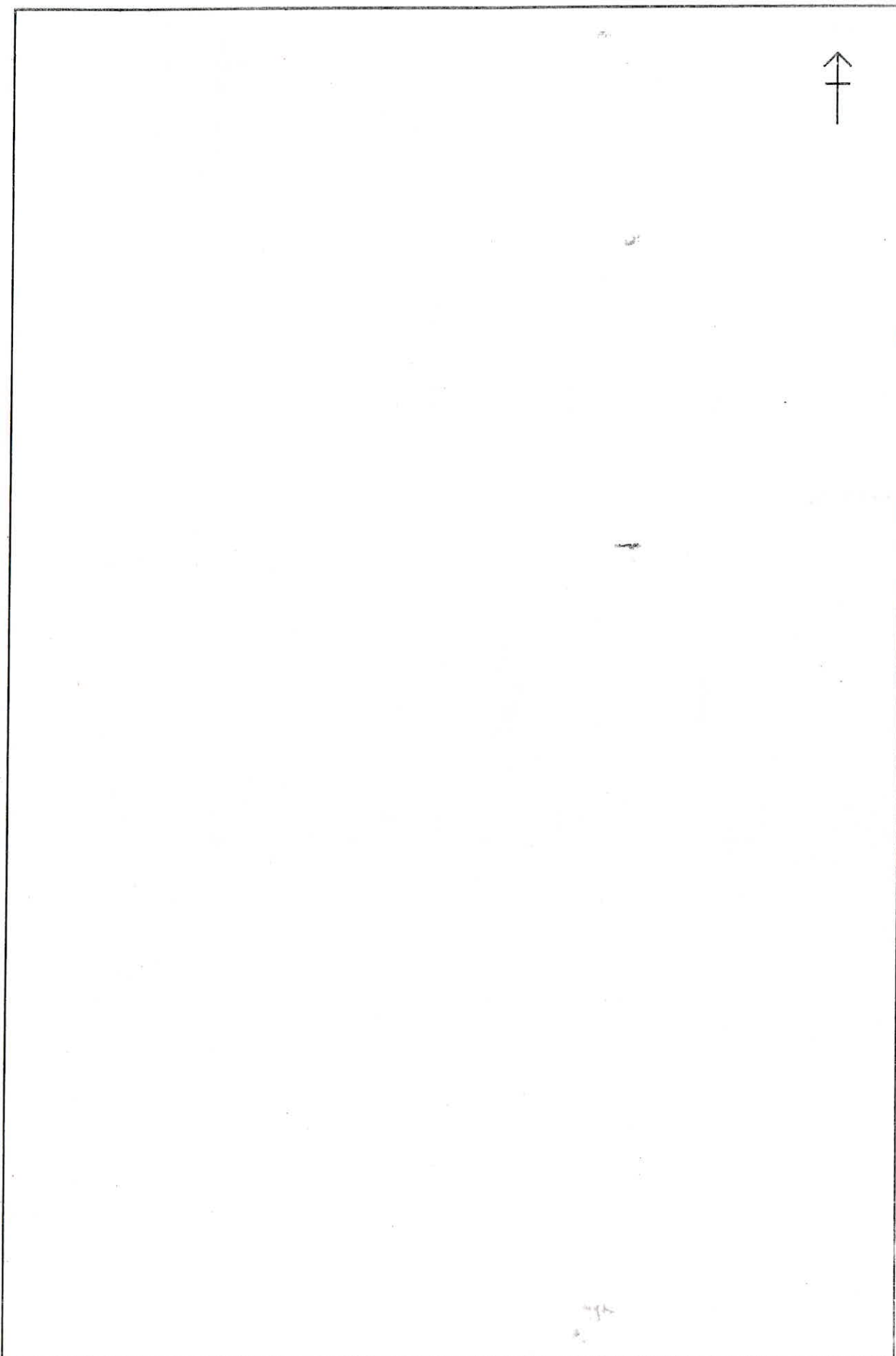
Telephone: 0755 258138 Fax:
0768 100000

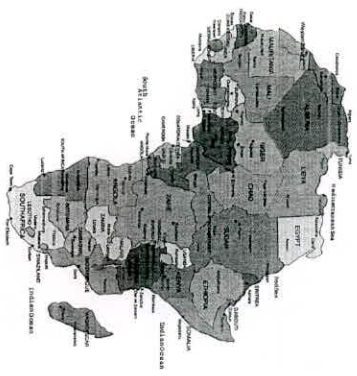
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SKETCH MAP SHOWING PROJECT LOCATION





UGANDA

KENYA

D.R. CONGO

RWANDA

BURUNDI

D.R. CONGO

TANZANIA

ZAMBIA

MALAWI

MSUMBIJI



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

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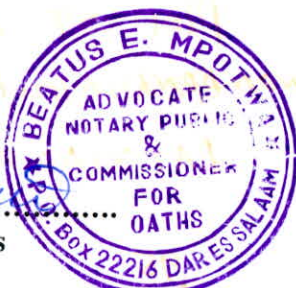
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Declared at Dar es Salaam }
The 26th day of MARCH 2009 }
GUOJI AHU
Applicant

Before me:

Bm...
Commissioner for Oaths



APPLICATION SUMMARY

Company Name: CNT INVESTMENT COMPANY LTD

Certificate of Incorporation Number: 67812 Status: NEW

Certificate of Incorporation Date: 7th OCTOBER 2008

Post Box: 106267

Town: DAR ES SALAAM

Sector: MANUFACTURING Sub-Sector:

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
<u>1</u>	<u>—</u>	<u>—</u>	<u>—</u>

Project Objectives: TO MANUFACTURE ELECTRONICS

Capacity: 1960 ITEMS/24hrs

Employment: Foreign: 4 Local: 20 Total: 24

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: A 57

Street: MANDELA ROAD District: KINDONDONI Region: DAR ES SALAAM
 (Attach sketch map showing project location)

Shareholders	Nationality	%
<u>GUOJIAHUI</u>	<u>CHINESSE</u>	<u>95</u>
<u>DAI XIAO WU</u>	<u>CHINESSE</u>	<u>5</u>
.....
.....
.....

Investment Breakdown US\$/Tshs.M

Land/Building	0.180
Plant	0.686
Vehicles	0.100
Furniture & Fittings	0.009
Pre-expenses	0.005
Others	0.015
Working Capital	0.005
TOTAL	1.000

Contact Details:

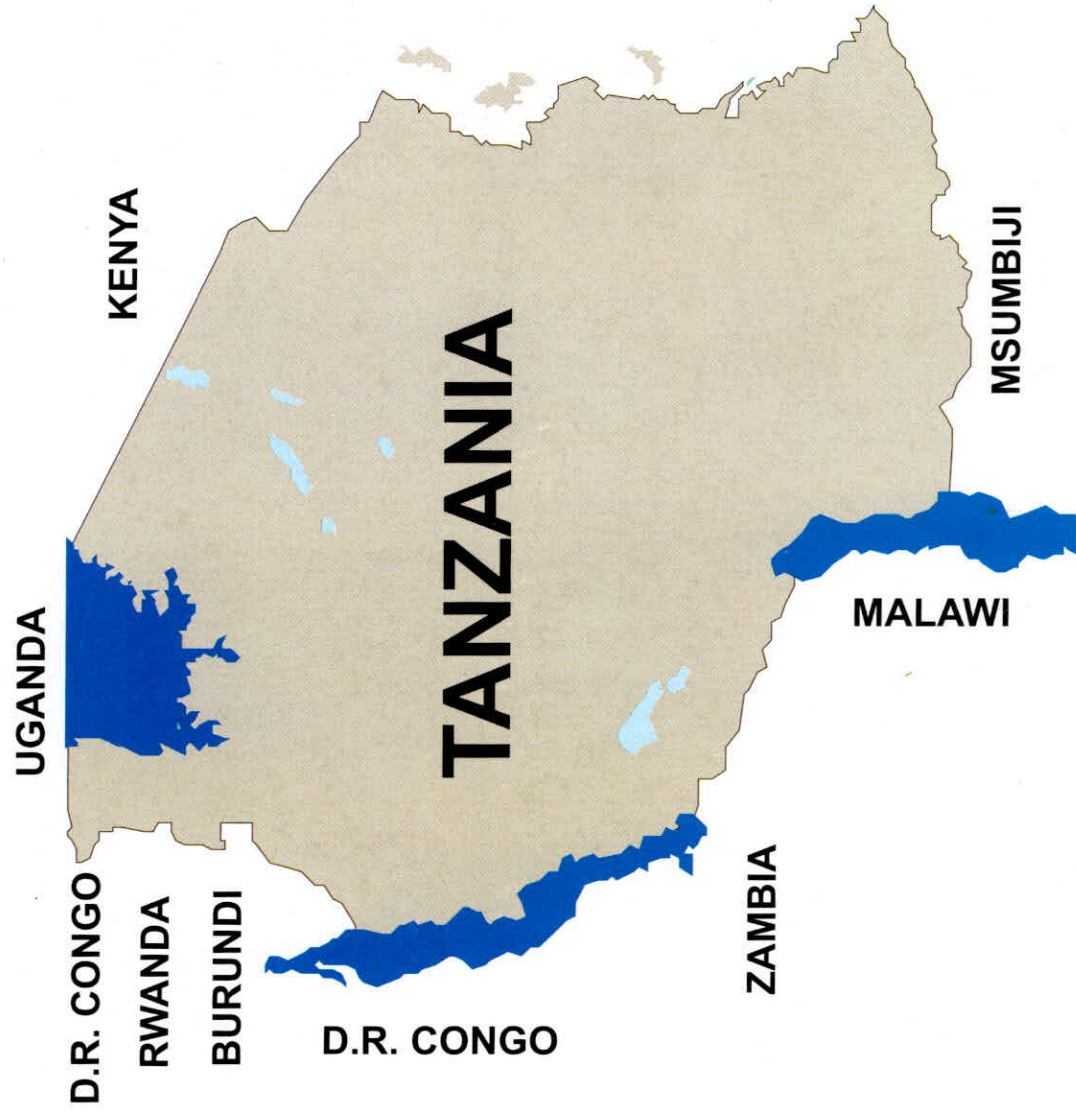
Name: GUOJIAHUI Title: DIRECTOR
Telephone: 0755258138 Fax:
0768100000
Email:

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





CNT INVESTMENT COMPANY LIMITED
P. O. Box 106267, Plot 57, Mandela Rd Light Industrial Area

PROJECT FOR PRODUCTION OF ELECTRONICS

FEASIBILITY STUDY REPORT

Plot 57, Mandela Road Light Industrial Area, P. O. Box 106267 Dar es Salaam

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Introduction

The current development of the Electronics Trade in Tanzania has made possible the expansion of their market in and outside the country. Buyers are coming from Democratic Republic of Congo, Zambia, Rwanda, Burundi, Congo, Malawi, or so, estimated at 50,000 buyers from outside a day and dozens of Tanzanians buying for a local market or moving the electronics across border to those countries' markets. It is estimated the industry makes the third biggest trading in the country after the food and building materials segments. The greatest supply to the country has dominantly been Middle East (Dubai), Far East (China and Japan) and Europe (UK), which are countries far from Tanzania.

Rationality

The Sustainable Industrial Development Policy – SIDP (1996-2020) of Tanzania is referred to. The long standing campaign of the Tanzanian Government is on the development of local industries for manufacturing and processing which will bring foreign capital, new technology, provide employments and generate income to investors, government and people/employees. This is the basis of the rationality to develop the electronics manufacturing plant in Tanzania. Other forces behind the plan are three fold:

- i. The size of the markets around is big and ever growing.
- ii. The distance between Tanzania and the current source countries costs traders time, money to travel and accommodation, foreign money sent outside the country for products buying, imported inflation to the country, and so forth.
- iii. The project has big economic linkages in and outside the country which will favour Tanzanians economically and socially.

Therefore:

Through this project our company wants to hold the market closely, reduce trades cost of doing business and keep the foreign currency in the country. These are added advantages to long standing arguments and national campaign by the government which has always encouraged the establishment of foreign based capital in the big capacities of manufacturing industries to create jobs, generate incomes and making products available to Tanzanian citizens in the local market.

Legal and Mandates in favour of the project

- i. The company promoting the project is locally incorporated under the Tanzania Companies Ordinance of 2002, with a Certificate of Incorporation No. 67812 offered on 7th October 2008.
- ii. The Sustainable Industrial Development Policy – SIDP (1996-2020) of Tanzania promotes this type of a project as one of the national's development mail stone.

Project Ownership and Location

The owners of this project are the same shareholders of the company (CNT INVESTMENT COMPANY LIMITED) which is promoting the project. The shareholders of the company are:

Table I: Company Shareholders

Name and Address	Shares Owned	Nationality
Guo Jia Hui P. O. Box 106267 Dar es Salaam	95%	Chinese
Dai Xiao Wu P. O. Box 106267 Dar es Salaam	5%	Chinese

The project is to be located at Plot 57, Mandela Road Light Industrial Area. The contacts of the project will be P. O. Box 106267 Dar es Salaam; the telephone numbers are not yet secured but the tentative numbers will be ++255 755 258 138, or +255 768 100000

INVESTMENTS

The planned project will utilise the capital of about USD 1,000.00 which will be used for preliminary logistics and clearances, to construct factory premises, to buy machinery and equipments, to meet all other requirements and make an initial working capital. The amount to be invested will be shareholders, equity contributed to the company as per shareholding provisions.

The table II: Investment Structure

The Breakdown of Costs by Investment Items-Values in USD		
Sn	Sub-Items	Breakdown
1	Land/Building	
	Office and factory structures	170,000.00
	Fencing and security	10,000.00
	Sub-total	180,000.00
2	Machinery	
	Designing	151,000.00
	Production	200,000.00
	Assembling	215,000.00
	Packaging	75,000.00
	Security system with alarm	45,000.00
	Sub-total	686,000.00
3	Vehicles	
	2 - trucks for factory works	70,000.00
	2 - 4WD pick-ups 4x4 for office works	30,000.00
	Sub-total	100,000.00
4	Furniture & Fittings	
	chairs, tables, cupboards, shelves, etc	9,000.00
	Sub-Total	9,000.00
5	Pre-Exp.	
	Procedures and Feeses,	5,000.00
	Sub-Total	5,000.00
6	Others	
	Water and electricity installation	15,000.00
	Sub-Total	15,000.00
7	Working Capital	5,000.00
	Grand Total	1,000,000.00

With this capital in operation, the project portrays various features like:

Internal Rate of Return

The project's rate of return on investment (IRR) is 17.47% which is Net Profit by Equity

Net Present Value

The project's Net Present Value (NPV) of total capital invested is 12.00%

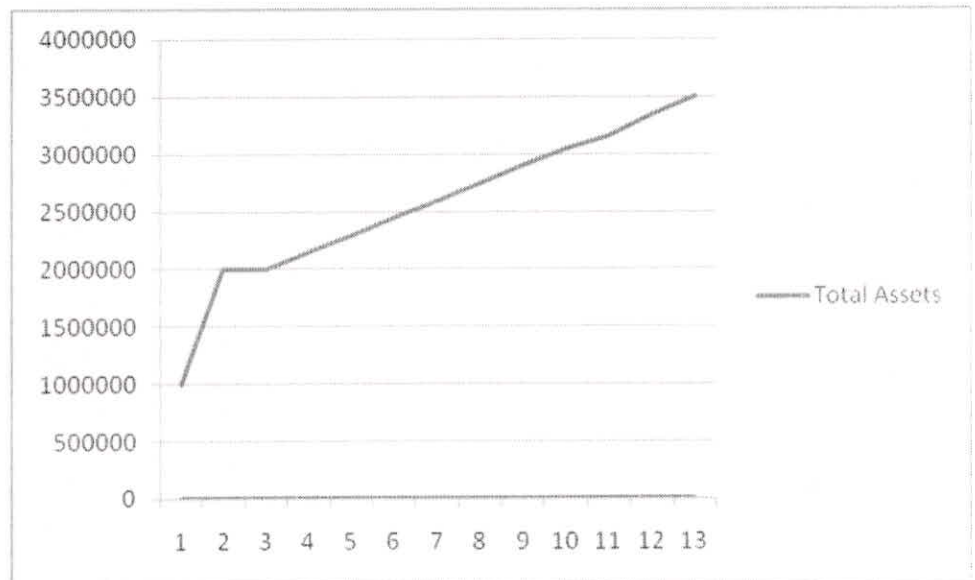
Total Assets

The starting balance of the Total Assets of the project will be USD 1,000,000.00, but will be re-valued to double in the 2009 and remain constant through 2010. The assets are expected to start growing in the year 2011 when production begins to USD 2,141,519.72 and remain growing continuously all the years along to USD 3,496,481.72 by the last year. In short the Total Assets increase trend will be as follows in the below table and graph:

Table III and Graph i:

Year	Total Assets
2008	1,000,000
2009	2,000,000
2010	2,000,000
2011	2,141,519.72
2012	2,290,177.80
2013	2,441,023.52
2014	2,591,803.27
2015	2,742,583.01
2016	2,893,362.75
2017	3,044,142.50
2018	3,154,922.24
2019	3,345,701.98
2020	3,496,481.72

Increase in Total Assets



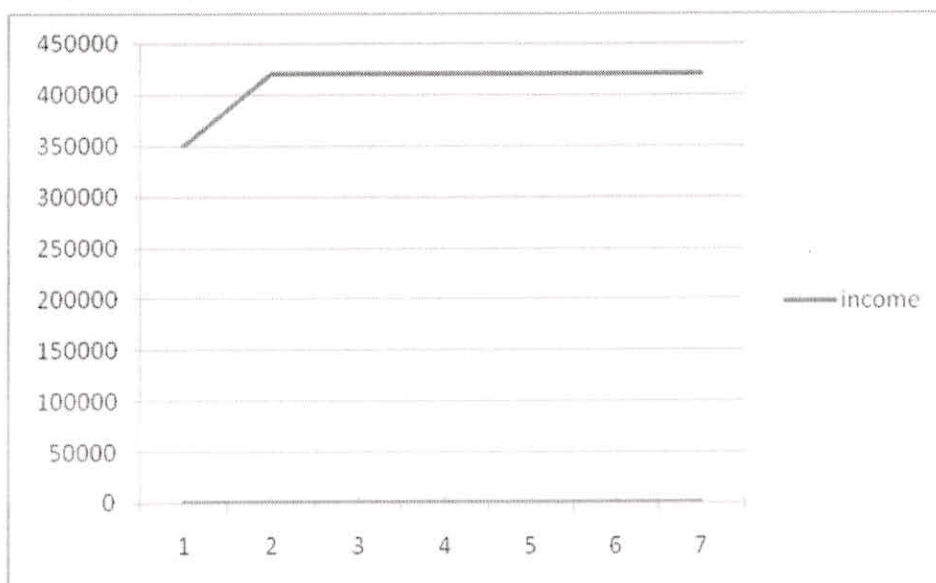
Revenues

The project will earn revenues from selling electronic items to trade companies. The project average capacity will be to produce 1,960 items a day and the each voucher will be sold at an average price of USD 214.29.

In the first year the production will be at 1,633 items which, will make revenue of USD 350,000.00 In the second year and other subsequent years the project will operate at full capacity producing 1,960 items and earning a constant revenue of USD 420,000.00.

i. e.	1 st year	$1,633 \times 214.29 = 350,000$
	2 nd year	$1,960 \times 214.29 = 420,000$
	3 rd year	$1,960 \times 214.29 = 420,000$
	4 th year	$1,960 \times 214.29 = 420,000$
	5 th year	$1,960 \times 214.29 = 420,000$
	6 th year	$1,960 \times 214.29 = 420,000$
	7 th year	$1,960 \times 214.29 = 420,000$

Graph ii. Project Revenues



Corporate Tax

With that level of production the project will start by paying a corporate tax of USD 98,962.37 in the first year, this will increase to USD 107,699.82 in the second year and that will remain constant to the last year.

Net Profits

The project gross profits are assumed to be USD 329,874.57 in the first year and USD 358,999.39 in the second year, to remain constant through. After the corporate taxes are paid, the net profits will be USD 230,912.20 in the first year, and USD 251,299.57 in the second year.

PROJECT INPUTS

The main inputs of the factory will include:

i. Premises construction

The current status of the project location has small buildings not fit for the factory operation and they will be retained for small activities like cookery and workers rest rooms. The new structures will be made to contain four stages of the production process of the factory operations including: A designing room which will be big enough and well conditioned to accommodate all designing tools and personnel, A well elevated and ventrated production area which will be installed with production machines, and be able to accommodate the production staff, A store/godown for raw materials storage and A godown for finished products storage

ii. Machinery:

Machinery with level of technology are the main components of the factory and will be the main components such as injection hovers with moulds, joinery machines, welders, gluers, etc

- Computer-aided design (CAD) services assist in the computerized design, three-dimensional (3D) modeling, and printing and drafting of engineering components and assemblies
- Welders and welding machines for all manner of devices used for welding, brazing and soldering
- Machine vision systems are used for automated inspection and measurement in production environments

- Electrical and electronic sub-assemblers are individual, functional units that comprise a piece of electrical equipment
- Conformal Coatings machines for encapsulating circuit boards and their electronic components in order to prevent the ingress of moisture, fungus, dust and other environmental contaminants.
- Laminators and Laminating Machines or presses bond together layers of materials such as plastic films on glass, wood or other substrates
- Soldering Irons, Stations and Accessories machines to bond two or more metallic surfaces together with a low melting alloy solder such as tin/lead which is melted, wets the surface and resolidifies forming a soldered joint.
- X-ray Instruments and X-ray Systems which use penetrating X-rays or gamma radiation to capture images of the internal structure of a part or finished product.
- Contract manufacturing services to design and brand name remain the property of the OEM. Contract manufacturing may involve a complete range of services from design and prototyping to final production, assembly, and quality assurance for complete products
- Surface mount technology (SMT) manufacturing equipment will be used to populate printed circuit boards (PCB). This includes soldering machines, ovens, component placement, paste depositors and screen and stencils
- Softwares such as Computer-aided design (CAD) software, computer-aided manufacturing (CAM) software, and computer-aided engineering (CAE) software is used in mechanical, electrical or electronic design; simulation, drafting, and engineering; and analysis and manufacturing.

- Impregnation and sealing equipments using vacuum, pressure, vacuum-pressure (VPI) and/or wicking action techniques to drive resins or coating materials into parts and seal open porosity.
- The CNC machining services are fast, repeatable will be made for all machines in order to make them programmable and let the function while unattended in order to manufacture parts quickly and efficiently

Other equipments will include vehicles especially trucks for the raw materials and finished products carriage.

iii. Raw materials:

The nature of the factory and its products raw materials will be sourced from the local supply and the foreign one. Locally but quality produced steel, aluminium and copper (wires); and imported plastics, master beach, polyethene - vc and other non locally found inputs.

iv. Human Resource

The project will employ both local and foreign workers. The local workers will be 24 and will include executives, machinery operators, drivers, accounts, secretaries, security guards and messengers.

Organization

The Board of Directors will be the advisor to the project. The Managing Director (MD), who is one of the board members will be the project leader followed by two Managers: a technical/production manager and a marketing manager. Under the managers will be employees (machine operators, drivers, secretaries, accountants, security and messengers).

According to the economic performance of the company, the management aims at improving the standard of living for the local community who have been employed by the projects by demonstrating and observing their priority needs in terms of facilitating them for soft loans where possible for family developments. The project intends to have a planned system, which is designed to guarantee a stable and continuous development of the company's employees' economy.

OPERATION AND TECHNICAL ASPECTS

In operation the project will use a mixed technology of electronics assembly were by the Leaded components insertion will be centered around the automatic conveyorised process where they will automatically be presented to placement and inspection prior to the next operation. The complete operation package will involve four distinct stages after the factory is established and these will be products' Design, sourcing raw materials (supplies), production and assembly; and distribution and logistics.

The all operation process will have four stages:

i **Products' Design**

Our Design Services are part of our business that cannot be utilized independently - in short we will only design product that we will subsequently manufacture. This is a core ethic of ACL as we truly believe that the design cycle and successful manufacture are intrinsically linked. There will be a high concentration of resources to designing because we believe that products that are rare, expensive, unique, or unusual hold their value best. Most of these are high-quality products aimed at niche markets. They hold their value, unless their technology becomes obsolete, because they do something that normal, consumer-grade products don't.

In designing there will be Conceptual Product Development to be followed by:

- Mechanical/housing Design
- Electrical Design
- Software Design

It is purposely planned to have the designing and manufacturing under one roof, so that we can rest assured that both areas are pulling in the same direction i.e. a product that is easy to manufacture under a reliable process.

All of the design cycle is project managed by our Technical manager, who will oversee our experienced team of technical and production engineers.

Technically as an addition to the electronics design we are well prepared at full product design including mechanics, aesthetics and ergonomics, firmware and software.

ii. **Supply Chain**

This is for the supply of machinery from China and raw materials from both Tanzania and other countries. Effective and efficient supply chain management has never been more important than in Today's volatile and fast paced electronics industry. We have a wealth of experience in maintaining cost effective supply and can tailor a bespoke solution to suite the exact requirements. In this particular project, the main supplies will come from both local and foreign suppliers. The project will need machines for designing, manufacturing and bounding all of which will be externally sourced. Other inputs like plastics used for outer covers, master beach used for plastic coloring and printed chips and soft wares will be imported. Tanzania has a good production of materials like aluminum, Metal and Copper/wire which are among the main components of the electronics hardware and all these will be locally sourced.

The supply source has no guarantee as we all know, the supply of components can change dramatically and lead-times can leap from a standard source to alternative sources almost overnight.

iii. **Production and Assembly**

This is third stage after the designing is completed and acquisition of materials is made. In this stage activities of Box moulding, printing of chips, and print & packaging materials. Also activities of wiring looms and full cabinet wiring will also be done and then fully integrated into the final product before the assembly process.

The assembly will utilize the best technologies available for precise, machines that can be automatically loaded, make complete assembling, make inspection, pack and send to market as ordered. A broad range of components will be automatically handled by machines for speed & efficiency whilst we also have the capability of hand placements off-line for additional flexibility.

With the best technology that will be employed, the project will be able to execute: Printed Circuit Board Assembly, Flexible Printed Circuit Board Assembly, Rigid-

Flexible Printed Circuit Board Assembly, Microelectronic Flip Chips print; and then make components and electromechanical parts installations and casings for a complex and simple cable assemblies.

There will be fiducial alignment will be used to ensure repeatable results that minimise placement failure and the associated costly rework. Automatic optical Inspection will enable us to inspect the solder fillet prior to component placement.

iv. **Distribution and Logistics**

The company believes that quality products remain so if they are distributed through quality channels. Both the vertical and horizontal distribution techniques will be used in the course of material presentation to customers. Our immediate customers will be agents and wholesalers of the electronics. We understand that some clients would like to enjoy the efficiencies of having their products hauled direct to their end customer, but simply lack of the confidence in security will limit our operation on this important area of customer service. The logistics department will use trucks and pick-ups to distribute the products within the market, Other means like air and marine will be used for the non-local distribution.

Products

The products will be most electronics' including LCDs. Televisions, Radios, DVD players, Air conditioners and loud speakers. These are the products a project will start with, but other products will be introduced as the project will grow and market signals will detect.

Capacity

With this size of investment, the initial installed capacity capacity of the project on production will be an average of products per item, which is an average equivalence of 1,960 items a day.

Project Implementation

The project will require almost three years (2009 to 2012) to be fully implemented and fully operational. The implementation plan is involve

Land acquisition and legal processing	by April 2009
Sight preparations	by June 2009
Structures construction	by December 2010
Machinery procurement and installation	by August 2011
Vehicles procurement	by August 2011
Material sourcing	by February 2012
Production Commencement	by April 2012

The above are the basics required by the company for the implementation of its planned project in a process. The study also looks at the company expansion and sustainability, the market potential for the company's competence in short and long term returns, the environmental impact assessment under the cost benefit analysis, and the general social economic benefits attached to it.

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Market and Market Potential

In the today world, the demand for electronics is complicated because of their quickly changing designs, tastes, size and performance. It has been leant that fashions of electronics are age taste, country specific, and activity oriented. In all conditions, our company targets a market of more than Tanzania; that is all countries within East and Central Africa. The challenge is being multidimensional enough to enter and stay in the said market. To achieve this the company has a strategy of:

- Employing the most dynamic technology in designing and production of electronics
- Keep observing changing tastes of people in individual countries on electronics
- Use mass media advertisements, narrow casting approach, billboards, discounts and promotion to enter the markets segments and remain.
- Make beneficial agreements with agents and wholesalers in specified markets.

Competition

There is no any producer of electronics in Tanzania, however there expected is a stiff competition of the market of both inputs and products in the market. This is so because most of the external producers source materials from Tanzania. Also most of the producers out side Tanzania make heir exports to Tanzania as their prime market because of the country strategic position that plays a major role as a gate to other neighbouring countries. However it has been studied that the market share utilised by imported electronics so far is only 40%, because of quick fashion and customer taste change posed by the time lag between the production and in-market availability. Our company's strategy is to use that gap of presenting products to the customer right away from design which we believe will create another 40% of the market share owned by our products. That will be our project start of acquiring a portion of the vacant 60% of the market share and will keep on increasing the proportion until the vacant is finished then here is where a real competition will begin. In short this is something of years to remain.

Environmental Assessment

The already acquired site for the factory development is within the Mandela Road, a place allocated by the government of Tanzania for the industrial development(not residential). This place has no preserved natural vegetation like forests, and thus the project will make no environmental destruction on vegetation. By the nature of the industry for our project, all activities will be done on top of the land and thus will be no major land structure disturbances apart from surface levelling and shallow trenching. Finally the nature of the factory has some levels of carbon emissions. The project is modern and will use new technologies of wastes treatment to be sure that there is no environmental contamination and thus prove that the project is viably more environmental conscious.

Project Values

- i there is enough capital to invest
- ii there is high technology to be transferred and used
- iii there will be strong management and personnel teams
- iv the project as a clear willingness and readiness to expand
- v the projet is willing and; ability and readiness to lean

- vi Project's products demand is high and growing in the countries around
- vii It Responds to the country policy on private sector development
- viii it is one of the best income generating activities
- ix it has many incubated jobs to be offered to Tanzanians

Conclusion and Recommendation

The project is technically feasible, financially viable and economically sound. It is recommended therefore that it qualifies approval and facilitation for its successful implementation.

SUMMARY SHEET

Project Title	CNT INVESTMENT COMPANY LIMITED
Project Description	Establishment of Electronics Producing Factory
Date	10/2008
Project Classification	New
Construction Phase	2009 – 20011
Production Phase	1012 – 2021
Accounting Currency	US Dollars

INVESTMENT COSTS

	Total construction	Total production	Total investment
Total fixed investment costs	950,000.00	0.00	950,000.00
Total pre-production expenditures	50,000.00	0.00	50,000.00
<i>Pre-production expenditures (net of interest)</i>	<i>50,000.00</i>	<i>0.00</i>	<i>50,000.00</i>
<i>Interest</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Increase in net working capital	0.00	1,727.88	1,727.88
TOTAL INVESTMENT COSTS	1,000,000.00	1,727.88	1,001,727.88

SOURCES OF FINANCE

	Total construction	Total production	Total inflow
Total equity capital	1,000,000.00	0.00	1,000,000.00
<i>Foreign</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
<i>Local</i>	<i>1,000,000.00</i>	<i>0.00</i>	<i>1,000,000.00</i>
Total long-term loans	0.00	0.00	0.00
<i>Foreign</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
<i>Local</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Total short-term loans	0.00	0.00	0.00
<i>Foreign</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
<i>Local</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Accounts payable	0.00	3,038.38	3,038.38
TOTAL SOURCES OF FINANCE	1,000,000.00	3,038.38	1,003,038.38

INCOME AND COSTS, OPERATIONS

	First year 10/2011-12/2011	Reference year 2015	Last year 2020
SALES REVENUE	350,000.00	420,000.00	420,000.00
Factory costs	7,625.43	11,000.61	11,000.61
Administrative overhead costs	0.00	0.00	0.00
OPERATING COSTS	7,625.43	11,000.61	11,000.61
Depreciation	12,500.00	50,000.00	50,000.00
Financial costs	0.00	0.00	0.00
TOTAL PRODUCTION COSTS	20,125.43	61,000.61	61,000.61
Marketing costs	0.00	0.00	0.00
COSTS OF PRODUCTS	20,125.43	61,000.61	61,000.61
Interest on short-term deposits	0.00	0.00	0.00
GROSS PROFIT FROM OPERATIONS	329,874.57	358,999.39	358,999.39
Extraordinary income	0.00	0.00	0.00
Extraordinary loss	0.00	0.00	0.00
Depreciation allowances	0.00	0.00	0.00

SUMMARY SHEET

GROSS PROFIT	329,874.57	358,999.39	358,999.39
Investment allowances	0.00	0.00	0.00
TAXABLE PROFIT	329,874.57	358,999.39	358,999.39
Income (corporate) tax	98,962.37	107,699.82	107,699.82
NET PROFIT	230,912.20	251,299.57	251,299.57

RATIOS

Net Present Value of Total Capital Invested	at 12.00 %	412,337.52
Internal rate of return on investment (IRR)	17.47 %	
Modified IRR on investment	17.47 %	
Net Present Value of Total Equity Capital Invested	at 12.00 %	412,337.52
Internal rate of return on equity (IRRE)	17.47 %	
Modified IRRE on equity	17.47 %	

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

US Dollars

		2009	2010	2011	2012
TOTAL CASH INFLOW	950,000.00	50,000.00	0.00	352,972.40	420,000.00
Inflow funds	950,000.00	50,000.00	0.00	2,972.40	0.00
Inflow operation	0.00	0.00	0.00	350,000.00	420,000.00
Other income	0.00	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	0.00	0.00	0.00	206,212.83	216,726.36
Increase in fixed assets	0.00	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	7,260.15	-4,615.56
Operating costs	0.00	0.00	0.00	7,625.43	11,000.61
Marketing costs	0.00	0.00	0.00	0.00	0.00
Income (corporate) tax	0.00	0.00	0.00	98,962.37	107,699.82
Financial costs	0.00	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	0.00	0.00	2,121.67
Dividends	0.00	0.00	0.00	92,364.88	100,519.83
Equity capital refund	0.00	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	950,000.00	50,000.00	0.00	146,759.57	203,273.64
CUMULATIVE CASH BALANCE	950,000.00	1,000,000.00	1,000,000.00	1,146,759.57	1,350,033.21
Foreign surplus (deficit)	0.00	0.00	0.00	0.00	0.00
Local surplus (deficit)	950,000.00	50,000.00	0.00	146,759.57	203,273.64
Foreign cumulative cash balance	0.00	0.00	0.00	0.00	0.00
Local cumulative cash balance	950,000.00	1,000,000.00	1,000,000.00	1,146,759.57	1,350,033.21
Net flow of funds	950,000.00	50,000.00	0.00	-89,392.48	-102,641.49

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

US Dollars

	2013	2014	2015	2016	2017
TOTAL CASH INFLOW	420,065.98	420,000.00	420,000.00	420,000.00	420,000.00
Inflow funds	65.98	0.00	0.00	0.00	0.00
Inflow operation	420,000.00	420,000.00	420,000.00	420,000.00	420,000.00
Other income	0.00	0.00	0.00	0.00	0.00
TOTAL CASH OUTFLOW	219,220.26	219,220.26	219,220.26	219,220.26	219,220.26
Increase in fixed assets	0.00	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	0.00	0.00
Operating costs	11,000.61	11,000.61	11,000.61	11,000.61	11,000.61
Marketing costs	0.00	0.00	0.00	0.00	0.00
Income (corporate) tax	107,699.82	107,699.82	107,699.82	107,699.82	107,699.82
Financial costs	0.00	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	0.00	0.00	0.00
Dividends	100,519.83	100,519.83	100,519.83	100,519.83	100,519.83
Equity capital refund	0.00	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	200,845.72	200,779.74	200,779.74	200,779.74	200,779.74
CUMULATIVE CASH BALANCE	1,550,878.93	1,751,658.67	1,952,438.41	2,153,218.16	2,353,997.90
Foreign surplus (deficit)	0.00	0.00	0.00	0.00	0.00
Local surplus (deficit)	200,845.72	200,779.74	200,779.74	200,779.74	200,779.74
Foreign cumulative cash balance	0.00	0.00	0.00	0.00	0.00
Local cumulative cash balance	1,550,878.93	1,751,658.67	1,952,438.41	2,153,218.16	2,353,997.90
Net flow of funds	-100,453.85	-100,519.83	-100,519.83	-100,519.83	-100,519.83

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

US Dollars

	2018	2019	2020	Scrap 2021
TOTAL CASH INFLOW	420,000.00	420,000.00	420,000.00	540,144.60
Inflow funds	0.00	0.00	0.00	0.00
Inflow operation	420,000.00	420,000.00	420,000.00	0.00
Other income	0.00	0.00	0.00	540,144.60
TOTAL CASH OUTFLOW	219,220.26	219,220.26	219,220.26	916.72
Increase in fixed assets	0.00	0.00	0.00	0.00
Increase in current assets	0.00	0.00	0.00	0.00
Operating costs	11,000.61	11,000.61	11,000.61	0.00
Marketing costs	0.00	0.00	0.00	0.00
Income (corporate) tax	107,699.82	107,699.82	107,699.82	0.00
Financial costs	0.00	0.00	0.00	0.00
Loan repayment	0.00	0.00	0.00	916.72
Dividends	100,519.83	100,519.83	100,519.83	0.00
Equity capital refund	0.00	0.00	0.00	0.00
SURPLUS (DEFICIT)	200,779.74	200,779.74	200,779.74	539,227.88
CUMULATIVE CASH BALANCE	2,554,777.64	2,755,557.39	2,956,337.13	3,495,565.01
Foreign surplus (deficit)	0.00	0.00	0.00	0.00
Local surplus (deficit)	200,779.74	200,779.74	200,779.74	539,227.88
Foreign cumulative cash balance	0.00	0.00	0.00	0.00
Local cumulative cash balance	2,554,777.64	2,755,557.39	2,956,337.13	3,495,565.01
Net flow of funds	-100,519.83	-100,519.83	-100,519.83	-916.72

CASH FLOW FOR FINANCIAL PLANNING - TOTAL

US Dollars

	Production 2020	Scrap 2021
TOTAL CASH INFLOW	420,000.00	540,144.60
Inflow funds	0.00	0.00
Inflow operation	420,000.00	0.00
Other income	0.00	540,144.60
TOTAL CASH OUTFLOW	219,220.26	916.72
Increase in fixed assets	0.00	0.00
Increase in current assets	0.00	0.00
Operating costs	11,000.61	0.00
Marketing costs	0.00	0.00
Income (corporate) tax	107,699.82	0.00
Financial costs	0.00	0.00
Loan repayment	0.00	916.72
Dividends	100,519.83	0.00
Equity capital refund	0.00	0.00
SURPLUS (DEFICIT)	200,779.74	539,227.88
CUMULATIVE CASH BALANCE	2,956,337.13	3,495,565.01
Foreign surplus (deficit)	0.00	0.00
Local surplus (deficit)	200,779.74	539,227.88
Foreign cumulative cash balance	0.00	0.00
Local cumulative cash balance	2,956,337.13	3,495,565.01
Net flow of funds	-100,519.83	-916.72

NET INCOME STATEMENT

US Dollars

	Production 10/2011-12/2011	Production 2012	Production 2013	Production 2014
Sales revenue	350,000.00	420,000.00	420,000.00	420,000.00
Less variable costs	6,262.89	8,900.47	8,900.47	8,900.47
VARIABLE MARGIN	343,737.11	411,099.53	411,099.53	411,099.53
in % of sales revenue	98.21	97.88	97.88	97.88
Less fixed costs	13,862.54	52,100.14	52,100.14	52,100.14
OPERATIONAL MARGIN	329,874.57	358,999.39	358,999.39	358,999.39
in % of sales revenue	94.25	85.48	85.48	85.48
Interest on short-term deposits	0.00	0.00	0.00	0.00
Financial costs	0.00	0.00	0.00	0.00
GROSS PROFIT FROM OPERATIONS	329,874.57	358,999.39	358,999.39	358,999.39
in % of sales revenue	94.25	85.48	85.48	85.48
Extraordinary income	0.00	0.00	0.00	0.00
Extraordinary loss	0.00	0.00	0.00	0.00
Depreciation allowances	0.00	0.00	0.00	0.00
GROSS PROFIT	329,874.57	358,999.39	358,999.39	358,999.39
Investment allowances	0.00	0.00	0.00	0.00
TAXABLE PROFIT	329,874.57	358,999.39	358,999.39	358,999.39
Income (corporate) tax	98,962.37	107,699.82	107,699.82	107,699.82
NET PROFIT	230,912.20	251,299.57	251,299.57	251,299.57
in % of sales revenue	65.97	59.83	59.83	59.83
Dividends	92,364.88	100,519.83	100,519.83	100,519.83
RETAINED PROFIT	138,547.32	150,779.74	150,779.74	150,779.74
RATIOS				
Net profit to equity (%)	23.09	25.13	25.13	25.13
Net profit to net worth (%)	10.80	10.98	10.30	9.70
Net profit+interest to investment (%)	22.99	25.08	25.09	25.09

NET INCOME STATEMENT

US Dollars

	Production 2015	Production 2016	Production 2017	Production 2018
Sales revenue	420,000.00	420,000.00	420,000.00	420,000.00
Less variable costs	8,900.47	8,900.47	8,900.47	8,900.47
VARIABLE MARGIN	411,099.53	411,099.53	411,099.53	411,099.53
in % of sales revenue	97.88	97.88	97.88	97.88
Less fixed costs	52,100.14	52,100.14	52,100.14	52,100.14
OPERATIONAL MARGIN	358,999.39	358,999.39	358,999.39	358,999.39
in % of sales revenue	85.48	85.48	85.48	85.48
Interest on short-term deposits	0.00	0.00	0.00	0.00
Financial costs	0.00	0.00	0.00	0.00
GROSS PROFIT FROM OPERATIONS	358,999.39	358,999.39	358,999.39	358,999.39
in % of sales revenue	85.48	85.48	85.48	85.48
Extraordinary income	0.00	0.00	0.00	0.00
Extraordinary loss	0.00	0.00	0.00	0.00
Depreciation allowances	0.00	0.00	0.00	0.00
GROSS PROFIT	358,999.39	358,999.39	358,999.39	358,999.39
Investment allowances	0.00	0.00	0.00	0.00
TAXABLE PROFIT	358,999.39	358,999.39	358,999.39	358,999.39
Income (corporate) tax	107,699.82	107,699.82	107,699.82	107,699.82
NET PROFIT	251,299.57	251,299.57	251,299.57	251,299.57
in % of sales revenue	59.83	59.83	59.83	59.83
Dividends	100,519.83	100,519.83	100,519.83	100,519.83
RETAINED PROFIT	150,779.74	150,779.74	150,779.74	150,779.74
RATIOS				
Net profit to equity (%)	25.13	25.13	25.13	25.13
Net profit to net worth (%)	9.17	8.69	8.26	7.87
Net profit+interest to investment (%)	25.09	25.09	25.09	25.09

NET INCOME STATEMENT

US Dollars

	Production 2019	Production 2020
Sales revenue	420,000.00	420,000.00
Less variable costs	8,900.47	8,900.47
VARIABLE MARGIN	411,099.53	411,099.53
in % of sales revenue	97.88	97.88
Less fixed costs	52,100.14	52,100.14
OPERATIONAL MARGIN	358,999.39	358,999.39
in % of sales revenue	85.48	85.48
Interest on short-term deposits	0.00	0.00
Financial costs	0.00	0.00
GROSS PROFIT FROM OPERATIONS	358,999.39	358,999.39
in % of sales revenue	85.48	85.48
Extraordinary income	0.00	0.00
Extraordinary loss	0.00	0.00
Depreciation allowances	0.00	0.00
GROSS PROFIT	358,999.39	358,999.39
Investment allowances	0.00	0.00
TAXABLE PROFIT	358,999.39	358,999.39
Income (corporate) tax	107,699.82	107,699.82
NET PROFIT	251,299.57	251,299.57
in % of sales revenue	59.83	59.83
Dividends	100,519.83	100,519.83
RETAINED PROFIT	150,779.74	150,779.74
RATIOS		
Net profit to equity (%)	25.13	25.13
Net profit to net worth (%)	7.51	7.19
Net profit+interest to investment (%)	25.09	25.09

BREAK-EVEN ANALYSIS - TOTAL

US Dollars

	Production 10/2011-12/2011	Production 2012	Production 2013	Production 2014
Sales revenue	350,000.00	420,000.00	420,000.00	420,000.00
Variable costs	6,262.89	8,900.47	8,900.47	8,900.47
Variable margin	343,737.11	411,099.53	411,099.53	411,099.53
Variable margin ratio (%)	98.21	97.88	97.88	97.88
Including cost of finance				
Fixed costs	13,862.54	52,100.14	52,100.14	52,100.14
Financial costs	0.00	0.00	0.00	0.00
Break-even sales value	14,115.11	53,228.13	53,228.13	53,228.13
Break-even ratio (%)	4.03	12.67	12.67	12.67
Fixed costs coverage ratio	24.80	7.89	7.89	7.89
Excluding cost of finance				
Fixed costs	13,862.54	52,100.14	52,100.14	52,100.14
Break-even sales value	14,115.11	53,228.13	53,228.13	53,228.13
Break-even ratio (%)	4.03	12.67	12.67	12.67
Fixed costs coverage ratio	24.80	7.89	7.89	7.89

BREAK-EVEN ANALYSIS - TOTAL

US Dollars

	Production 2015	Production 2016	Production 2017	Production 2018
Sales revenue	420,000.00	420,000.00	420,000.00	420,000.00
Variable costs	8,900.47	8,900.47	8,900.47	8,900.47
Variable margin	411,099.53	411,099.53	411,099.53	411,099.53
Variable margin ratio (%)	97.88	97.88	97.88	97.88
Including cost of finance				
Fixed costs	52,100.14	52,100.14	52,100.14	52,100.14
Financial costs	0.00	0.00	0.00	0.00
Break-even sales value	53,228.13	53,228.13	53,228.13	53,228.13
Break-even ratio (%)	12.67	12.67	12.67	12.67
Fixed costs coverage ratio	7.89	7.89	7.89	7.89
Excluding cost of finance				
Fixed costs	52,100.14	52,100.14	52,100.14	52,100.14
Break-even sales value	53,228.13	53,228.13	53,228.13	53,228.13
Break-even ratio (%)	12.67	12.67	12.67	12.67
Fixed costs coverage ratio	7.89	7.89	7.89	7.89

BREAK-EVEN ANALYSIS - TOTAL

US Dollars

	Production 2019	Production 2020
Sales revenue	420,000.00	420,000.00
Variable costs	8,900.47	8,900.47
Variable margin	411,099.53	411,099.53
Variable margin ratio (%)	97.88	97.88
Including cost of finance		
Fixed costs	52,100.14	52,100.14
Financial costs	0.00	0.00
Break-even sales value	53,228.13	53,228.13
Break-even ratio (%)	12.67	12.67
Fixed costs coverage ratio	7.89	7.89
Excluding cost of finance		
Fixed costs	52,100.14	52,100.14
Break-even sales value	53,228.13	53,228.13
Break-even ratio (%)	12.67	12.67
Fixed costs coverage ratio	7.89	7.89

PROJECTED BALANCE SHEET

US Dollars

	Starting balance		2009	2010	2011
TOTAL ASSETS	1,000,000.00	1,950,000.00	2,000,000.00	2,000,000.00	2,141,519.72
Total current assets	0.00	950,000.00	1,000,000.00	1,000,000.00	1,154,019.72
Total fixed assets, net of depreciation	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	987,500.00
Accumulated losses brought forward	0.00	0.00	0.00	0.00	0.00
Loss in current year	0.00	0.00	0.00	0.00	0.00
TOTAL LIABILITIES	1,000,000.00	1,950,000.00	2,000,000.00	2,000,000.00	2,141,519.72
Total current liabilities	0.00	0.00	0.00	0.00	2,972.40
Total long-term debt	0.00	0.00	0.00	0.00	0.00
Total equity capital	0.00	950,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Reserves, retained profit brought forward	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Retained profit	0.00	0.00	0.00	0.00	138,547.32
Net worth	1,000,000.00	1,950,000.00	2,000,000.00	2,000,000.00	2,138,547.32
RATIOS					
Equity to total liabilities (%)	0.00	48.72	50.00	50.00	46.70
Net worth to total liabilities (%)	100.00	100.00	100.00	100.00	99.86
Long-term debt to net worth	0.00	0.00	0.00	0.00	0.00
Current assets to current liabilities	0.00	0.00	0.00	0.00	388.24

PROJECTED BALANCE SHEET

US Dollars

	2012	2013	2014	2015	2016
TOTAL ASSETS	2,290,177.80	2,441,023.52	2,591,803.27	2,742,583.01	2,893,362.75
Total current assets	1,352,677.80	1,553,523.52	1,754,303.27	1,955,083.01	2,155,862.75
Total fixed assets, net of depreciation	937,500.00	887,500.00	837,500.00	787,500.00	737,500.00
Accumulated losses brought forward	0.00	0.00	0.00	0.00	0.00
Loss in current year	0.00	0.00	0.00	0.00	0.00
TOTAL LIABILITIES	2,290,177.80	2,441,023.52	2,591,803.27	2,742,583.01	2,893,362.75
Total current liabilities	850.74	916.72	916.72	916.72	916.72
Total long-term debt	0.00	0.00	0.00	0.00	0.00
Total equity capital	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Reserves, retained profit brought forward	1,138,547.32	1,289,327.06	1,440,106.81	1,590,886.55	1,741,666.29
Retained profit	150,779.74	150,779.74	150,779.74	150,779.74	150,779.74
Net worth	2,289,327.06	2,440,106.81	2,590,886.55	2,741,666.29	2,892,446.03
RATIOS					
Equity to total liabilities (%)	43.66	40.97	38.58	36.46	34.56
Net worth to total liabilities (%)	99.96	99.96	99.96	99.97	99.97
Long-term debt to net worth	0.00	0.00	0.00	0.00	0.00
Current assets to current liabilities	1,590.00	1,694.66	1,913.68	2,132.70	2,351.72

PROJECTED BALANCE SHEET

US Dollars

	2017	2018	2019	2020
TOTAL ASSETS	3,044,142.50	3,194,922.24	3,345,701.98	3,496,481.72
Total current assets	2,356,642.50	2,557,422.24	2,758,201.98	2,958,981.72
Total fixed assets, net of depreciation	687,500.00	637,500.00	587,500.00	537,500.00
Accumulated losses brought forward	0.00	0.00	0.00	0.00
Loss in current year	0.00	0.00	0.00	0.00
TOTAL LIABILITIES	3,044,142.50	3,194,922.24	3,345,701.98	3,496,481.72
Total current liabilities	916.72	916.72	916.72	916.72
Total long-term debt	0.00	0.00	0.00	0.00
Total equity capital	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Reserves, retained profit brought forward	1,892,446.03	2,043,225.78	2,194,005.52	2,344,785.26
Retained profit	150,779.74	150,779.74	150,779.74	150,779.74
Net worth	3,043,225.78	3,194,005.52	3,344,785.26	3,495,565.01
RATIOS				
Equity to total liabilities (%)	32.85	31.30	29.89	28.60
Net worth to total liabilities (%)	99.97	99.97	99.97	99.97
Long-term debt to net worth	0.00	0.00	0.00	0.00
Current assets to current liabilities	2,570.74	2,789.76	3,008.78	3,227.80