

SAMYA INDUSTRIES GROUP
LIMITED



MINUTE SHEET

Dokezo
No.

1.0

EXD

[Signature]
23/01/2014

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest USD 1.795m
- (b) Legal entity has been incorporated under certificate

No. 73741 of 19/11/2009

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.

[Signature]

Revocatus Arborgast

IFM

21st January, 2014

2.0

EXD

In response to the TIC letter of registration dated 20th January 2014

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from Stebic Bank LTD
- (c) Title deed and affidavits as evidence of land.

With the above submission EXD is requested to sign Certificate of Incentives No. 04.2594 herein attached.

[Signature] 10/02/2014



[Signature]
DIF

MINUTE SHEET

Dokezo
No.

1

SANYA INDUSTRIES GROUP LIMITED

P.o. Box 7356 Arusha , Mobile +255715480499

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

4TH January 2014



Dear Sir,

RE: APPLICATION OF TIC CERTIFICATE OF INCENTIVES

We are submitting our application to be considered for an award of Certificate of Incentives to our investment project in Corn Milling and Corn Flour Packaging Factory. As required in the application form, the supporting documents for the application are enclosed here with;

1. The memorandum and articles of association
2. Certificate of incorporation/registration
3. Business plan the project
4. Bank reference letter and
5. Evidence of land ownership for the project.

We are looking forward to receiving your favorable consideration and approval.

Yours truly,

A handwritten signature in blue ink, appearing to read "Abubakar".

Abubakar Hashim Ibrahim



SANYA INDUSTRIES GROUP LIMITED

P.O. BOX 7356 ARUSHA , MOBILE +255715480499

MINUTES OF THE BOARD MEETING HELD ON 4th JANUARY, 2014

PRESENT:

1. Abubakar Hashim Ibrahim
2. Zainab Abubakar

At their extra Ordinary Board Meeting which was held at the Registered Office Premises At Arusha the Board of Directors resolved and agreed as Follows:-

- That the project be registered with Tanzania Investment Centre in conformity to Tanzania investment act and policy, so as the project can enjoy tax incentives.

As there was no other Business the Chairman closed the meeting at exactly at 4.00pm.

By the Order of the board

NAME: ABUBAKAR H. IBRAHIM

SIGNATURE 

NAME: ZAINAB ABUBAKAR

SIGNATURE 

TANZANIA



Certificate of Incorporation

Section 15

No **73741**

I HEREBY CERTIFY THAT

SANYA INDUSTRIES GROUP 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 **19TH** day of **NOVEMBER**

TWO THOUSAND AND NINE

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

Asst. Registrar of Companies

TANZANIA



Certificate of Incorporation

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Asst. 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)

LEONARDO PULGARINOS GONZALEZ
FOR EXECUTIVE DIRECTOR

1901072

Unclaimed refund beyond three years will be forfeited

9616



11626

TANZANIA INVESTMENT CENTRE

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

RECEIPT

REC015974

No. 007915

Received from : SANYA INDUSTRIES GROUP LTD

P.O BOX 7356 ARUSHA

Address

Received the sum of (In words):

ONE HUNDRED AND ZERO CENT ONLY

**For Executive Director
Tanzania Investment Centre**

REGISTRATION FEE

Being payment in respect of :

USD 100.00

Amount :

Cash / Cheque No:

Date :

D/DEPOSIT 6/1

BUisso

Receiving Officer

Aug 11

53980

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 ABUBAKAR HASHIM IBRAHIM AND ZAINAB ABUBAKAR
(~~director~~/directors/agent of SANYA RD GROUP INDUSTRIES GROUP LIMITED
(name of business enterprise) apply for registration of CERTIFICATE OF INCENTIVES
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at PLOT NO-1850
NGORBOB VILLAGE, ARUMERU, ARUSHA

Copies of the following documents are attached to this application:

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

3. The Head Office of the Company will be situated at PLOT NO 1850, ARUSHA

4. The Principal Officers of the Company are ABUBAKAR HASHIM IBRAHIM
AND ZAINAB ABUBAKAR

5. Auditors of the Company are -

6. The authorized share capital of the Company is Tshs. ~~USS~~ 10,000,000



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

is Tshs./US\$ 1,780,000

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

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

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

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

I, ZAINAB ABUBAKAR of Post Office Number 7356, DSM RD

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

authorized agent of SANYA INDUSTRIES GROUP LIMITED

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

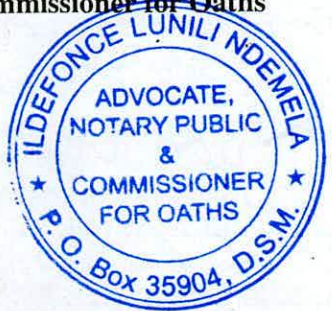
Declared at Dar es Salaam }
..... }

The 6th day of January 2014 }

Kaisal
Applicant

Before me:

[Signature]
.....
Commissioner for Oaths



APPLICATION SUMMARY

Company Name: SANYA INDUSTRIES GROUP LIMITED

Certificate of Incorporation Number: 73741 Status: EXISTING

Certificate of Incorporation Date: 19TH NOVEMBER 2009

Post Box: 7356

Town: ARUSHA

Sector: MANUFACTURING AGRICULTURE RW

Sub-Sector: MANUFACTURING AGRICULTURE RW CORN MILLING

Investment Financing Plan in Million US\$/Tshs:

Foreign Equity	Local Equity	Foreign Loan	Local Loan
1,190,000 RW	1,780,000	-	-

Project Objectives: FOR CORN MILLING & CORN FLOUR PACKAGING PLANT

Capacity: 1780,000 USD 40 trucks

Employment: Foreign: 34³ RW Local: 27²⁸ RW Total: 4³¹ RW

Implementation Period: 5 YEARS

Project Location

Site/Plot/Block No.: 1850

Street: NGORBOB District: ARUMERU Region: ARUSHA (Attach sketch map showing project location)

Shareholders	Nationality	%
ABUBAKAR HASHIM IBRAHIM	TANZANIAN	50
ZAINAB ABUBAKAR	TANZANIAN	50

Investment Breakdown US\$/Tshs.M

Land/Building	600,000
Plant	829,000
Vehicles	205,000
Furniture & Fittings	15,000
Pre-expenses	33,960
Others	—
Working Capital	106,040
TOTAL	1,789,000

Contact Details:

Name: ZAINAB ABUBAKAR

Title: DIRECTOR

Telephone: +255 715 480 499

Fax:

Email:

Payments to be made payable to:

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

returned beyond three years will be forfeited

(8)



TANZANIA INVESTMENT CENTRE

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

RECEIPT REC01406

No. 008202

Received from : SANYA INDUSTRIES GROUP LTD

Address : P.O. BOX 7356 ARI SHA

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



Being payment in respect of : CERTIFICATE OF INCENTIVES

Amount : USD 1,000.00

Cash / Cheque No: D-Deposit

Date :

Receiving Officer

MAJAL-2-PAD
P.O. BOX 238

3 FEB 2017

RECEIVED
INVESTMENT CENTRE

**THE MANAGING DIRECTOR,
TANZANIA INVESTMENT CENTRE,
P. O. BOX 938
DAR-ES-SALAAM.**

**AFFIDAVIT IN RESPECT OF LOCATION AND ESTABLISHMENT
AND OPERATION OF CORN MILLING AND PACKAGING PLANT
ON PLOT NO. 1850 NGORBOB ARUSHA DISTRICT COUNCIL
FOR TANZANIA INVESTMENT CENTRE INCENTIVE PURPOSES**

I, **ABUBAKARI HASHIM IBRAHIM** adult Muslim, of P. O. Box 7356, **ARUSHA** solemnly affirm and state as hereunder:-

1. That, am the registered owner of Certificate of Title No. 40456 relating to land known as PLOT NO.1850, L.O. NO.447927, located at NGORBOB AREA, ARUSHA DISTRICT COUNCIL (hereinafter called "the property").
2. That I am also a shareholder and director of SANYA INDUSTRIES GROUP LIMITED of P. O. Box 7356 which is a limited liability company registered under the Companies Act (hereinafter called "my company").
3. That my company has conceived a project for corn milling and packaging which shall involve installation of plant and machinery.
4. That by this affidavit I confirm to Tanzania Investment Centre that the establishment and operation of the corn milling plant by my company shall always be undertaken at my property above named.

VERIFICATION

I, **ABUBAKARI HASHIM IBRAHIM** verify that what is stated in paragraphs 1, 2, 3 and 4 herein is true to my knowledge.

SOLEMNLY AFFIRMED and **VERIFIED** at **ARUSHA** by the said **ABUBAKARI HASHIM IBRAHIM** who is introduced to me by **ABBAS MRUMA** the latter being known to me personally this 28th day of January, 2014

Handwritten signature

Before me:

Name: NELSON J. MERNTO

Signature: [Handwritten Signature]

Address: P.O. Box 10206 Arusha

Qualification: Advocate



Telephone No. 53210

MINISTRY OF LANDS,
LAND REGISTRY,
P.O. BOX 190,
MOSHI.

Ref: No. LP/MSH/40456/3
To: ABUBAKAR HASHIM IBRAHIM
P.O. BOX 7356 ARUSHA

Date: 21st AUG. 2013

Sir/Gentlemen/Madam

RE: **THE LAND REGISTRATION ACT (CAP. 334)**
TITLE No: 40456 L.O. No. 447927 PLOT No. 1850
BLOCK: HGORBOB ARUSHA DISTRICT:

I have the honour to enclose herewith the duplicate of Certificate Title numbered as above.

Please endorse your signature on the enclosed form of receipt and return the same to me in due course.

I am, Sir/Gentlemen/Madam
Your Obedient Servant

ASSISTANT REGISTRAR OF TITLES
MOSHI

DISTRICT

E. E. Bundola

C.C: The Regional Land Officer,
P.O. Box 3083, ARUSHA Date of C.O. 20th JUL 2013
KILIMANJARO/ARUSHA/TANGA/MANYARA

Original Inclusive
Heurmei

Date of Issue:
Title Number: 40456
Land Office Number: 447927
Land: **PLOT NO. 1850 NGORBOB ARUSHA DISTRICT COUNCIL**

Term: **SIXTY SIX (66) YEARS**



Land Form No. 22

Stamp Duty Shs. 100/-
and Revenue Receipt No. 40327321
of 27-06-2013. Issued

Asst. Registrar of Titles

THE UNITED REPUBLIC OF TANZANIA

THE LAND ACT, 1999
(NO. 4 OF 1999)

CERTIFICATE OF OCCUPANCY

Stamp Duty Shs. 214,050/- Paid
on Original Revenue Receipt No.
40327321 of 27-06-2013

Asst. Registrar of Titles

(Under Section 29)

LAND RECORDS (M) - MUSOMA

Title No: 40456
L.O. No. 447927
FILE No. ADC/NGOR/2861

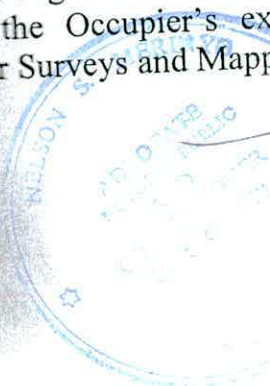
day of August, Two Thousand and Thirteen

I DO CERTIFY that ABUBAKARI HASHIM IBRAHIM of P.O. Box
MUSOMA (hereinafter called "the Occupier") is entitled to the Right of
Occupancy (hereinafter called "the Right") in and over the land described in the
Land Record (hereinafter called "the Land") for a term of Sixty six years from
the first day of April Two Thousand and Thirteen according to the true intent and
purpose of the Land Act and subject to the provisions thereof and to any regulations
made thereunder and to any enactment in substitution there for or amendment thereof
and to the following special conditions:-

The Occupier having paid rent up to the thirtieth day of June, 2003; shall
hereafter pay rent of shillings Two Million Three Hundred Eight Five
Thousand (Tshs.2,385,000/=) only a year in advance on the first day of July
in every year of the term without deduction PROVIDED that the rent may be
waived by the Commissioner for Lands.

The Occupier shall:-

Be responsible for the protection of all beacons on the land throughout
the term of the Right. Missing beacons will have to be re-established at
any time at the Occupier's expenses as assessed by the Director
Responsible for Surveys and Mapping.



The copy of
the original

- (ii) Erect on the land buildings in permanent materials designed for use in accordance with the conditions of the Right and which conform to the building line (if any) decided by the **Arusha District Council** (hereinafter called "**the Authority**).
 - (iv) Submit to the Authority building plans within Six months from the date of commencement of the **Right**.
 - (v) Begin building construction within six months after the approval of the building plans by the Authority.
 - (vi) Complete the building construction within Thirty Six months from the date of commencement of the **Right**.
3. **USER:** The land shall be used for **Industrial - Service Trades** purposes only. Use Group 'M' Use classes (a) and (c) as defined in the Town and Country Planning (Use Classes) Regulations, 1960 as **amended in 1993**.
4. The Occupier shall not assign the Right within three years of the date hereof without the prior approval of the Commissioner.
5. The Occupier shall deliver to the Commissioner notification of disposition in prescribed form before or at the time the disposition is carried out together with the payment of all premia, taxes and dues prescribed in connection with that disposition.
6. The Occupier shall further:-
- (i) make and maintain on the land throughout the term adequate arrangements for water supply, drainage and disposal of trade refuse and effluent to the satisfaction of the Authority;
 - (ii) make and keep all the buildings on the land rat-proof and carry out such measures as the Medical Officer of Health for the Authority may require for this purpose;
 - (iii) provide and maintain on the land such ablution facilities and take and maintain such hygienic measures as may be required by the said Medical Officer of Health.
 - (iv) Fence the land with a good quality fencing, car parking spaces shall be provided as required by the Authority;
 - (v) Loading and unloading facilities shall be provided within the boundaries of the land.
7. The President may revoke the right for good cause and in public interest.

ARUSHA DISTRICT

INSET SHOWING DETAILS OF PLOT

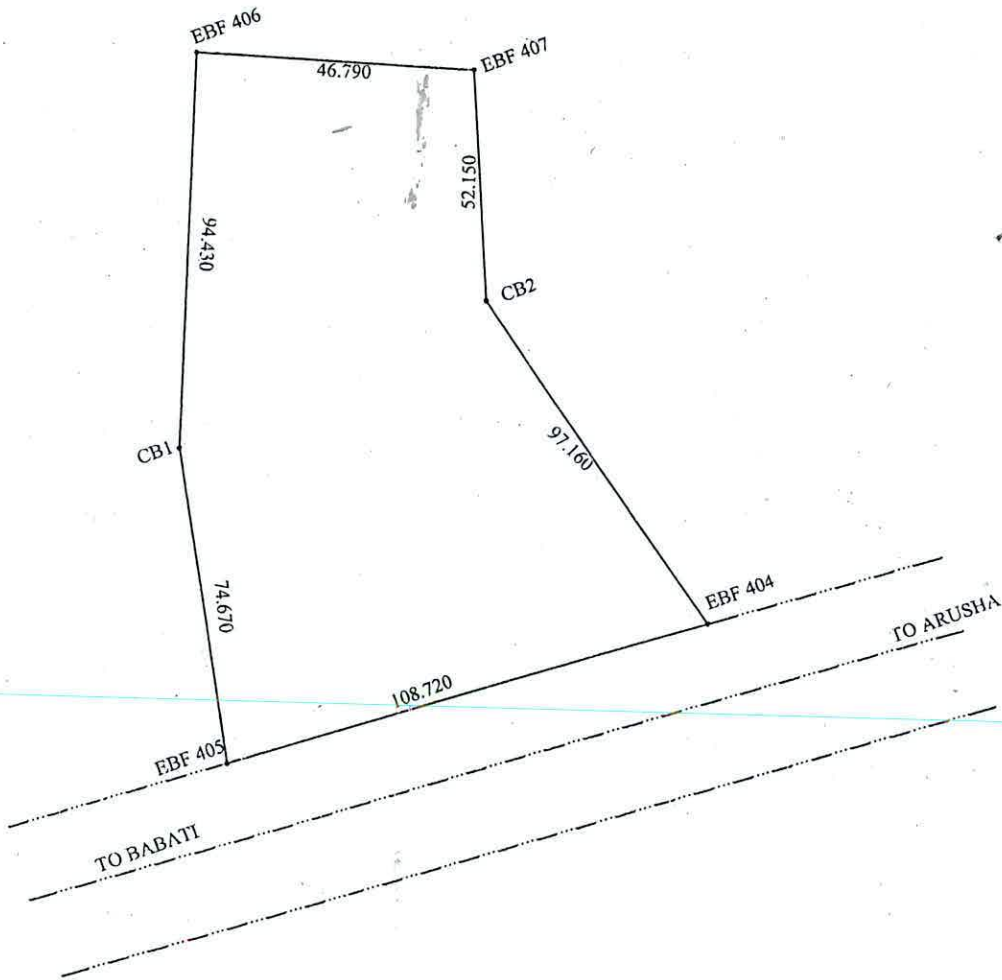
Locality NGORBOB AREA

Block

Plot No 1850

L.O No 447927

Area 1.06 Ha



This plan prepared in accordance with Registered plan No 71439 is approved for the purpose of the land registration Ordinance.

Director of survey & mapping

Date 27.06.13

Ministry of lands, Housing and Human Settlement Dar es salaam

The issue of this plan implies no guarantee or admission of title by the Government

SCHEDULE

That land known as Plot No. 1850 located at NGORBOB Area, Arumeru District containing One Decimal Point Zero Six (1.06) Hectors shown for identification only edged red on the plan attached to this certificate and defined on the Registered Survey Plan numbered 71439 deposited at the office of the Director for Surveys and Mapping at Dar es Salaam.

Given under my hand and official seal the day year first above written.



COMMISSIONER FOR LANDS

ABUBAKAR HASHIM IBRAHIM the within named HEREBY accept the terms and conditions contained in the foregoing Certificate of Occupancy.

SIGNED and DELIVERED by the said)
ABUBAKAR HASHIM IBRAHIM who is)
Known to me personally/identified to me by)
.....)
The latter being known to me personally)
on 10th day of JUNE 2013)

Abah

Signature *Abubakar Hashim Ibrahim*)
Postal address *PO Box 2330*)
..... *Arumeru*)
Qualification LAND OFFICER)

Land Officer

Confir the Copy of the original



TICC/PP.10/042594/3

20th January, 2014

Managing Director,
Sanya Industries Group Ltd
P.O. Box 7356
ARUSHA

RE: CERTIFICATE OF INCENTIVES FOR CORN MILLING AND CORN FLOUR PACKAGING PLANT

We wish to acknowledge receipt of your project proposal to establish and operate corn milling and packaging plant as presented in the TIC P.A. 1 Form No. 11626 and Feasibility Study with a projected investment amounting to USD 1.795 m.

We are pleased to inform you that your investment proposal is now officially registered by TIC and therefore the project will be granted a Certificate of Incentives 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:-

- An affidavit for plot no. 1850 of Ngorbob at Arumeru as an evidence of Land ownership for the location of the project

Also be informed that you will have to submit a project implementation Progress Report on the implementation of the project in every six months for centre's information and review. Guidelines for the preparation of the report are contained in annexure attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Also note that a facilitation fee equivalent to US\$ 1000.00 is payable at the ruling exchange rate prior issuance of the Certificate of Incentives. Please make deposit direct to the bank as per bank details below:

.../2

TICC/PP.10/042594/3

20th January, 2014

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

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

Yours sincerely,

Tanzania Investment Centre



N. A. Senzia

Ag. Executive Director

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

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

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



TIC Evaluation Report

Name of the Company
Sanya Industries Group Ltd.

Post Box	Ngorbob, Plot No. 1850	COI Number	73741	Contact	Ms. Zainab Abubakar
Post Office	7356	COI Date	19/11/2009	Designation	Director
Region	Arusha	Application F. No	11626	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0715480499
		Sub Sector	Corn Milling	Fax	0
		File No	042594	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	Plot No. 1850	<table border="1" style="width: 100%;"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td style="text-align: center;">0</td> <td style="text-align: center;">1.795</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	1.795	0	0		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
0	1.795		0	0								
Street	Ngorbob											
District	Arumeru											
Region	Arusha											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.6
Zainab Abubakar	Tanzanian	50	Plant	0.83
Abubakar Hashim Ibrahim	Tanzanian	50	Vehicles	0.21
			Furniture & Fittings	0.015
			Pre-expenses	0.034
			Others	0
			Working Capital	0.106
			Total	1.795

Employment	31	Evaluated By	wf officer3
Capacity	xxxxxx	Drawn By	wf regist3
Project Turn Over		Project Type	Local

Description

To establish corn milling and corn flour packaging plant

Recommendations

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

Decision





00220638

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042594

This is to certify that

.....
SANYA INDUSTRIES GROUP LIMITED
.....

of address P.O. BOX 7356
.....

ARUSHA
.....

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

SANYA INDUSTRIES GROUP LIMITED
.....

Which is located at PLOT NO. 1850 NGORBOB AREA
.....

ARUMERU - ARUSHA
.....

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 20TH JANUARY 2014

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
- | Shareholders | Nationality | Shareholding (%) |
|-------------------------|-------------|------------------|
| Zainab Abubakar | Tanzanian | 50 |
| Abubakar Hashim Ibrahim | Tanzanian | 50 |
2. Proposed Activities : **To establish corn milling and corn flour packaging plant**
3. Sector: **Manufacturing** Subsector **Corn milling**
4. Investment cost: Foreign **USD 0m.** Local **USD 1.795m.** Total **USD 1.795m.**
5. Project Financing: Equity **USD 1.795m.** Loans **USD 0m.** Total **USD 1.795m.**
6. Source, terms and conditions of loan. **None**
7. Assets to be invested:
- | Capital items: | Foreign | Local | Total |
|----------------|----------------|--------------------|--------------------|
| | USD 0m. | USD 1.795m. | USD 1.795m. |
8. Technology Agreement **None**
9. Date of TIC Registration: **20th January 2014**
10. Implementation period **January 2014 - December 2016**
11. Operative date **January 2017**
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 good are not allowed under this certificate**

Signed 
Executive Director

THE COMPANIES ACT NO. 12 OF 2002

COMPANY LIMITED BY SHARES

*Memorandum
and
Articles of Association
of*

SANYA INDUSTRIES GROUP LIMITED

Incorporated this

day of

2009

DRAWN BY:
Abubakar Hashim Ibrahim
Subscriber
P.O. Box 7356
ARUSHA

5000/=
3623 19/11/09
J. M. M. M.

THE COMPANIES ACT NO. 12 OF 2002

COMPANY LIMITED BY SHARES

2500/=
3623 19/11/09
J. M. M. M.

MEMORANDUM OF ASSOCIATION
OF
SANYA INDUSTRIES GROUP LIMITED

1. The name of the company is "**SANYA INDUSTRIES GROUP LIMITED**".
2. The registered office of the company will be situated in Tanzania.
3. The objects for which the company is established are:-
 - (a) To carry on the business of manufacturing industries in various products.
 - (b) To carry on business as safari contractors, organizers and operators, and to equip, and manage hunting, photographic, cinematic, game fishing, ornithological and safaris and expeditions of all kinds.
 - (c) To carry on the business of General Merchants, Wholesalers, Retailers, and General Supplies including Supermarket items.
 - (d) To build, construct, reconstruct, alter, improve, decorate, furnish and maintain houses, flats and apartments to carry on business as proprietors of houses, flats and apartments and to let the same on lease or otherwise and to provide for the tenants and occupiers there of all or any of the conveniences commonly provided in hotel or clubs.
 - (e) To purchase, take on lease or by any other means acquire any movable or immovable property in Tanzania or elsewhere for any estate or interest whatever and any rights, privileges or easements over or in respect of any property, and any buildings, factories, mills, roads, machinery, engines, rolling stock, plant, live and dead stock or things whatsoever.
 - (f) To acquire mining rights and engage in the purchase and sale of the same and related products.

- (g) To carry on business as tour agents, tour operators and organizers, and for those purpose to promote, arrange, organize, conduct and facilitate tourism in Tanzania and elsewhere, and to promote, arrange, facilitate and operate tours and national and international travel by land, air and water and to provide all such facilities, advantages and conveniences as may be considered to be necessary or incidental thereto.
- (h) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with the above, or calculated directly to enhance the value of or render profitable any of the company a property on rights.
- (i) To cultivate, grow, prepare for market all cash and food crops of all kinds as well as vegetables and dairy or mineral products and to sell or dispose of or deal in any such produce either in its raw or manufactured state.
- (j) To apply for, purchase or otherwise acquire, and patents brevets d'invention, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop, or grant licenses in respect of, or otherwise turn to account, the property, rights or information so acquired.
- (k) To carry on business of carries and transporters by motor vehicles, aircraft, shipping or otherwise of passengers and goods of every description.
- (l) To guarantee the payment of money by and the contracts of, or otherwise assist, any person, firm or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with the same.
- (m) To take, or otherwise acquire and hold, shares in any other company having objects altogether or in part similar to these of this company, or any business cable of basing conducted so as directly or indirectly to benefit this company.
- (n) To enter into any arrangements with any government or authorities, supreme, municipal, local or otherwise, that may seem conducive to the company's objects or any of them, and to obtain from any such government or authority, any rights, privileges and concession which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, right privileges and concessions.
- (o) To establish and support or aid in the establishment and support of associations, institutions, funds, trustees and conveniences, calculated to benefit employees or ex-employees of the company or the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general, or useful object.

- (p) To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the company, or for any other purpose which may seem directly or indirectly calculated to benefit this company.
- (q) To export fruits, flowers and any agricultural products as may be demanded by importing countries.
- (r) To lend money to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the company, and to guarantee the repayment of money and the performance of contracts by any persons, firms or companies.
- (s) To borrow or raise or secure the payment of money in such manner as the company shall think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, charged upon all or any of the company's property (both present and future) including its uncalled capital, and to purchase, redeem or pay and such securities.
- (t) To carry on the business of Real Estate Agents.
- (u) To remunerate any person or company for services rendered or to be rendered, in placing or assisting to place or guaranteeing the placing of the shares in the company's capital or any debentures, debenture stock or other securities of the company, or in or about the formation or promotion of the company or the conduct of its business.
- (v) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (w) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities or any other company having objects altogether or in part similar to those of this company.
- (x) To obtain any provisional order, ordinance or Act of Parliament enabling the company to carry any of its objects into effect or for effecting any modification of the company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings, or applications which may seem calculated directly or indirectly, to prejudice the company's interest.



To do all or any of the above things in any part of the world and as principals, managing agents, contractors, trustees or otherwise, and by or through trustees, managing agents, agents, or otherwise, and either alone or in conjunction with others.

To do all such other things as are incidental or conducive to the attainment of the above objects.

The objects set forth in any sub-clause shall not, except when the context expressly so requires, be in any wise limited or restricted by reference to or interference from the terms of any other sub-clause or by the name of the company. None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause or this clause, but the company shall have full power to exercise all or any of the power conferred by any part of those clause in any part of the world and notwithstanding that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with or performed to not fall within the objects of the first sub-clause of this clause.

4. The liability of the members is limited.
5. The capital of the company is Tshs. 10,000,000/= divided into 1,000 shares of Tshs. 10,000/= each. The company shall have the power to increase or decrease the capital, or consulting the shares, to divide the shares in the original or any increase capital into several classes and to attach thereto respectively and from time to alter or modify any preferential, qualified, special or deferred rights, privileges and conditions.

We, the several persons whose names, addresses and descriptions are descriptions 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, Addresses and Descriptions of Subscribers	Number of Shares Taken by Each Subscriber	Signature of Subscriber
1. ABUBAKAR HASHIM IBRAHIM P.O. BOX 7356 ARUSHA	500	
2. ZAINAB ABUBAKAR P.O. BOX 7356 ARUSHA	500	

DATED the 19th day of NOVEMBER 2009.

Witness to the above signatures:-





5006
3623 19/11/09
J. Wang

5006
3623 19/11/09
J. Wang

THE COMPANIES ACT
(ACT NO. 12 2002)
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION TO A COMPANY PRECEDING
MEMORANDUM OF ASSOCIATION OF
SANYA INDUSTRIES GROUP LIMITED

PRELIMINARY

1. In these Regulations:

"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;

"the seal" mean the common seal of the company;

"Secretary" shall means any person appointed to perform the duties of Secretary of the Company.

Expressions referred to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, 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.

MEMBERS

2. The number of members with which the company proposes to be registered is five but the directors may from time to time register an increase of members.
3. 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 the 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 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 transaction at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; two persons, entitled to a 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 any 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 requested (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 of 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 demand.
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. At any members meeting on a show of hands or on a poll every member entitled to vote shall have one vote for each share of which he is a holder.
21. A member in respect of whose estate a manager has been appointed under section 26 of the Mental Diseases Ordinance, 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 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 office 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, as my/our proxy to vote for me/us on my/or behalf at the (annual or extraordinary , as the case may be) general meeting of the company to be held on the day of 200....., and at any adjournment thereof.

Signed this day of200.....".

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/We of 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 the day of 200....., and at any adjournment thereof.

Signed thisday of200.....".

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 desire".

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 duty authorized representative of a corporation shall be valid notwithstanding the previous determination of the authority of the persons 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.

DIRECTOR

31. The number of directors shall not be less than two nor more than seven and the names of the first directors shall be:-

1. ABUBAKAR HASHIM IBRAHIM
2. ZAINAB ABUBAKAR

A Director does not require a share qualification.

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.

BORROWING POWERS

33. 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

34. Subject to the provisions of the Act, the memorandum and the articles and to any directions 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.
35. 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.

36. 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 the case may be, in such manner as the directors shall from time to time by resolution determine.
37. 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.
38. 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) Cases 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.

39. 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.
40. 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 any time 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.
41. 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.

42. 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.
43. 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 any 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.
44. The quorum necessary for the transaction of the business of the directors may be fixed by the directors and unless so fixed shall be two.
45. 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.
46. The directors may appoint one of their numbers to be the chairman of the board 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.
47. 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 regulation the proceedings of directors so far as they are capable of applying.
48. All acts 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.
49. 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 of (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

50. 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.
51. 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

52. 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.

ACCOUNTING RECORDS

53. The directors shall cause proper books of accounts 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.

Property books shall not be deemed to be kept if there are not kept such books of accounts as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

54. The books of accounts shall be kept at the registered office 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.
55. No number shall (as such) have right of inspecting any accounting records or other book or documents of the company except as conferred by statue or authorized by the directories or by ordinary resolution of the company.
56. 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.
57. 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 holder of any debentures.

AUDIT



58. Auditors shall be appointed and their duties regulated in accordance with sections 170 to 179 of the Act.

NOTICE

59. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of directors need not be in writing. 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 the 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.

INDEMNITY

60. Every Director, Managing Director, Agent, Auditor, Secretary and other office for the time being of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application to the court by him, under any provision of law for the time being in force, for relief in respect of any claim made or to be made upon him in respect of any negligence, default, breach of duty or breach of trust, in which such relief is granted to him by court.

Names, Addresses and Descriptions of Subscribers	Number of Shares Taken by Each Subscriber	Signature of Subscriber
1. ABUBAKAR HASHIM IBRAHIM P.O. BOX 7356 ARUSHA	500	
2. ZAINAB ABUBAKAR P.O. BOX 7356 ARUSHA	500	

DATED the 19th day of NOVEMBER 2009.

WITNESS to the above signatures:

Name:

Signature: 

Postal address:

Qualification:



Telephone No. 53210

MINISTRY OF LANDS,
LAND REGISTRY,
P.O. BOX 190,
MOSHI.

Ref. No: LR/MSH/40456/3
To: ABUBAKARI HASHIM IBRAHIM
OF P.O. BOX 7356, ARUSHA

Date: 21st AUG. 2013

Sir/Gentlemen/Madam

RE: **THE LAND REGISTRATION ACT (CAP. 334)**
TITLE No: 40456 L.O. No. 4479/27 PLOT No. 1850
BLOCK: HCIORBOR ARUSHA DISTRICT

I have the honour to enclose herewith the duplicate of Certificate Title numbered as above.

Please endorse your signature on the enclosed form of receipt and return the same to me in due course.

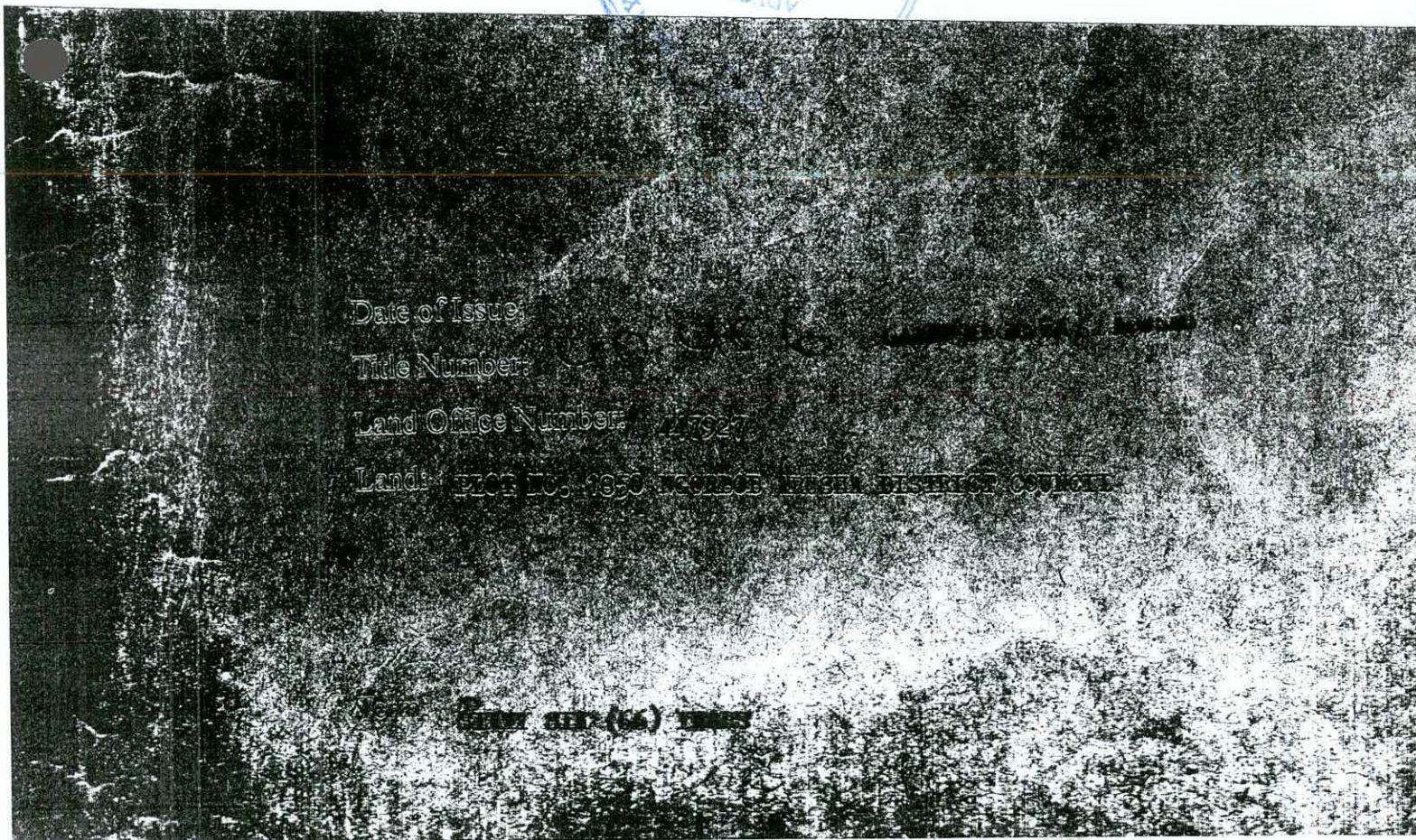
I am, Sir/Gentlemen/Madam
Your Obedient Servant


[Signature]
ASSISTANT REGISTRAR OF TITLES
MOSHI

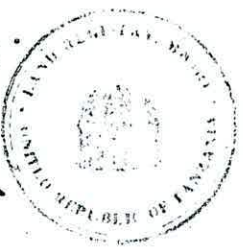
DISTRICT
C.C: The Regional Land Officer,
P.O. Box 3083, ARUSHA Date of C.O. 20th Jul 2013
KILIMANJARO/ARUSHA/TANGA/MANYARA



Certified true copy of the original
[Signature]



TITLE No. 40456
 REGISTERED on 20-08-2013
 at 11.30 am

 Asst. Registrar of Titles



Land Form No. 22

Stamp Duty Shs. 10012
 and Revenue Receipt No 40327321
 of 27-06-2013


 Asst. Registrar of Titles

THE UNITED REPUBLIC OF TANZANIA

THE LAND ACT, 1999
 (NO. 4 OF 1999)

CERTIFICATE OF OCCUPANCY

(Under Section 29)

Stamp Duty Shs. 214,050 paid
 on Original Revenue
40327321 of 27-06-2013

 Asst. Registrar of Titles

LAND REGISTRY - MUSOMA
 Title No: 40456
 L.O. No. 447927
 FILE No. ADC/NGOR/2861

The 20th day of August, Two Thousand and Thirteen

THIS IS TO CERTIFY that **ABUBAKARI HASHIM IBRAHIM** of P.O. Box 7356, ARUSHA (hereinafter called "the Occupier") is entitled to the Right of Occupancy (hereinafter called "the Right") in and over the land described in the Schedule hereto (hereinafter called "the Land") for a term of **Sixty-six** years from the first day of **April Two Thousand and Thirteen** according to the true intent and meaning of the Land Act and subject to the provisions thereof and to any regulations made there under and to any enactment in substitution there for or amendment thereof and to the following special conditions:-

1. The Occupier having paid rent up to the thirtieth day of **June, 2003**; shall thereafter pay rent of shillings **Two Million Three Hundred Eight Five Thousand (Tshs.2,385,000/=)** only a year in advance on the first day of July in every year of the term without deduction **PROVIDED** that the rent may be revised by the Commissioner for Lands.
2. The Occupier shall:-
 - (i) Be responsible for the protection of all beacons on the land throughout the term of the Right. Missing beacons will have to be re-established at any time at the Occupier's expenses as assessed by the Director responsible for Surveys and Mapping.

- (ii) Erect on the land buildings in permanent materials designed for use in accordance with the conditions of the Right and which conform to the building line (if any) decided by the **Arusha District Council** (hereinafter called "**the Authority**).
 - (iv) Submit to the Authority building plans within Six months from the date of commencement of the **Right**.
 - (v) Begin building construction within six months after the approval of the building plans by the Authority.
 - (vi) Complete the building construction within Thirty Six months from the date of commencement of the **Right**.
3. **USER:** The land shall be used for **Industrial - Service Trades purposes** only. Use Group 'M' Use classes (a) and (c) as defined in the Town and Country Planning (Use Classes) Regulations, 1960 as **amended in 1993**.
4. The Occupier shall not assign the Right within three years of the date hereof without the prior approval of the Commissioner.
5. The Occupier shall deliver to the Commissioner notification of disposition in prescribed form before or at the time the disposition is carried out together with the payment of all premia, taxes and dues prescribed in connection with that disposition.
6. The Occupier shall further:-
- (i) make and maintain on the land throughout the term adequate arrangements for water supply, drainage and disposal of trade refuse and effluent to the satisfaction of the Authority;
 - (ii) make and keep all the buildings on the land rat-proof and carry out such measures as the Medical Officer of Health for the Authority may require for this purpose;
 - (iii) provide and maintain on the land such ablution facilities and take and maintain such hygienic measures as may be required by the said Medical Officer of Health.
 - (iv) Fence the land with a good quality fencing, car parking spaces shall be provided as required by the Authority;
 - (v) Loading and unloading facilities shall be provided within the boundaries of the land.
7. The President may revoke the right for good cause and in public interest.

ARUSHA DISTRICT

INSET SHOWING DETAILS OF PLOT

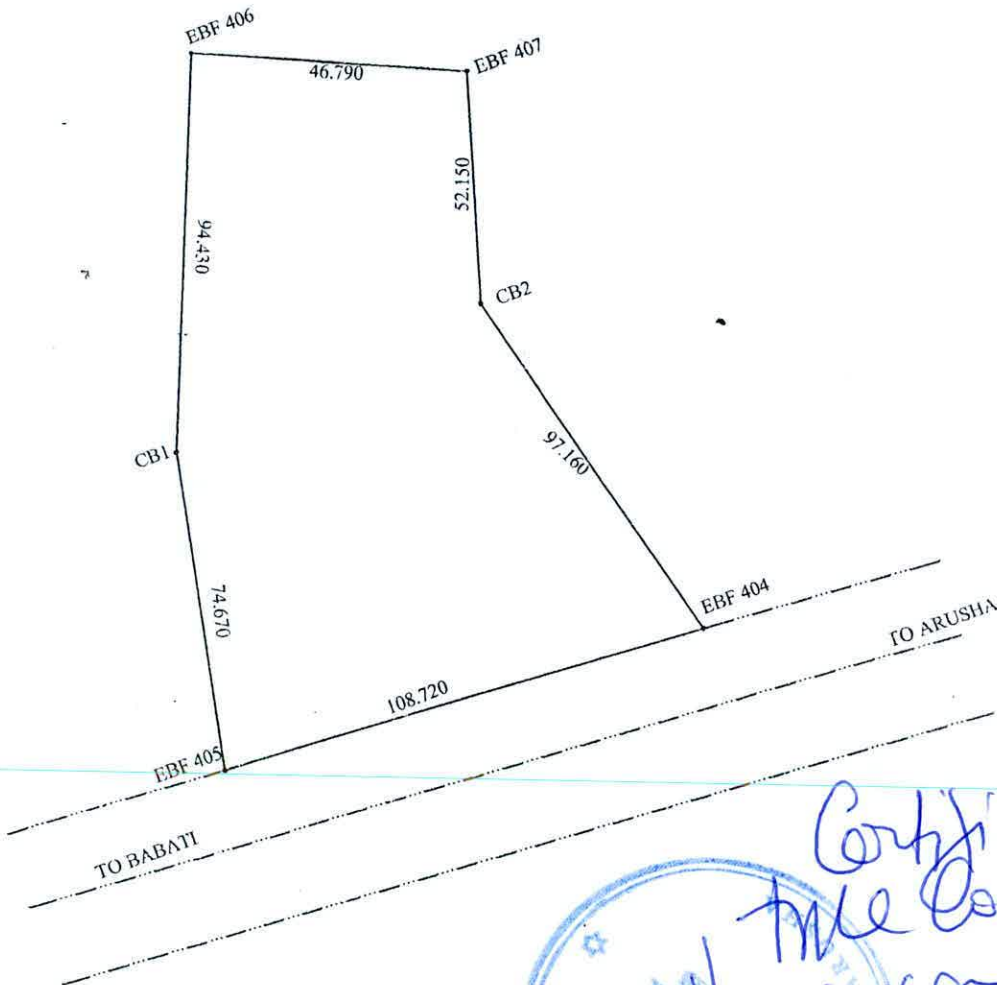
Locality NGORBOB AREA

Block

Plot No 1850

L.O No. 447927

Area 1.06 Ha



Confirmed true copy of the account

This plan prepared in accordance with Registered plan No ...71439... is approved for the purpose of the land registration Ordinance.

Director of survey & mapping.....
Date 27.06.13

Ministry of lands, Housing and Human Settlement Dar es salaam

This plan implies no guarantee
of title by the Government

SCHEDULE

of the land known as Plot No. 1850 located at NGORBOB Area, Arumeru District containing **One Decimal Point Zero Six (1.06) Hectors** shown for registration only edged red on the plan attached to this certificate and defined on the Registered Survey Plan numbered **71439** deposited at the office of the Director of Surveys and Mapping at Dar es Salaam.

is under my hand and official seal the day year first above written.

COMMISSIONER FOR LANDS

ASUBAKAR HASHIM IBRAHIM the within named HEREBY accept the terms and conditions contained in the foregoing Certificate of Occupancy.

~~RECEIVED~~ and **DELIVERED** by the said)
ASUBAKAR HASHIM IBRAHIM who is)
to me personally/identified to me by)
.....)
after being known to me personally)
..... day of JUNE 2013)

Abrah

Abrah
.....)
ADDRESS PO Box 2330)
ARUSHA)
LANDS OFFICER)

Land Officer
Copy of the original

CTIN.:

00392324



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

SANYA INDUSTRIES GROUP LIMITED

.....

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

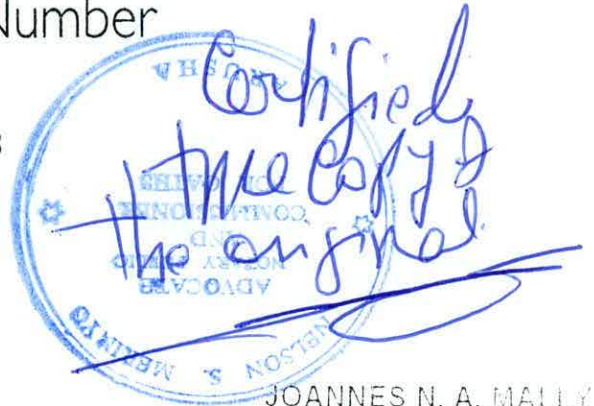
109-921-653

.....

28-Apr-2010

.....

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



Stanbic Bank

A member of Standard Bank Group

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

Stanbic Centre

Plot No. 99A
Kinondoni/Ali Hassan Mwinyi Road
Dar Es Salaam
Fax: 2666301
Telephone: (255-22) 2666430

Date

20th December 2013

Direct telephone number

+255 22 2666430

In reply please quote

Our reference

SBT/AR/SANYA/2013/12/20

Dear Sir,

RE: SANYA INDUSTRIES LTD

Above captioned refers,

Sanya Industries Ltd has been operating their accounts with us for two years now. Their accounts have been performing to our satisfaction.

We have attached their bank statements for six months for your reference.

Please note that this information is given in strict confidence without any liability or responsibility of either the bank or any of its officers.

Yours Sincerely,

FATMA AHMED
RELATIONSHIP MANAGER

Stanbic Bank Tanzania Limited

Directors:

H. Senkoro (Chairman / Non-Executive); N.Margwe (Non-Executive); G. Alliy (Non-Executive); Dr. H. Kibola (Non-Executive); K. Mbathi (Non -Executive);
P. Omara (Acting Managing Director)

LEESE AGREEMENT

This lease agreement made thisday of 2013 between **Mr Abubakar Hashim Ibrahim** of p.o.box7356Arusha (Herein after refers to as to "the landlord" of the one part and **Sanya Industries Group Limited** of P.o.box 7356"Hereinafter referred to as a tenant: of the other part

1. WHEREBY IT IS AGREED AS FOLLOWS

In consideration of the tenant paying the rent herein reserved and observing and performing the tenants covenant hereinafter stipulated the landlord here by let to the Tenant a land Plot no. 1850 Ngorbob village –Arumeru District Arusha (Hereinafter called the premises)subject to the term and condition:

(a)Terms of the Tenancy for the period of four year commencing on.....and ending on.....

(b)The rent due and payable herein under shall be Tanzanian shillings 400, 000/=per month payable yearly in advance upon the execution of this agreement that is Tanzanian shillings4,800,000/=only per annual

(c) An amount in Tanzanian shillings (400,000/=) shall be payable in advance as Deposit fees to reinstate any default on expiration of this agreement but refundable when no such default is experienced.

(d)The tenant hereby dully acknowledges the receipts of which the land will contain the fixture/appliances and other items as per handling over inspection.

2. THE TENANT HEREBY COVENANTS WITH THE LANDLORD AS FOLLOWS:

(a)To pay the said rent on the day and in the manner aforesaid without any deduction whatsoever

(b)To pay the supplier thereof all charges for water, telephones, and electricity consumed in the office during the said term

(c)To reinstate the land to the original condition when ending up of the tenancy

(d)Not to assign, sublet or part with possession of the land or any part thereof without the previous consent in writing

3. THE LANDLOARD HEREBY COVENANTS WITH THE TENANTS AS FOLLOW

A) To pay all rates and taxes outgoing and charges payable in respect of the land.

B) To abide by the terms and conditions of this lease agreement without causing or suffering to be caused any inconvenience annoyance and or interruption to the tenant or any person entitled to the benefit thereof through the tenant

4. OTHER CONDITIONS

(A) If the tenant fail to pay the rent for twenty one (21) days after the due date as stipulated above, or if the tenant shall become bankrupt or insolvent or make assignment on behalf of the creditor, the landlord shall have the right to repossess the land and to lease the land to another party without any notice to the tenant

(B) Any party to this agreement must give three months notice to terminate this agreement

5. **IN WITNESS WHEREOF** the said parties hereof have hereunto set their hand on thisday of2013

FOR AND ON BEHALF OF THE LANDLOARD

IN THE PRESENCE OF

Signature of the land lord.....*Abubakar*.....

Signature.....

Name.....*ABUBAKAR*.....

Name.....

Occupation.....*BUSINESSMAN*.....

Occupation.....

Address.....*P.O. Box 7356 TORUSITA*.....

Address.....

FOR AND ON BEHALF OF TENANT

IN THE PRESENCE OF

Signature of the Tenant.....*Amma*.....

Signature.....

Name.....*ABASI MUMBA*.....

Name.....

Occupation.....*ACCOUNTANT*.....

Occupation.....

Address.....*P.O. Box 7356 TORUSITA*.....

Address.....

SANVA INDUSTRIES GROUP LTD
SANVA INDUSTRIES GROUP LTD

014/00/500249/01

SANVA INDUSTRIES GROUP LTD

Interest rate	0.000
---------------	-------

Date	16 MAY 13
Statement number	30
Currency	1 TZS

Date	Details	Value date	Debit	Credit	Balance
	BALANCE BROUGHT FORWARD				14,812,483.00CR
03 MAY 13	MEMBA	03 MAY 13		325,900,000.00	340,512,483.00
03 MAY 13	MEMBA	03 MAY 13		17,679,000.00	358,191,483.00
03 MAY 13	0000093	03 MAY 13	14,000,000.00		344,191,483.00
03 MAY 13	MEMBA	03 MAY 13		81,450,000.00	425,641,483.00
03 MAY 13	0000094	03 MAY 13	81,500,000.00		344,141,483.00
03 MAY 13	CHQ 000099	03 MAY 13	343,500,000.00		641,483.00
04 MAY 13	CASH DEP	04 MAY 13		162,950,000.00	163,591,483.00
04 MAY 13	CASH CHQ: 00000950	04 MAY 13	163,000,000.00		591,483.00
07 MAY 13	CASH SOLD@178.7	07 MAY 13		20,729,200.00	21,320,683.00
08 MAY 13	CASH CHQ: 00000151	08 MAY 13	20,000,000.00		720,683.00
10 MAY 13	EXCHANGE FROM ZAR TO TZS	10 MAY 13		1,424,000.00	2,144,683.00
10 MAY 13	ZAR TO TZS	10 MAY 13		6,623,000.00	8,767,683.00
10 MAY 13	MEMBA	10 MAY 13		17,000,000.00	25,767,683.00
	CASH DEPOSIT				
10 MAY 13	CASH CHQ: 00000096	10 MAY 13	25,220,000.00		547,683.00
15 MAY 13	CASH DEPOSIT	15 MAY 13		81,375,000.00	81,922,683.00
15 MAY 13	CASH DEPOSIT	15 MAY 13		162,750,000.00	244,672,683.00
15 MAY 13	CASH CHQ: 00000152	15 MAY 13	150,000,000.00		94,672,683.00
15 MAY 13	CASH CHQ: 00000153	15 MAY 13	94,000,000.00		672,683.00
	PLEASE NOTE THAT OUR CHECKS WILL BE CLEARED TO MAKE PAYMENTS WITHIN US SIMILE AND APPROPRIATE.				

Kindly examine this statement immediately. Any discrepancies must be reported to the Bank within 30 days of receipt, failing which this statement will be considered correct. A reconciliation statement appears overleaf for your use.

SANVA INDUSTRIES GROUP LTD
SANVA INDUSTRIES GROUP LTD
P.O. BOX 756

How to reconcile a bank statement for a current account.

Follow the instructions (1 to 5) below, in order to reconcile your statement with the balance shown in your cheque book.

Instructions	Amount
1 Record the last balance (debt/credit) as shown on this statement	
2 Record any deposits you have made which do not appear on this statement.	Amount
Total of deposits	▶
3 Sub balance (if item 1 is a debit balance, subtract total of item 2 from item 1; if credit add)	
4 List all the cheques you have issued and which do not appear on this statement, as well as outstanding stop orders and manumatic debits which have not yet been debited to your account or do not show on this statement.	Payee Cheque nos. Amount
Total of cheques/debits	▶
5 Final balance (if item 3 is a debit balance, add total of item 4 to item 3; if credit subtract). This should be the balance in your cheque book.*	

*NB - if balance does not agree with cheque book record, check to see whether there are any debits (i.e. service fee, costs of cheque book commission charges, etc) on statement that you have not recorder in your cheque book and make the necessary adjustments to your cheque book balance.

How to reconcile a bank statement for a current account.

Follow the instructions (1 to 5) below, in order to reconcile your statement with the balance shown in your cheque book.

Instructions	Amount
1 Record the last balance (debt/credit) as shown on this statement	[] []
2 Record any deposits you have made which do not appear on this statement.	Amount
	[] []
	[] []
	[] []
	[] []
	[] []
Total of deposits	▶ [] []
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	[] [] [] [] [] []
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	[] [] [] [] [] []
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[] [] [] [] [] []

BRANCH 1004

SANVA INDUSTRIES GROUP LTD

SANVA INDUSTRIES GROUP LTD

014/00/500249/01

SANVA INDUSTRIES GROUP LTD

Interest rate	0.000
---------------	-------

Date	16 MAY 13
Statement number	30
Currency	1 TZS

Date	Details	Value date	Debit	Credit	Balance
	BALANCE BROUGHT FORWARD				14,612,483.00
03 MAY 13	MRIMA	03 MAY 13		325,900,000.00	340,512,483.00
03 MAY 13	MRIMA	03 MAY 13		17,679,000.00	358,191,483.00
03 MAY 13	000090	03 MAY 13	14,000,000.00		344,191,483.00
03 MAY 13	MRIMA	03 MAY 13		81,450,000.00	425,641,483.00
03 MAY 13	000094	03 MAY 13	81,500,000.00		344,141,483.00
03 MAY 13	CHQ 000099	03 MAY 13	343,500,000.00		641,483.00
04 MAY 13	CASH DEP	04 MAY 13		162,950,000.00	163,591,483.00
04 MAY 13	CASH CHQ: 00000950	04 MAY 13	163,000,000.00		591,483.00
07 MAY 13	CASH SOLD@178.7	07 MAY 13		20,729,200.00	21,320,683.00
08 MAY 13	CASH CHQ: 00000151	08 MAY 13	20,600,000.00		720,683.00
10 MAY 13	EXCHANGE FROM ZAR TO TZS	10 MAY 13		1,424,000.00	2,144,683.00
10 MAY 13	ZAR TO TZS	10 MAY 13		6,623,000.00	8,767,683.00
10 MAY 13	MRIMA	10 MAY 13		17,000,000.00	25,767,683.00
	CASH DEPOSIT				
10 MAY 13	CASH CHQ: 00000096	10 MAY 13	25,220,000.00		547,683.00
15 MAY 13	CASH DEPOSIT	15 MAY 13		81,375,000.00	81,922,683.00
15 MAY 13	CASH DEPOSIT	15 MAY 13		162,750,000.00	244,672,683.00
15 MAY 13	CASH CHQ: 00000152	15 MAY 13	150,000,000.00		94,672,683.00
15 MAY 13	CASH CHQ: 00000153	15 MAY 13	94,000,000.00		672,683.00
PLEASE NOTE THAT OUR PRICES WILL BE CHANGING TO MAKE BANKING WITH US SIMPLE AND AFFORDABLE.					

Kindly examine this statement immediately. Any discrepancies must be reported to the Bank within 30 days of receipt, failing which this statement will be considered correct. A reconciliation statement appears overleaf for your use.

SANVA INDUSTRIES GROUP LTD
 SANVA INDUSTRIES GROUP LTD
 P.O. BOX 7356

BRANCH 1004

 SANVA INDUSTRIES GROUP LTD
 SANVA INDUSTRIES GROUP LTD

014/00/500249/01

SANVA INDUSTRIES GROUP LTD

Interest rate	0.000
---------------	-------

Date	30 JUN 13
Statement number	32
Currency	1 TZS

Date	Details	Value date	Debit	Credit	Balance
	BALANCE BROUGHT FORWARD				622,683.00 CR
07 JUN 13	JITU	07 JUN 13		20,000,000.00	20,622,683.00
	CASH DEPOSIT				
08 JUN 13	CASH CHQ: 00000158	08 JUN 13	20,000,000.00		622,683.00
14 JUN 13	FOREX DEAL	14 JUN 13		16,400,000.00	17,022,683.00
14 JUN 13	REV.WRONG AMOUNT COMPUTED	14 JUN 13	16,400,000.00		622,683.00
14 JUN 13	FOREX DEAL	14 JUN 13		16,400,000.00	17,022,683.00
14 JUN 13	JITU	14 JUN 13		10,000,000.00	27,022,683.00
	CASH DEPOSIT				
14 JUN 13	jitu	14 JUN 13		20,000,000.00	47,022,683.00
	CASH DEPOSIT				
14 JUN 13	CASH CHQ: 00009700	14 JUN 13	46,400,000.00		622,683.00
30 JUN 13	SERVICE FEE	30 JUN 13	50,000.00		572,683.00
PLEASE NOTE THAT OUR PRICES WILL BE CHANGING TO MAKE BANKING WITH US SIMPLE AND AFFORDABLE.					

Kindly examine this statement immediately. Any discrepancies must be reported to the Bank within 30 days of receipt, failing which this statement will be considered correct. A reconciliation statement appears overleaf for your use.

 SANVA INDUSTRIES GROUP LTD
 SANVA INDUSTRIES GROUP LTD
 P.O. BOX 7356

How to reconcile a bank statement for a current account.

Follow the instructions (1 to 5) below, in order to reconcile your statement with the balance shown in your cheque book.

Instructions	Amount																																	
1 Record the last balance (debt/credit) as shown on this statement	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>																																	
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*NB - if balance does not agree with cheque book record, check to see whether there are any debits (i.e. service fee, costs of cheque book commission charges, etc) on statement that you have not recorder in your cheque book and make the necessary adjustments to your cheque book balance.

How to reconcile a bank statement for a current account.

Follow the instructions (1 to 5) below, in order to reconcile your statement with the balance shown in your cheque book.

Instructions			Amount	
1 Record the last balance (debt/credit) as shown on this statement				
2 Record any deposits you have made which do not appear on this statement.	Amount			
Total of deposits				
3 Sub balance (if item 1 is a debit balance, subtract total of item 2 from item 1; if credit add)				
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Total of cheques/debits				
5 Final balance (if item 3 is a debit balance, add total of item 4 to item 3; if credit subtract). This should be the balance in your cheque book.*				

*NB - if balance does not agree with cheque book record, check to see whether there are any debits (i.e. service fee, costs of cheque book commission charges, etc) on statement that you have not recorder in your cheque book and make the necessary adjustments to your cheque book balance.

BRANCH 1004

SANVA INDUSTRIES GROUP LTD

SANVA INDUSTRIES GROUP LTD

014/00/500249/01

SANVA INDUSTRIES GROUP LTD

Interest rate	0.000
---------------	-------

Date	31 MAY 13
Statement number	31
Currency	1 TZS

Date	Details	Value date	Debit	Credit	Balance
	BALANCE BROUGHT FORWARD				672,683.00
23 MAY 13	MRUMA	23 MAY 13		81,550,000.00	82,222,683.00
23 MAY 13	CASH CHQ: 00000154	23 MAY 13	81,550,000.00		672,683.00
23 MAY 13	MRUMA	23 MAY 13		62,760,000.00	63,432,683.00
23 MAY 13	CASH CHQ: 00000155	23 MAY 13	62,760,000.00		672,683.00
24 MAY 13	MRUMA	24 MAY 13		81,550,000.00	82,222,683.00
24 MAY 13	MRUMA	24 MAY 13		81,550,000.00	163,772,683.00
24 MAY 13	CASH CHQ: 00000156	24 MAY 13	81,550,000.00		82,222,683.00
24 MAY 13	CASH CHQ: 00000157	24 MAY 13	81,550,000.00		672,683.00
31 MAY 13	SERVICE FEE	31 MAY 13	50,000.00		622,683.00
PLEASE NOTE THAT OUR PRICES WILL BE CHANGING TO MAKE BANKING WITH US SIMPLE AND AFFORDABLE.					

Kindly examine this statement immediately. Any discrepancies must be reported to the Bank within 30 days of receipt, failing which this statement will be considered correct. A reconciliation statement appears overleaf for your use.

SANVA INDUSTRIES GROUP LTD
 SANVA INDUSTRIES GROUP LTD
 P.O. BOX 7356

014/00/500249/01

SANVA INDUSTRIES GROUP LTD

Interest rate	0.000
---------------	-------

Date	18 JUL 13
Statement number	33
Currency	1 TZS

Date	Details	Value date	Debit	Credit	Balance
					572,683.00TR
02 JUL 13	BALANCE BROUGHT FORWARD	02 JUL 13		163,350,000.00	163,922,683.00
02 JUL 13	CASH CHQ: 00000159	02 JUL 13	163,000,000.00		922,683.00
11 JUL 13	SARAH	11 JUL 13		59,866,000.00	60,788,683.00
11 JUL 13	SANVA	11 JUL 13		76,302,978.00	137,091,661.00
11 JUL 13	CASH CHQ: 00000160	11 JUL 13	100,000,000.00		37,091,661.00
12 JUL 13	CASH CHQ: 00000161	12 JUL 13	36,000,000.00		1,091,661.00
13 JUL 13	SANVA INDUSTRIES	13 JUL 13		48,540,000.00	49,631,661.00
13 JUL 13	CASH CHQ: 00000162	13 JUL 13	48,500,000.00		1,131,661.00
16 JUL 13	FOREX DEAL-CASH	16 JUL 13		40,750,000.00	41,881,661.00
16 JUL 13	CASH CHQ: 00000163	16 JUL 13	40,750,000.00		1,131,661.00
16 JUL 13	Forex Deal	16 JUL 13		32,560,000.00	33,691,661.00
17 JUL 13	CASH CHQ: 00000164	17 JUL 13	32,500,000.00		1,191,661.00
17 JUL 13	SARAH	17 JUL 13		81,061,800.00	82,253,461.00
17 JUL 13	CASH CHQ: 00000165	17 JUL 13	81,000,000.00		1,253,461.00
18 JUL 13	CASH CHQ: 00000166	18 JUL 13		64,720,000.00	65,973,461.00
18 JUL 13	CASH CHQ: 00000166	18 JUL 13	64,800,000.00		1,173,461.00
	PLEASE NOTE THAT OUR PRICES WILL BE CHANGING TO MAKE SAVINGS WITH US SIMPLE AND AFFORDABLE.				

Kindly examine this statement immediately. Any discrepancies must be reported to the Bank within 30 days of receipt, failing which this statement will be considered correct. A reconciliation statement appears overleaf for your use.

SANVA INDUSTRIES GROUP LTD
 SANVA INDUSTRIES GROUP LTD
 P.O. BOX 7256

How to reconcile a bank statement for a current account.

Follow the instructions (1 to 5) below, in order to reconcile your statement with the balance shown in your cheque book.

Instructions	Amount		
1 Record the last balance (debt/credit) as shown on this statement			
2 Record any deposits you have made which do not appear on this statement.	Amount		
Total of deposits	▶		
3 Sub balance (if item 1 is a debit balance, subtract total of item 2 from item 1; if credit add)			
4 List all the cheques you have issued and which do not appear on this statement, as well as outstanding stop orders and manumatic debits which have not yet been debited to your account or do not show on this statement.	Payee	Cheque nos.	Amount
Total of cheques/debits	▶		
5 Final balance (if item 3 is a debit balance, add total of item 4 to item 3; if credit subtract). This should be the balance in your cheque book.*			

*NB - if balance does not agree with cheque book record, check to see whether there are any debits (i.e. service fee, costs of cheque book commission charges, etc) on statement that you have not recorder in your cheque book and make the necessary adjustments to your cheque book balance.

How to reconcile a bank statement for a current account.

Follow the instructions (1 to 5) below, in order to reconcile your statement with the balance shown in your cheque book.

Instructions	Amount																																	
1 Record the last balance (debt/credit) as shown on this statement	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>																																	
2 Record any deposits you have made which do not appear on this statement.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Amount</th> <th style="width: 50%;"></th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	Amount																																
	Amount																																	
Total of deposits	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>																																	
3 Sub balance (if item 1 is a debit balance, subtract total of item 2 from item 1; if credit add)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>																																	
4 List all the cheques you have issued and which do not appear on this statement, as well as outstanding stop orders and manumatic debits which have not yet been debited to your account or do not show on this statement.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Payee</th> <th style="width: 20%;">Cheque nos.</th> <th style="width: 50%;">Amount</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>	Payee	Cheque nos.	Amount																														
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Total of cheques/debits	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>																																	
5 Final balance (if item 3 is a debit balance, add total of item 4 to item 3; if credit subtract). This should be the balance in your cheque book.*	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>																																	

*NB - if balance does not agree with cheque book record, check to see whether there are any debits (i.e. service fee, costs of cheque book commission charges, etc) on statement that you have not recorder in your cheque book and make the necessary adjustments to your cheque book balance.

BRANCH 1004

SANYA INDUSTRIES GROUP LTD

SANYA INDUSTRIES GROUP LTD

014/00/500249/01

SANYA INDUSTRIES GROUP LTD

Interest rate	0.000
---------------	-------

Date	19 JUL 13
Statement number	34
Currency	1 TZS

Date	Details	Value date	Debit	Credit	Balance
	BALANCE BROUGHT FORWARD				1,173,458.00CR
PLEASE NOTE THAT OUR PRICES WILL BE CHANGING TO MAKE BANKING WITH US SIMPLE AND AFFORDABLE.					

Kindly examine this statement immediately. Any discrepancies must be reported to the Bank within 30 days of receipt, failing which this statement will be considered correct. A reconciliation statement appears overleaf for your use.

SANYA INDUSTRIES GROUP LTD
 SANYA INDUSTRIES GROUP LTD
 P.O. BOX 7356



Branch name : ARUSHA BRANCH

Branch telephone number : 2727509716/15
 Internet : tanzaniacustomer@stanbic.com
 Date : 20 December 2013

MESSERS
 SANYA INDUSTRIES GROUP LTD
 ARUSHA
 P.O. BOX 7356
 TANZANIA

Branch address : SOKOINE ROAD
 P. O. BOX 3062
 ARUSHA
 UNITED REPUBLIC OF TANZANIA

UNITED REPUBLIC OF TANZANIA

Registration No. : 22443
 VAT Registration No. : 100-12835- S

Statement frequency : Monthly-SEND BY POST
 Statement from : 19-07-2013 to 19-12-2013
 Page 1 of 4

BANK STATEMENT / TAX INVOICE

Account Type : BUSINESS BANKING CURRENT

Account Number : 9120000700140

Account Currency: TZS

Previous Account Number : 0140050024901

Transaction Details

Transaction Date	Value Date	Transaction Description	Fee	Debits	Credits	Balance
		STATEMENT OPENING BALANCE				0.00
19-07-2013	19-07-2013	BALANCE TRANSFER BALANCE TRANSFER			1,173,458.00	1,173,458.00
24-07-2013	24-07-2013	CASH DEPOSIT MUSLEH			37,682,000.00	38,855,458.00
26-07-2013	26-07-2013	DEPSL : 1 CASH WITHDRWAL AGENT ABBAS		37,500,000.00		1,355,458.00
26-07-2013	26-07-2013	CHQ : 168 FEE- CHEQUE ENCASHMENT	2500.00	2,500.00		1,352,958.00
30-07-2013	30-07-2013	CROSS CURRENCY TRANSACTION MRUMA			11,385,000.00	12,737,958.00
31-07-2013	31-07-2013	SANYA INDUSTRIE MONTHLY MANAGEMENT FEE		12,000.00		12,725,958.00
31-07-2013	31-07-2013	SERVICE FEE		2,500.00		12,723,458.00
01-08-2013	01-08-2013	CASH WITHDRWAL AGENT SARAH MWAKASEGE		11,000,000.00		1,723,458.00
01-08-2013	01-08-2013	CHQ : 170 FEE- CHEQUE ENCASHMENT	2500.00	2,500.00		1,720,958.00
28-08-2013	28-08-2013	CROSS CURRENCY TRANSACTION SANYA INDUSTRIES ABBAS			104,975,000.00	106,695,958.00
28-08-2013	28-08-2013	DEPSL : 11 CASH WITHDRWAL AGENT, ABBAS MRUMA		105,000,000.00		1,695,958.00
28-08-2013	28-08-2013	CHQ : 171 FEE- CHEQUE ENCASHMENT	2500.00	50,000.00		1,645,958.00
30-08-2013	30-08-2013	CROSS CURRENCY TRANSACTION SANYA INDUSTRIES MRUMA			75,097,500.00	76,743,458.00
30-08-2013	30-08-2013	DEPSL : 11 CROSS CURRENCY TRANSACTION SANYA INDUSTRIE MRUMA			161,700,000.00	238,443,458.00
		DEPSL : 1				

STANBIC BANK TANZANIA LTD.
P. O. Box 3062, ARUSHA

BANK STATEMENT / TAX INVOICE
Account Type : BUSINESS BANKING CURRENT
Account Number : 9120000700140
Account Currency: TZS
Previous Account Number : 0140050024901

Transaction Date	Value Date	Transaction Description	Fee	Debits	Credits	Balance
		BALANCE BROUGHT FORWARD				238,443,458.00
30-08-2013	30-08-2013	CASH WITHDRWL AGENT, ABASI MRUMA	2500.00	75,000,000.00		163,443,458.00
30-08-2013	30-08-2013	ABASI MRUMA CASH WITHDRWL AGENT, ABBAS		161,700,000.00		1,743,458.00
30-08-2013	30-08-2013	CHQ : 301 FEE- CHEQUE ENCASHMENT	2500.00	50,000.00		1,693,458.00
30-08-2013	30-08-2013	FEE- CHEQUE ENCASHMENT		50,000.00		1,643,458.00
31-08-2013	31-08-2013	MONTHLY MANAGEMENT FEE		12,000.00		1,631,458.00
31-08-2013	31-08-2013	SERVICE FEE		10,000.00		1,621,458.00
05-09-2013	05-09-2013	TRANSFER TRANSACTION COMM ON 4 CHQ BOOKS REQUEST		60,000.00		1,561,458.00
05-09-2013	05-09-2013	CIDR : 1 FEE-INTER ACCOUNT TRANSFER		2,000.00		1,559,458.00
06-09-2013	06-09-2013	CROSS CURRENCY TRANSACTION SANYA INDUSTRIES			88,990,000.00	90,549,458.00
07-09-2013	07-09-2013	DEPSL : 11 CASH WITHDRWL KNOWN AGENT		89,000,000.00		1,549,458.00
07-09-2013	07-09-2013	CHQ : 351 FEE- CHEQUE ENCASHMENT	2500.00	50,000.00		1,499,458.00
09-09-2013	09-09-2013	CROSS CURRENCY TRANSACTION SANYA INDUSTRIES GROUP			88,990,000.00	90,489,458.00
09-09-2013	09-09-2013	SARAH DEPSL : 11 CASH WITHDRWL ABBAS		60,000,000.00		30,489,458.00
09-09-2013	09-09-2013	CHQ : 173 FEE- CHEQUE ENCASHMENT	2500.00	50,000.00		30,439,458.00
10-09-2013	10-09-2013	CASH WITHDRWL AGENT, SARAH MWAKASEGE		29,000,000.00		1,439,458.00
10-09-2013	10-09-2013	CHQ : 174 FEE- CHEQUE ENCASHMENT	2500.00	2,500.00		1,436,958.00
16-09-2013	16-09-2013	CASH DEPOSIT MUSLEH DEPSL : 1			24,005,100.00	25,442,058.00
16-09-2013	16-09-2013	CROSS CURRENCY TRANSACTION SANYA INDUSTRIES GROUP			112,980,000.00	138,422,058.00
16-09-2013	16-09-2013	MRUMA DEPSL : 1 CASH WITHDRWL CHQ 000175		112,500,000.00		25,922,058.00
16-09-2013	16-09-2013	ABBAS MRUMA CHQ : 175 FEE- CHEQUE ENCASHMENT	2500.00	50,000.00		25,872,058.00
18-09-2013	18-09-2013	CASH WITHDRWL CHQ NO 176 CHQ : 6		25,000,000.00		872,058.00
18-09-2013	18-09-2013	FEE- CHEQUE ENCASHMENT	2500.00	2,500.00		869,558.00
20-09-2013	20-09-2013	CROSS CURRENCY TRANSACTION SANYA INDUSTRIES GROUP			112,910,000.00	113,779,558.00
20-09-2013	20-09-2013	DEPSL : 11 CASH WITHDRWL SARAH		113,000,000.00		779,558.00
		CHQ : 177	2500.00			

BANK STATEMENT / TAX INVOICE
Account Type : BUSINESS BANKING CURRENT
Account Number : 9120000700140
Account Currency: TZS
Previous Account Number : 0140050024901

Transaction Date	Value Date	Transaction Description	Fee	Debits	Credits	Balance
		BALANCE BROUGHT FORWARD				779,558.00
20-09-2013	20-09-2013	FEE- CHEQUE ENCASHMENT		50,000.00		729,558.00
26-09-2013	26-09-2013	CROSS CURRENCY TRANSACTION SANYA INDUSTRIES MRUMA			97,405,000.00	98,134,558.00
26-09-2013	26-09-2013	DEPSL : 1 CASH WITHDRWAL		97,000,000.00		1,134,558.00
		CHQ 000178 AGENT, ABBAS MRUMA	2500.00			
		CHQ : 178				
27-09-2013	27-09-2013	CROSS CURRENCY TRANSACTION SARAH			40,175,000.00	41,309,558.00
27-09-2013	27-09-2013	DEPSL : 1 CASH WITHDRWAL		40,000,000.00		1,309,558.00
		CHQ 000179 AGENT, SARAH MWAKASEGE				
		CHQ : 1				
27-09-2013	27-09-2013	FEE- CHEQUE ENCASHMENT		2,500.00		1,307,058.00
30-09-2013	30-09-2013	MONTHLY MANAGEMENT FEE		12,000.00		1,295,058.00
30-09-2013	30-09-2013	SERVICE FEE		20,000.00		1,275,058.00
01-10-2013	01-10-2013	CASH DEPOSIT SARAH SARAH			160,900,000.00	162,175,058.00
11-10-2013	01-10-2013	DEPSL : 1 CASH WITHDRWAL		100,000,000.00		62,175,058.00
		CHQ NO 180	2500.00			
		CHQ : 3				
01-10-2013	01-10-2013	FEE- CHEQUE ENCASHMENT		50,000.00		62,125,058.00
03-10-2013	03-10-2013	CASH DEPOSIT SARAH			26,140,000.00	88,265,058.00
03-10-2013	03-10-2013	DEPSL : 1 CASH DEPOSIT			109,600,000.00	197,865,058.00
		SARA				
03-10-2013	03-10-2013	DEPSL : 1 CASH WITHDRWAL		136,000,000.00		61,865,058.00
		CHQ NO 182	2500.00			
		WIDSL : 6				
03-10-2013	03-10-2013	CASH WITHDRAWAL FEE		50,000.00		61,815,058.00
04-10-2013	04-10-2013	CASH DEPOSIT SARAH			36,485,840.00	98,300,898.00
04-10-2013	04-10-2013	DEPSL : 1 CASH WITHDRWAL		61,000,000.00		37,300,898.00
		CHQ NO.181 181	2500.00			
		181				
04-10-2013	04-10-2013	CHQ : 181 FEE- CHEQUE ENCASHMENT		50,000.00		37,250,898.00
07-10-2013	07-10-2013	CASH WITHDRWAL CHQ NO 183		36,500,000.00		750,898.00
		WIDSL : 3	2500.00			
07-10-2013	07-10-2013	CASH WITHDRAWAL FEE		2,500.00		748,398.00
31-10-2013	31-10-2013	MONTHLY MANAGEMENT FEE		12,000.00		736,398.00
31-10-2013	31-10-2013	SERVICE FEE		10,000.00		726,398.00

BANK STATEMENT / TAX INVOICE

Account Type : BUSINESS BANKING CURRENT

Account Number : 9120000700140

Account Currency: TZS

Previous Account Number : 0140050024901

Transaction Date	Value Date	Transaction Description	Fee	Debits	Credits	Balance
		BALANCE BROUGHT FORWARD				726,398.00
30-11-2013	30-11-2013	MONTHLY MANAGEMENT FEE		12,000.00		714,398.00
		BALANCE AS AT 19-12-2013				714,398.00

Please verify all transactions reflected on this statement and notify any discrepancies to the Bank as soon as possible. The balance reflected could change if there are any transactions that still needs to be processed.

Please note that today's cheques and debit orders are provisional and have not yet been paid.

Overdraft details :

Overdraft limit	0
Overdraft review date	31-12-2014
Interest rate from 0 to 99999999999999.99	36 %
*Overdraft facilities are subject to the bank's terms and conditions. For details please contact your nearest branch or visit www.stanbicbank.co.tz	
Unauthorised overdraft will attract a penalty interest	

Summary of transactions

Credits	1,290,593,898.00
Debits	1,289,879,500.00 -

Fee summary

Service Fee	40000.00
Duty	0.00
VAT	0.00
Cash Deposit Fee	0.00

STANBIC BANK TANZANIA LTD.
P. O. Box 3062, ARUSHA

SANYA INDUSTRIES GROUP LIMITED

FEASIBILITY STUDY FOR CORN MILLING & CORN FLOUR PACKAGING PLANT

Presented by
Company's Director
P.O.Box.7356
Arusha ,
Tel: +255715480499

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PARTY I

EXECUTIVE SUMMARY

1.1 Introduction

This feasibility study report is submitted to ascertain techno-economic viability and social desirability of implementing the project for manufacturing and Packaging of corn/Maize flour for both Local and export market

The Sponsor of the project is Sanya Industries Group Limited, a limited liability company based in Arusha, The Head office situated In Arusha town, The project is propose to be situated at Plot No. 1850 Ngorbob Village Arumeru District in Arusha. The Company is incorporated in Tanzania under the company act of 2002 on 19th November, 2009 and awarded Certificate of Incorporation no.73741

The project promoters are Tanzania entrepreneurs with diverse businesses in Kilimanjaro, Arusha and Dar es Salaam. The shareholders have been in indulging Bureau De Change in Industry for more than ten years and Running General trading and shopping centre for more than 30 years in Tanzania.

In Tanzania the project promoter have identified the business of corn milling and packaging of corn Flour for local and Export market. Because of the high demand of corn flour and urbanization process which have affected lives of most of people in East Africa, Most of people would wish to buy grinded corns/Maize flour rather than buying corns and grind them into flour, which consumes a lot of time.

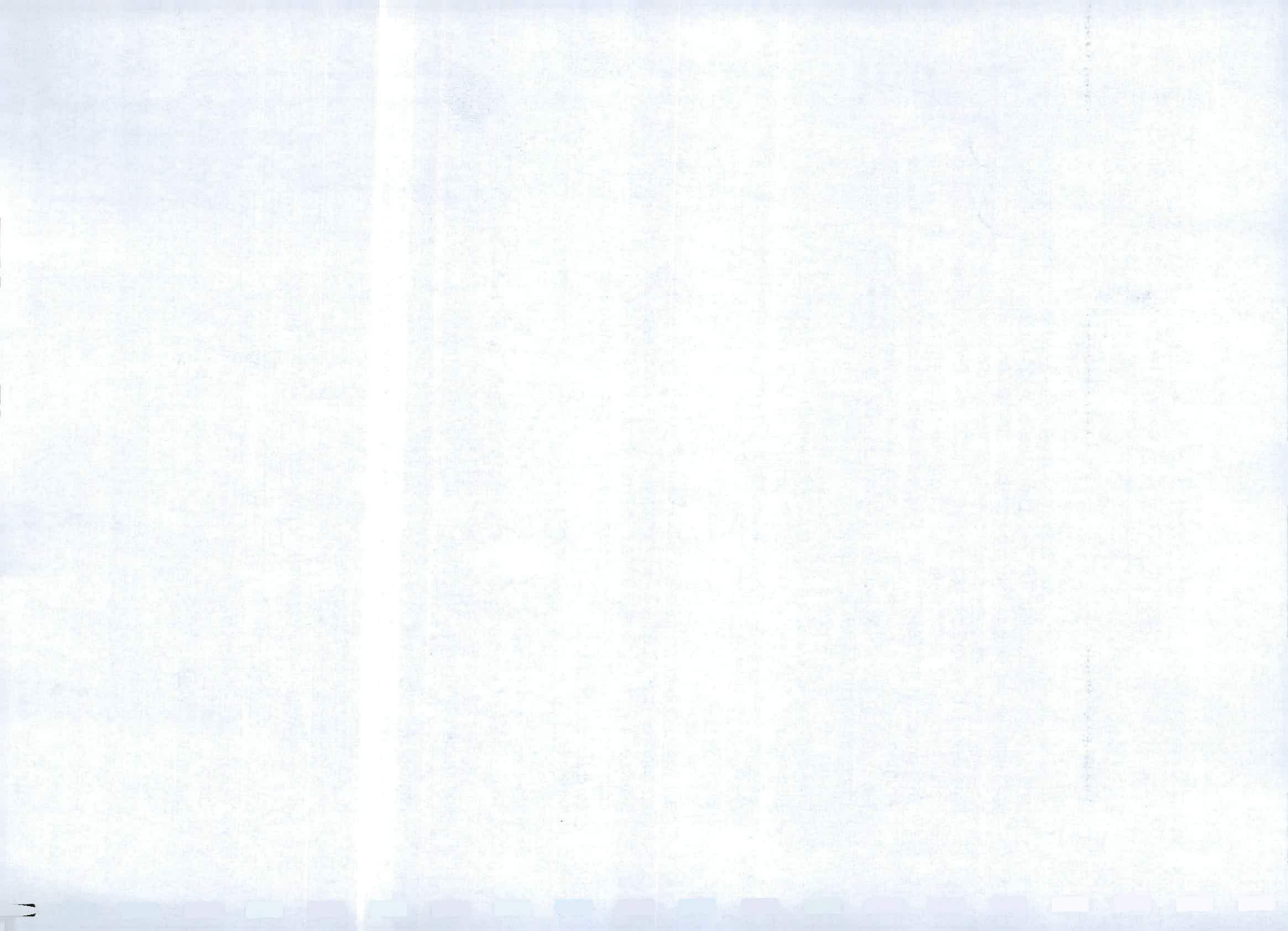
1.2 Project Objectives

This document endeavors to serve as feasibility study for Ms Sanya Industries Group Limited for establishment of corn milling and corn flour packaging plant the implementation of this project will comprise construction of warehouse which shall be used for Installation corn milling and corn flour packaging plant. The factory will be located at Arumeru District Arusha Tanzania. The packaging materials will be of various types and size to suite the customer's requirement.

1.3 Promoters and Sponsors

The project is sponsored by Ms Sanya Industries Group Limited of Arusha. The company is owned by share holders with the following shares.

Name of Directors	Nationality	Number of shares %
Abubakar Hashim Ibrahim	Tanzanian	50
Zainab Abubakar	Tanzanian	50



The project's head office is proposed to be at Arusha District within the premises of Corn Milling and Packaging Factory. The property belongs and owned by Abubakar Hashim Ibrahim who is one of the shareholders, currently he is developing a legal consent to let his property be used for such particular investment.

1.4 Legal Structure

The company is operating under and within the ambit of the law due the fact that, it has the following documents; Memorandum and Article of Association, certificate of incorporation, Tax Identification Number, and value added Tax certificates.

1.5 Market.

Business model which shall be adopted by Sanya Industries Group Limited procurements of corn maize from high growing areas close to the factory such as Kiteto, Singida and Kondoa Ilangi, Procured corns shall be shipped to the factory for processing into flour and packaging into different sizes of different quantity. Sanya Industries Group Limited shall also as well be procuring corn maize from National Cereals Reserve Agency at Arusha.

Sanya Industries Group Limited is targeting to supply its products to various Super markets in Tanzania and exports to Kenya

Sales and Marketing communication anticipated to be undertaken by the company include Bill-board advertising, Person selling and marketing through Internet.

1.6 Investment

Total cost planned to be invested at this project is 1,780,000 USD. The investment cost includes the value of Land& Building, Equipments, Motor vehicles, and working capital. At initial stage the project shall be financed by project promoter's equity.

1.7 Employment

The employment capacity of this project is estimated to be 31 employees. 28 employees out of 31 will be Tanzanian and 3 employees will be expatriates who are responsible to make capacity building to Tanzanian employees within this project.

PARTY II

INDUSTRY ANALYSIS

2.0 Industry Description

Maize is one of the main staple foods in Tanzania. Maize is generally grown during two seasons by approximately 80 percent of the family farms. Because of local preferences and tastes, most of the maize grown in Tanzania is dried and processed to create maize flour. Maize milling has been around for about the past 20 to 30 years. When the maize is milled into flour it is generally used for a popular staple dish called Ugali. In highly maize growing areas, On average each family produces approximately 500 kilograms of unprocessed maize each year and will process approximately 200 kilograms each year. Because of climate change that decreases the growth of bananas in Kilimanjaro, Mbeya and Bukoba maize has become a demanded replacement food item and the industry continues to grow.

Quantity of maize produced in Tanzania mainland increased more than twice from 2,613,970 tons in 2002/3 to 5,406,088 tons in 2007/08. This has been attributed, among other factors, to an increase in productivity from 0.8 tons / ha to 1.3 tons / ha (78 percent). Maize productivity increased in varying proportions. With exception of Kigoma region which recorded a 6 percent decrease, all the regions improved its paddy productivity, which varied from 23 percent in Ruvuma region (from 1.3 ha/ton to 1.6 ha/ton) to 220 percent in Singida region (from 0.4 to 1.3)

Maize is grown all over the country especially in Iringa, Mbeya, Ruvuma, Rukwa, Tanga, Kilimanjaro, Kagera (Biharamulo), Morogoro and in Arusha/Manyara regions. 40% of the national maize production comes from 4 regions: Iringa, Mbeya, Ruvuma, Rukwa.

Small-scale farmers are dominating the maize production in Tanzania. They account for roughly 85 percent of total production. Medium and large-scale farms make up for 10 percent and 5 percent respectively. Although large and modern farms exist, agricultural production in Tanzania remains grounded on subsistence farming.

Maize is mostly grown under rain fed cropping systems that can be classified into two categories, namely; the short rains (Vuli) season that starts from September/October to January/February and the long rains (Masika) season from February/March to June/July. Maize is available in large quantities from March to August and in smaller quantities during August to January.

The marketing of maize is done through private markets as well as through the mixed crop board, under the Ministry of Agriculture, Food Security and Cooperatives. Investors invested in Maize milling and flour packaging plant usually procure tons of

maize from these regions either from National Reserve or from Farmers and ship the maize to the plant for processing.

As of now, the most giant investors in manufacturing, Processing, Packaging and distribution of maize flour products include, Azania, Azam, Mohamed Enterprises, and Mount Meru Millers.

2.1 Target Market

While Sanya Industries Group Limited will service both supplying to supper markets and local markets, it will focus on selling its services to the larger customers via contract agreements. These larger processors are generally schools and resellers who buy unprocessed maize and sell the processed flour.

2:2 Project

Sanya Industries Group Limited is a company registered in Tanzania under the Companies Act of 2002 and holds Certificate of Incorporation No.73741 issued on 19th November 2009. Sanya Industries Group Limited will be managing implementation and operation of this project. The project's main objective is:-

Manufacturing, Processing, Packaging and distribution of Corn flour in both Tanzania and EAC countries. The implementation of this project will comprise the following activities:-

- I. Setting up warehouse which shall be used as a factory for the purpose of this project.
- II. Setting up another warehouses which shall be used for inbound and outbound logistics
- III. Setting up corn processing machinery plant
- IV. Installation of modern packaging machineries and equipments
- V. Installation of Generators
- VI. Procurements of Light trucks

2.3 Technical requirement of the projects

Technically the project to be feasible the company plans to procure the following machines which include.

- ⚡ Complete set of Flour Mill Plant and their accessories
- ⚡ Drum Sieve- is used for pre cleaning grains in food and seed industries
- ⚡ Centrifugal Machine - helps in cleaning the flour and separate choker from it
- ⚡ Complete set of Conveyor system

4 Step up Transformer

Following the electrical technical survey as far as the Location of this project at Arumeru Area, It was advised that, Sanya Industries Group Limited to Install Step up oil filled transformer with capacity of 1800 kVA to make a constant and powerful electricity supply to the project.

2.4 Location

The project will be located at Ngorbob Area Arumeru District Arusha. The site has adequate space to accommodate the proposed project. The location is ideally suited for the business operations centre of the project because it is easily accessible and its infrastructure is highly developed.

2.5 Project Subscribers

The Company's shareholders have a wide business experience with investments in Tanzania include Kilimanjaro, Arusha, Dar es Salaam, Tanga and Morogoro..The company is owned by four shareholders with the following shares.

Name of Directors	Nationality	Number of shares %
Abubakar Hashim Ibrahim	Tanzanian	50
Zainab Abubakar	Tanzanian	50

2:6 Legal Structures

Sanya Industries Group Ltd is company legally registered in Tanzania and it bears the Certificate of Incorporation no; 737441 issued on 19th November, 2009 .The following documents justify legal establishment and legal operation of Harsho Packaging Ltd within the Packaging Industry.

- Memorandum and Article of Association.
- Certificate of Incorporation.
- Tax Identification Number Certificate
- Value added Tax certificate

2:7 Management Structure

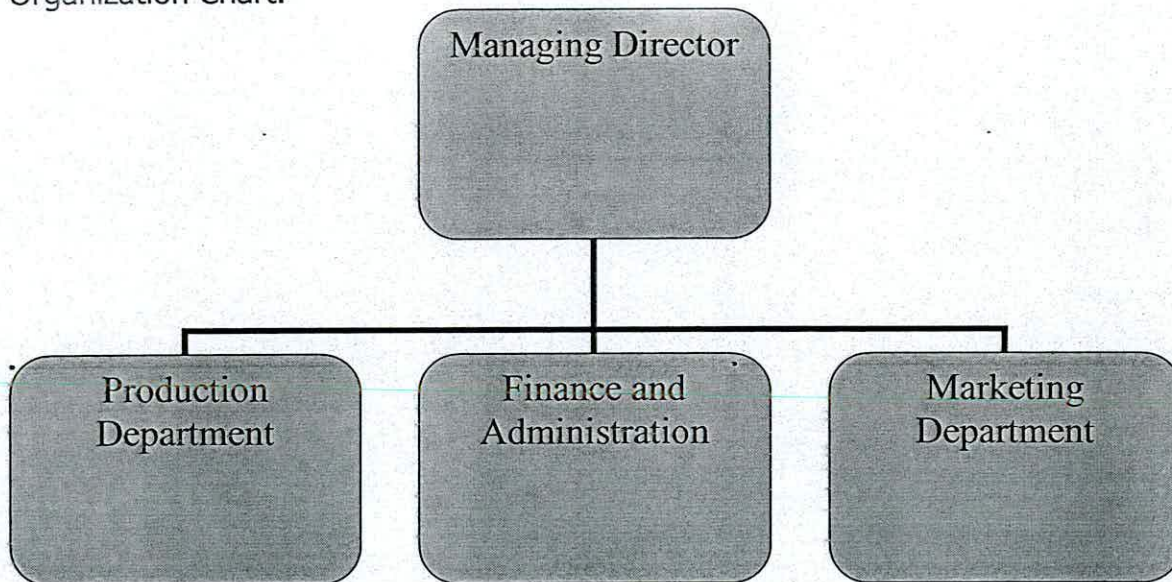
The project's operations will be managed through a Board of Directors, responsible for the formulation and supervision of company policies and guidelines; while the Project Manager, Abubakar Hashim Ibrahim will supervise the day-to-day activities of the project. He will also be in charge of the financial issues of the project. Under him will be the Plant manager and the Administration or operations department's Technical Manager.

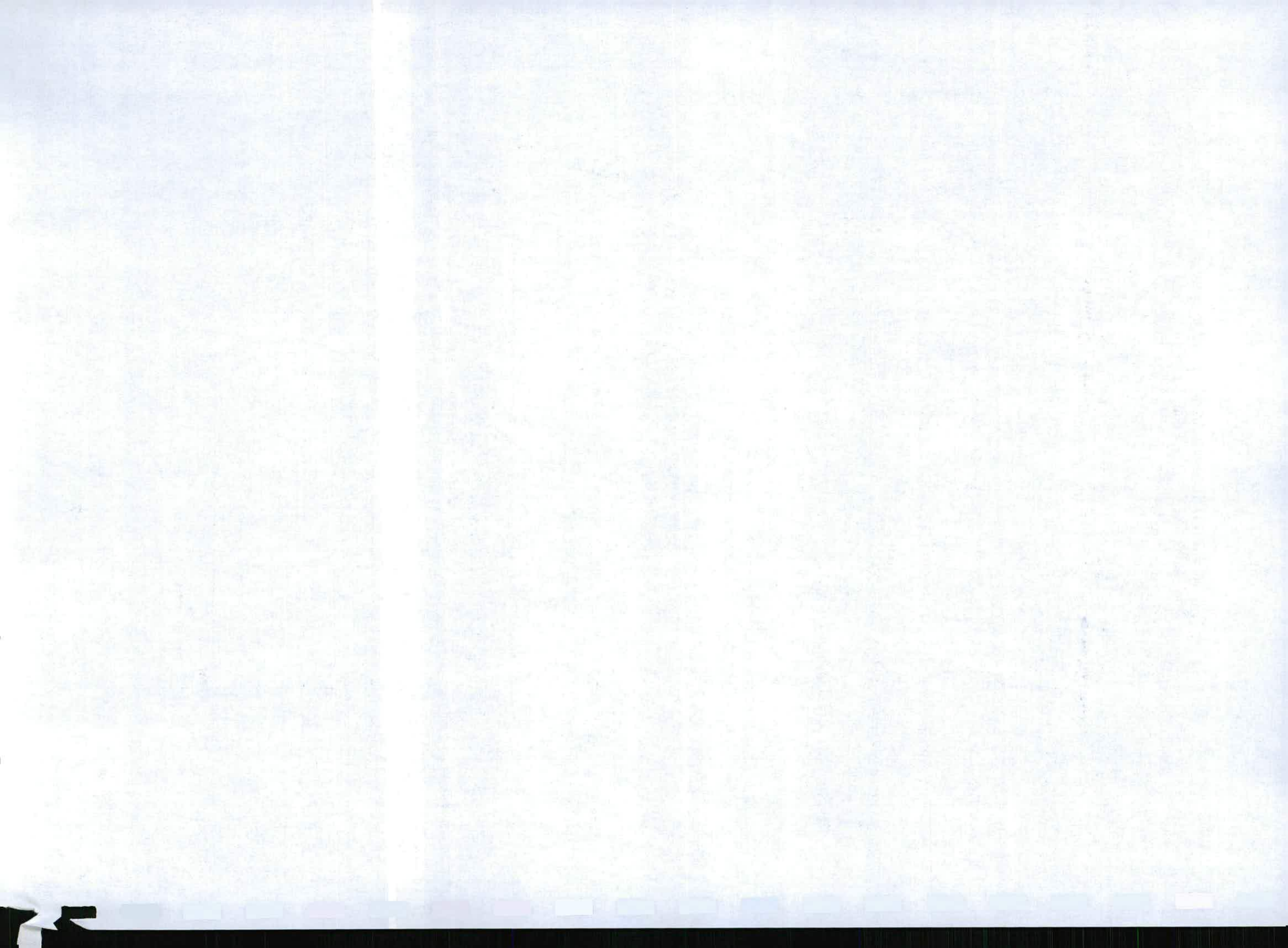
The company wants to be guided by the following Management set up;-

SALARIES & WAGES	NUMBER	MONTHLY PAY	MONTHS	ANNUAL PAY
Director	1	1500	12	18,000
Production Managers	2	900	12	21,600
Finance and Administration Officers	4	850	12	40,800
Salesmen	2	250	12	6,000
Production Engineer	2	800	12	19,200
Machine operators	15	100	13	19,500
Drivers	3	200	12	7,200
Secretary	1	12	12	144
Watchmen	4	50	12	2,400
	31	11,237	12	134,844
Add Allowances 30%		3371		40,453
Sub -Total	31	14608		175,297
GRAND TOTAL SALARIES				175,297

2.9 Organization Chart

The planned Company Organization Structure is represented by the following Organization Chart.





PARTY III

3.0 MARKET POTENTIAL DISCRPTIONS

The maize wholesale market based in the main (Dar es Salaam) and secondary towns (Songea, Njombe, Makambako, Iringa, Mafinga, Morogoro, etc.) frequented by the traders, the storekeepers, some farmers and maize brokers. It is on these markets that maize can be sold from trader to trader and that much long--term grain storage is operated and that the traders locate their buffer reserves. Maize brokerage is a specificity of the Dar es Salaam maize wholesale market where they connect the traders and the millers. The millers define prices but the brokers have the capacity to influence them through their central position.

The flour wholesale market is concentrated around the main mills and in the main consumption centers. The flour wholesale markets connect the millers, the wholesalers and the retailers. The prices are defined by the millers according to their processing costs and to the demand on the market (quantities/prices). The flour retail market is where consumers get flour from retailers on local markets, from shops or kiosks and now more importantly, from supermarkets.

Milling capacity is growing rapidly. Hammer mills have reached most of the villages (an average of one mill per village is a conservative estimate). Urban medium scale millers are now emerging to take a share of the market for maize flour. In all the larger (regional) towns, the number of mills has at least doubled in the last 10 years. In Dar es Salaam, the number of medium and large--scale millers has increased by 10 times over the last years 10 years (from 20 to over 200).

3.1 Maize Demand Projections

Market Demand		2015	2015
Local Demand (^000 tonnes)	Tanzania Demand	3,800	5,500
Imports (^000 tonnes)	Tanzania Imports	0	0
	EAC Imports	500	850
Consumption (^000 tonnes)	Global consumption	910,000	1,400,000
Export Demand (^000 tonnes)	EU Demand	50,000	80,000
	Other Export Demand	860,000	1,330,000

Sources: World Bank, OECD, FAO

3:2 Products

Sanya Industries Group Ltd shall be processing flour and package into the following arrays:

- ❖ 1 kilogram
- ❖ 2 kilogram
- ❖ 3 kilogram
- ❖ 5 kilogram
- ❖ 10 kilogram

Sanya Industries Group Ltd will be selling 90% of sales in Tanzania, 10% will be export in up country areas such as Mombasa, Uganda and Nairobi.

3.3 Pricing

The company's pricing policy is set with the objectives of achieving profitability and growth and achieving a reasonable share of the market without necessarily pricing the company out of competition. The company will maintain a wide set of packages on offer with different terms and prices to suit different interests and pocket sizes.

3.4 Promotion and Advertising

Creative promotion and advertising strategies will be outlined in the comprehensive marketing plan. With the objective of capturing new market segments and to attract faster responses in older market segments without stretching the company's human and financial resources too thin.

3.5 SWOT ANALYSIS

3.5.1. Strengths

The strengths of Sanya Industries Group Ltd will be the same as those that have served the project promoters in other businesses in Kilimanjaro, Arusha, and Shinyanga . These are:

- Sound and credible management and financial policies.
- A fairly well skilled, committed and efficient labour force.
- A quality product of the proposed project:

3.5.2 Weaknesses.

The shortcomings that likely to hold the company back from progress, the following rank highest:

- Lack of enough expert
- Lack of updates of data of Development of Packaging Industry in Tanzania

3.5.3 Opportunities:

The company is focused to take optimum possible advantage on the following:

- Market liberalization
- Lucrative investment incentives package from TIC for both capital and deemed goods
- Unrestricted repatriation of profits.
- A stable economic and political environment

3.5.4 Threats:

The most profound threats that likely to threaten the operation of the project includes;

- Bureaucracy and corruption, factors which should not be ignored as it might affect government facilitation particularly among public servants who are supposed to support the private sector.
- High electricity rate

3.6 Economic Aspects of The Project

Besides the financial/monetary returns to the project owners, there are other benefits to be derived for the whole country viz.

3.6.1 Employment Opportunities

Employment and poverty reduction are among the major concern of the Central and the Local Government authorities. It is gratifying to note that M/S Sanya Industries Group Ltd is going to provide employment to 31 people all of whom will be nationals. This is a significant contribution coming from outside the country in creating employment opportunities to our people.

3.6.2 Revenue to the Government

The Project is expected to pay a substantial annual amount in the form of corporation tax rising to usd 150,670 in the second year of the company's operation. In the third year where by the Company will be in a full swim operation, tax to the Government becomes USD 112,128. For the period under review, tax paid by the Company alone to the Central Government, excluding workers' income taxes, accumulate to 400,714

3.6.3 Foreign Exchange Earning

Almost 75% of all the transactions to be carried sales will be settled in local currency. Revenue from packaging materials estimated at average 900,960 \$ per annum.

PARTY IV

4.0 INVESTMENTS STRUCTURE AND FINANCING PARTERN

4.1 INVESTMENT STRUCTURE

Land and Building: 600,000\$

The sponsors have spent 310,000\$ to buy make semi development on the site earmarked for this investment at Arumeru. The Company is planning to spend 210,000 for construction of warehouses for Plant Installation Machine and storage, Office Building.

Machinery and Equipment: 829,000 \$

Sum of 1,135,000 \$ will be spent to acquire various machinery and equipments. The Machines and equipments for corn milling and corn flour packaging

Motor Vehicles: 205,000 \$

The Company will purchase a total of 3 vehicles each with a carrying capacity of 4 tons. These vehicles will be purchased from Toyota sale agent in Arusha.

- o The project will need 3 Light trucks each at value of 105,000 \$
- o Two brand new Toyota pickup at a cost of 80,000\$
- o One update model of RAV4 for Managing Director at cost of 20,000\$

The four-wheel drive vehicles are critically crucial for patrol purposes as well visiting to potential customers.

Office Furniture and Fittings: 15,000 \$

This investment cost item has been estimated to cost 15,000 \$ It will consist of computers and their accessories, office tables, chairs, telephone; fax machines, file cabinets and cash safes, sofa chairs etc.

Pre- Operational Expenses: 33,960 \$

These will come to about 33,960\$ and will cover things like company registration, expenses spent by the Company while exploring the viability of the project, especially the market/client identification exercise done in those destinations targeted to be served. Also included under this item are issues like consultancy fees, legal fees and recruitment and training costs of personnel.

Initial Working Capital: 106,000 \$

A provisional Working Capital has been made at 106,000 \$ right from project operations. This will take care of employee training, salaries, fuel, etc.

4.2 FINANCING PATTERN:

The whole project will be financed solely through equity. In case of any short fall in financing, which is very unlikely, the promoters will bring in more funds from their businesses spread over several regions in Tanzania.

4.3 FINANCIAL ASPECTS OF THE PROJECT

Projected Profit and Loss Statement

The attached schedule shows the projected income for a 5-years period. The position depicts the project earning profits throughout the period under review. In the first year of its operation, the project makes an after tax profit of -10,501\$ from the third year onwards, when the project will be operating at 100%, profit after tax will be 262,797 USD per year. For the first five years of the project operation, after tax profit of more 1,107,677 USD/= at the end of the five year will be accumulated

Projected Cash Flows

The project's cash flows are shown in projected financial statements. They depict a good liquidity position right from the first year. Cash accumulation builds up from 257,570 USD in the second year to 1,164,809USD at the end of 5 years of the project's operations.

PARTY V

5.0 CONCLUSION AND RECOMMENDATION

5.1 CONCLUSION

The project is profitable and contributes to government revenue by way of taxes. The project provides employment to 31 people who all are national Tanzanians. The project is an encouraging sign of the confidence shareholders of Sanya Group of Industries Ltd have in this country, Tanzania to the extent that they are ready to invest such large sums of investment despite the odds of the sector in question.

5.2 RECOMMENDATION:

After the foregoing economic and financial evaluation of the project, there is a strong justification for implementing this project and for the relevant Government organs to give it the encouragement and support it deserves. Management strongly recommends that this project be implemented and be given all the support required by all the concerned Government Ministries and agencies, including the Tanzania Revenue Authority, TRA, and the Tanzania Investment Centre, TIC. The project deserves this support because of its viability, since it is technically and financially feasible, economically viable and socially acceptable.

**SANYA INDUSTRIES GROUP LTD
FINANCIAL PROJECTION (2014 – 2019)**

SANYA INDUSTRIES GROUP LTD

PROJECTED PROFIT AND LOSS STATEMENTS FOR THE PERIOD

	2014	2015	2016	2017	2018	2019
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Sales Revenue	0	908,960	1,008,780	1,169,343	1,349,019	1,472,117
Less: Cost of Sales	0	245,553	265,410	285,637	307,412	316,534
Gross Profit	0	663,407	743,370	883,706	1,041,607	1,155,583
Administration Expenses	15,000	321,744	323,187	325,575	327,599	329,383
Operating Profit	-15,000	341,663	420,182	558,132	714,009	826,199
Capital & Financial Charges						
Depreciation	0	126,421	164,096	178,471	178,471	178,471
Loan Interest	0	0	0	0	0	0
Sub Total	0	126,421	164,096	178,471	178,471	178,471
Profit before Tax	-15,000	215,242	160,182	286,723	451,894	572,449
Taxable Income	-15,000	215,242	160,182	286,723	451,894	572,449
Tax (30%)	-4,500	64,573	48,055	86,017	135,568	171,735
Profit After Tax	-10,500	150,670	112,128	200,706	316,326	400,714
Profit brought Forward	-1	0	150,670	249,657	427,845	706,962
Profit for Appropriation	-10,501	150,670	262,797	450,364	744,171	1,107,677
APPROPRIATION ACCOUNT						
Dividends Rate	-1	0	5%	5%	5%	5%
Amount	10,501	0	13,140	22,518	37,209	55,384
Revenue Reserve	-21,002	150,670	249,657	427,845	706,962	1,052,293
Total	-10,501	150,670	262,797	450,364	744,171	1,107,677

SANYA INDUSTRIES GROUP LTD
PROJECTED CASH FLOW STATEMENTS FOR THE PERIOD

	2014 AMOUNT USD \$	2015 AMOUNT USD \$	2016 AMOUNT USD \$	2017 AMOUNT USD \$	2018 AMOUNT USD \$	2019 AMOUNT USD \$
CASHFLOW FROM OPERATIONS						
Sales	0	881,691	978,517	1,099,182	1,281,568	1,427,95
Subtotal Cash Received		881,691	978,517	1,099,182	1,281,568	1,427,95
Expenditures from Operations:						
Cost of Sales	0	245,553	265,410	285,637	307,412	316,53
Administrative expenses	11,040	378,568	373,224	418,744	457,221	496,77
Subtotal Cash payment	11,040	624,121	638,635	704,381	764,632	813,31
Cashflow From Operations	-11,040	257,570	339,882	394,802	516,936	614,64
CASH FROM INVESTMENTS:						
Investments Outflow	-1,190,000					
Re-Investment		-475,000	-115,000			
Cash from Investment	1,190,000	-475,000	-115,000		0	
CASH FLOW FROM FINANCING:						
Owners Equity	1,190,000	475,000	115,000			
Bank Loan	0	0	0			
Bank Loan repayment		0	0	0	0	
Interest on Loan		0	0	0	0	
Dividends		0	-13,140	-22,518	-37,209	-55,38
Cash from Financing	1,190,000	475,000	-127,244	-244,536	-237,024	-235,21
NET CASHFLOW FOR PERIOD	0	257,570	97,638	150,266	279,911	379,42
CASHFLOW AT START OF YEAR			257,570	355,209	505,475	785,38
CASHFLOW AT THE END OF YEAR	0	257,570	355,209	505,475	785,386	1,164,80

SANYA INDUSTRIES GROUP LTD

PROJECTED BALANCE SHEET FOR THE PERIOD

	2014	2015	2016	2017	2018	2019
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
NON CURRENT ASSETS						
Land & Buildings	310,000	285,000	285,000	285,000	285,000	285,000
Plant Machinery& Equipments	539,000	1,045,000	1,135,000	1,135,000	1,135,000	1,135,000
Motor Vehicles	120,000	180,000	205,000	205,000	205,000	205,000
Furniture & Fittings	0	15,000	15,000	15,000	15,000	15,000
Pre operational Expenses	18,960	33,960	33,960	33,960	33,960	33,960
Working capital	11,040	95,000	0	106,040	0	
Total	1,190,000	1,653,960	1,673,960	1,780,000	1,673,960	1,673,960
Less Accumulated Depreciation	0	290,517	468,988	527,459	705,930	705,930
Non Current Assets	1,190,000	1,363,443	1,204,972	1,252,541	968,030	968,030
CURRENT ASSETS						
Stocks	0	34,986	69,272	23,490	83,672	34,560
Debtors	0	43,780	59,725	34,998	89,358	22,350
Cash and Bank Balance	0	257,570	355,209	505,475	785,386	1,164,800
Total Current Assets	0	336,337	484,205	563,963	958,415	1,221,720
CURRENT LIABILITIES						
Creditor	0	86,544	16,338	66,324	22,673	27,670
Tax Payable	0	25,767	10,322	16,268	20,608	25,600
Total Current Liabilities	0	112,311	26,660	82,593	43,282	53,270
NET CURRENT ASSETS	0	224,026	457,545	481,370	915,134	1,168,450
TOTAL NET ASSETS	1,190,000	1,587,469	1,662,517	1,733,911	1,883,164	2,136,470
FINANCED BY						
Share Capital	238,000	238,000	238,000	238,000	238,000	238,000
Revenue Reserve	0	150,670	262,797	450,364	704,171	1,107,670
Net worth	238,000	388,670	500,797	688,364	942,171	1,345,670
Loan	952,000	1,198,800	1,161,720	1,045,548	940,993	
TOTAL	1,190,000	1,587,470	1,662,517	1,733,912	1,883,164	2,136,470

INTERNAL RATE OF RETURN

	0	2014	2015	2016	2017	2018
	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	USD \$	USD \$	USD \$	USD \$	USD \$	USD \$
INFLOWS						
Operating Profit		341,663	420,182	558,132	714,009	826,199
Residual Value						
Recoupment of Working Capital						
Total		341,663	420,182	558,132	714,009	826,199
OUTFLOWS						
Investments	1,190,000					
Re -Investments		475,000	475,000	115,000	0	0
Taxation		64,573	48,055	86,017	135,568	171,735
Change in Working Capital		41,755	53,847	33,095	2,730	-20,675
Total		581,327	576,902	234,112	138,298	151,060
NET CASHFLOW		-239,664	-156,720	324,020	575,710	675,139
DCF (15%)	0.15	0.870	0.756	0.658	0.683	0.621
NPV AT (15%DCF)		-208,404	-118,503	213,048	393,210	419,262
Total NPV at 20% DCF		698,614				
DCF (10%)	0.1	0.909	0.826	0.751	0.683	0.621
NPV AT (10%DCF)		-217,877	-129,520	243,441	393,210	419,262
Total NPV at 10% DCF		708,516				
IRR=		12.52				

CAPITAL INVESTMENT COSTS

1

FINANCING PLAN	%	PHAS E 1 AMOUNT USD \$	PHASE 2 AMOUNT USD \$	PHASE 3 AMOUNT USD \$	TOTAL AMOUNT USD \$
EQUITY	100	1,190,000	95,000	115,000	1,780,000
LOAN	0	0	0	0	0
TOTAL FINANCING	100	1,190,000	95,000	115,000	1,780,000

2

PROJECT COST SUMMARY	2014 AMOUNT USD \$	2015 AMOUNT USD \$	2016 AMOUNT USD \$	TOTAL AMOUNT USD \$
Land & Buildings	310,000	190,000	100,000	600,000
Plant Machinery & Equipments	539,000	200,000	90,000	829,000
Motor Vehicles	120,000	60,000	25,000	205,000
Furniture & Fittings	0	15,000	0	15,000
Pre operational Expenses	18,960	15,000		33,960
Total Capital Cost	987,960	480,000	215,000	1,682,960
Working Capital	11,040	95,000	0	106,040
TOTAL PROJECT COST	999,000	575,000	215,000	1,789,000

3

COST OF CARS	QTY	PRICE USD \$	AMOUNT USD \$
Light trucks	3	35000	105,000
Pick up	2	20,000	40,000
TOTAL COST OF CARS			145,000

DEPRECIATION & AMORTISATION SCHEDULE

GROSS FIXED ASSETS		2014	2015	2016	2017	2018
		AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Land & Buildings		310,000	285,000	285,000	285,000	285,000
Plant Machinery & Equipments		539,000	1,045,000	1,135,000	1,135,000	1,135,000
Motor Vehicles		120,000	180,000	205,000	205,000	205,000
Furniture & Fittings		0	15,000	15,000	15,000	15,000
Pre operational Expenses		18,960	33,960	33,960	33,960	33,960
TOTAL		1,178,960	1,558,960	1,673,960	1,673,960	1,673,960
ANNUAL DEPRECIATION	RATE	AMOUNT				
Land & Buildings	2%	3,900	5,700	5,700	5,700	5,700
Plant Machinery & Equipments	12.50%	105,625	130,625	141,875	141,875	141,875
Motor Vehicles	12.50%	15,000	22,500	25,625	25,625	25,625
Furniture & Fittings	12.50%	0	1,875	1,875	1,875	1,875
Pre operational Expenses	10%	1,896	3,396	3,396	3,396	3,396
Total Annual Depreciation		126,421	164,096	178,471	178,471	178,471
Accummulated Depreciation		126,421	290,517	468,988	527,459	705,930
NET FIXED ASSETS		1,052,539	1,268,443	1,204,972	1,146,501	968,030

PAYBACK PERIOD ANALYSIS

	YEAR 0	2014	2015	2016	2017	2018
	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	USD \$	USD \$	USD \$	USD \$	USD \$	USD \$
Profit After Tax		150,670	112,128	200,706	316,326	400,714
Depreciation		126,421	164,096	178,471	178,471	178,471
Total		277,091	276,224	379,177	494,797	579,185
Discounted Cashflow		256,565	255,763	351,090	458,145	536,283
Capital Cost	1,190,000					
Remaining amount		-933,435	-677,672	-326,582	131,563	667,846
Pay Back Period					4	

BREAK EVEN ANALYSIS

	2014	2015	2016	2017	2018	2019
	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	USD \$	USD \$	USD \$	USD \$	USD \$	USD \$
Sales Revenue		908,960	1,008,780	1,169,343	1,349,019	1,472,117
Variable Costs		245,553	265,410	285,637	307,412	316,534
Contribution Margin		663,407	743,370	883,706	1,041,607	1,155,583
Fixed Costs		448,165	583,187	596,983	589,714	583,134
Contribution Margin Ratio %		72.99	73.69	75.57	77.21	78.50
Beak even Sales		6,140	7,914	7,899	7,638	7,429
Break even Point (%)		0.68	0.78	0.68	0.57	0.50

SALARIES & WAGES	NUMBER	MONTHLY PAY	MONTHS	ANNUAL PAY
Director	1	1500	12	18,000
Production Managers	2	900	12	21,600
Officers	4	850	12	40,800
Salesmen	2	250	12	6,000
Production Engineer	2	800	12	19,200
Machine operators	15	100	13	19,500
Drivers	3	200	12	7,200
Secretary	1	12	12	144
Watchmen	4	50	12	2,400
	31	11,237	12	134,844
Add Allowances 30%		3371		40,453
Sub -Total	31	14608		175,297
GRAND TOTAL SALARIES				175,297

REVENUE ESTIMATES			2014	2015	2016	2017	2018
ITEM			AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Daily installed Capacity sqm			1235	1290	1345	1400	1455
Annual working Days			200	200	200	200	200
Annual Installed Capacity sqm			247,000	258,000	269,000	280,000	291,000
Production Target %ageof Capacity			80%	85%	90%	95%	95%
Planned Production sqm			197,600	219,300	242,100	266,000	276,450
Planned Extraction Recovery Rate		0.250%	0.00225	0.00225	0.00225	0.00225	0.00225
Average Price per sqm	Us\$		4.60	4.60	4.83	5.07	5.33
Planned Revenue Export Sales	Us\$		908,960	1,008,780	1,169,343	1,349,019	1,472,117
VAT			20%	20%	20%	20%	20%
Value of Tax Us\$			181,792	201,756	233,869	269,804	294,423
Net Sales Revenue			908,960	1,008,780	1,169,343	1,349,019	1,472,117

COST OF SALES		2014	2015	2016	2017	2018
ITEM		AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Output in sqm		197,600	219,300	242,100	266,000	276,450
Cost of Raw Materials						
Average cost@sqm of materials	\$	0.5	0.5	0.5	0.5	0.5
Cost of Materials	\$	103,740	115,133	127,103	139,650	139,650
Packing materials (1% Sales)		9,090	10,088	11,693	13,490	14,721
Sub Total Cost Us\$		112,830	125,220	138,796	153,140	154,371
Utilities		5,312	5,591	5,763	6,166	6,635
Consumables		22,700	23,835	25,027	26,278	27,592
Oil & lubricants		28,375	29,794	31,283	32,848	34,490
Repair & Maintenance		71,025	75,379	79,005	82,813	86,811
Total inputs		240,241	259,819	279,874	301,245	309,899
<i>Capacity Utilisation</i>		80%	85%	90%	95%	95%
<i>Cost of Electricity kwh</i>	90	94	99	95	99	104
<i>Estiamted cost@kwh</i>	\$	0.07	0.07	0.07	0.07	0.08
<i>Cost of Electricity Power</i>		3,846	4,048	4,048	4,452	4,921
		0	0	0	0	0
Sub Total Energy cost	(\$)	3,846	4,048	4,048	4,452	4,921
<i>Water Requirement (Litres)</i>	12000	10260	10800	12000	12000	12000
<i>Cost@ Litres</i>	\$	0.14	0.14	0.14	0.14	0.14
Total Cost of Water		1,466	1,543	1,714	1,714	1,714
Total Utilities Cost		5,312	5,591	5,763	6,166	6,635
Consumables Spares (2%Machinery value)		22,700	23,835	25,027	26,278	27,592
Oils/lubricants(10%Machinery value)		28,375	29,794	31,283	32,848	34,490
Maintenance Productive Assets						
Buildings(1%of value)	1%	1,950	2,850	2,850	2,850	2,850
Motor Vehicles (15%of value)	15%	18,000	18,900	19,845	20,837	21,879
Furniture& Fittings (5%of value)	5%	0	0	0	0	0
Sub Total Maintanance cost		71,025	75,379	79,005	82,813	86,811
COST OF SALES		245,553	265,410	285,637	307,412	316,534

SANYA INDUSTRIES GROUP LIMITED

FEASIBILITY STUDY FOR CORN MILLING & CORN FLOUR PACKAGING PLANT

Presented by
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PARTY I

EXECUTIVE SUMMARY

1.1 Introduction

This feasibility study report is submitted to ascertain techno-economic viability and social desirability of implementing the project for manufacturing and Packaging of corn/Maize flour for both Local and export market

The Sponsor of the project is Sanya Industries Group Limited, a limited liability company based in Arusha, The Head office situated In Arusha town, The project is propose to be situated at Plot No. 1850 Ngorbob Village Arumeru District in Arusha. The Company is incorporated in Tanzania under the company act of 2002 on 19th November, 2009 and awarded Certificate of Incorporation no.73741

The project promoters are Tanzania entrepreneurs with diverse businesses in Kilimanjaro, Arusha and Dar es Salaam. The shareholders have been in indulging Bureau De Change in Industry for more than ten years and Running General trading and shopping centre for more than 30 years in Tanzania.

In Tanzania the project promoter have identified the business of corn milling and packaging of corn Flour for local and Export market. Because of the high demand of corn flour and urbanization process which have affected lives of most of people in East Africa, Most of people would wish to buy grinded corns/Maize flour rather than buying corns and grind them into flour, which consumes a lot of time.

1.2 Project Objectives

This document endeavors to serve as feasibility study for Ms Sanya Industries Group Limited for establishment of corn milling and corn flour packaging plant the implementation of this project will comprise construction of warehouse which shall be used for Installation corn milling and corn flour packaging plant. The factory will be located at Arumeru District Arusha Tanzania. The packaging materials will be of various types and size to suite the customer's requirement.

1.3 Promoters and Sponsors

The project is sponsored by Ms Sanya Industries Group Limited of Arusha. The company is owned by share holders with the following shares.

Name of Directors	Nationality	Number of shares %
Abubakar Hashim Ibrahim	Tanzanian	50
Zainab Abubakar	Tanzanian	50

The project's head office is proposed to be at Arusha District within the premises of Corn Milling and Packaging Factory. The property belongs and owned by Abubakar Hashim Ibrahim who is one of the shareholders, currently he is developing a legal consent to let his property be used for such particular investment.

1.4 Legal Structure

The company is operating under and within the ambit of the law due the fact that, it has the following documents; Memorandum and Article of Association, certificate of incorporation, Tax Identification Number, and value added Tax certificates.

1.5 Market.

Business model which shall be adopted by Sanya Industries Group Limited procurements of corn maize from high growing areas close to the factory such as Kiteto, Singida and Kondoa Ilangi, Procured corns shall be shipped to the factory for processing into flour and packaging into different sizes of different quantity. Sanya Industries Group Limited shall also as well be procuring corn maize from National Cereals Reserve Agency at Arusha.

Sanya Industries Group Limited is targeting to supply its products to various Super markets in Tanzania and exports to Kenya

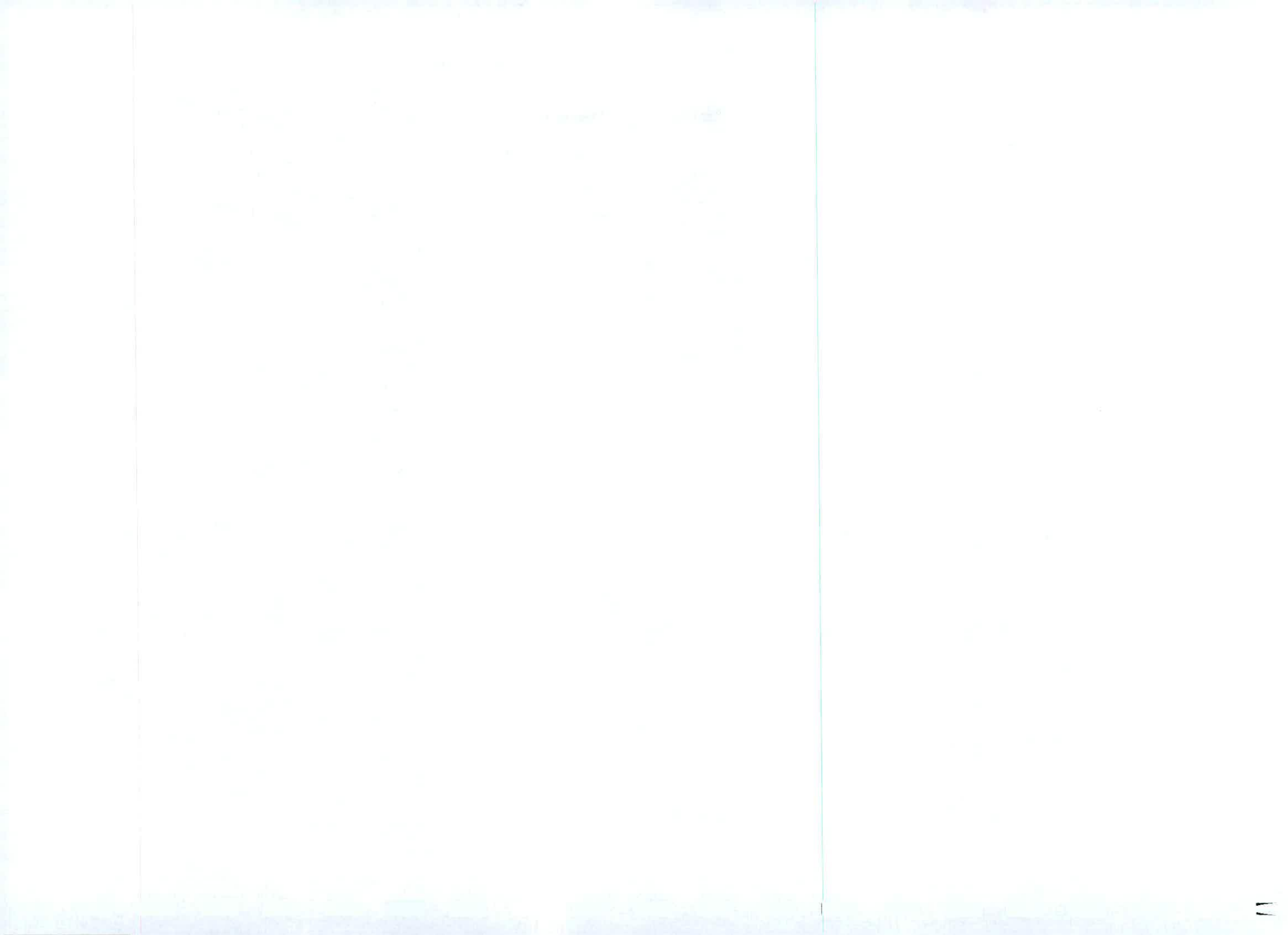
Sales and Marketing communication anticipated to be undertaken by the company include Bill-board advertising, Person selling and marketing through Internet.

1.6 Investment

Total cost planned to be invested at this project is 1,780,000 USD. The investment cost includes the value of Land& Building, Equipments, Motor vehicles, and working capital. At initial stage the project shall be financed by project promoter's equity.

1.7 Employment

The employment capacity of this project is estimated to be 31 employees. 28 employees out of 31 will be Tanzanian and 3 employees will be expatriates who are responsible to make capacity building to Tanzanian employees within this project.



PARTY II

INDUSTRY ANALYSIS

2.0 Industry Description

Maize is one of the main staple foods in Tanzania. Maize is generally grown during two seasons by approximately 80 percent of the family farms. Because of local preferences and tastes, most of the maize grown in Tanzania is dried and processed to create maize flour. Maize milling has been around for about the past 20 to 30 years. When the maize is milled into flour it is generally used for a popular staple dish called Ugali. In highly maize growing areas, On average each family produces approximately 500 kilograms of unprocessed maize each year and will process approximately 200 kilograms each year. Because of climate change that decreases the growth of bananas in Kilimanjaro, Mbeya and Bukoba maize has become a demanded replacement food item and the industry continues to grow.

Quantity of maize produced in Tanzania mainland increased more than twice from 2,613,970 tons in 2002/3 to 5,406,088 tons in 2007/08. This has been attributed, among other factors, to an increase in productivity from 0.8 tons / ha to 1.3 tons / ha (78 percent). Maize productivity increased in varying proportions. With exception of Kigoma region which recorded a 6 percent decrease, all the regions improved its paddy productivity, which varied from 23 percent in Ruvuma region (from 1.3 ha/ton to 1.6 ha/ton) to 220 percent in Singida region (from 0.4 to 1.3)

Maize is grown all over the country especially in Iringa, Mbeya, Ruvuma, Rukwa, Tanga, Kilimanjaro, Kagera (Biharamulo), Morogoro and in Arusha/Manyara regions. 40% of the national maize production comes from 4 regions: Iringa, Mbeya, Ruvuma, Rukwa.

Small-scale farmers are dominating the maize production in Tanzania. They account for roughly 85 percent of total production. Medium and large-scale farms make up for 10 percent and 5 percent respectively. Although large and modern farms exist, agricultural production in Tanzania remains grounded on subsistence farming.

Maize is mostly grown under rain fed cropping systems that can be classified into two categories, namely; the short rains (Vuli) season that starts from September/October to January/February and the long rains (Masika) season from February/March to June/July. Maize is available in large quantities from March to August and in smaller quantities during August to January.

The marketing of maize is done through private markets as well as through the mixed crop board, under the Ministry of Agriculture, Food Security and Cooperatives. Investors invested in Maize milling and flour packaging plant usually procure tons of

maize from these regions either from National Reserve or from Farmers and ship the maize to the plant for processing.

As of now, the most giant investors in manufacturing, Processing, Packaging and distribution of maize flour products include, Azania, Azam, Mohamed Enterprises, and Mount Meru Millers.

2.1 Target Market

While Sanya Industries Group Limited will service both supplying to supper markets and local markets, it will focus on selling its services to the larger customers via contract agreements. These larger processors are generally schools and resellers who buy unprocessed maize and sell the processed flour.

2:2 Project

Sanya Industries Group Limited is a company registered in Tanzania under the Companies Act of 2002 and holds Certificate of Incorporation No.73741 issued on 19th November 2009. Sanya Industries Group Limited will be managing implementation and operation of this project. The project's main objective is:-

Manufacturing, Processing, Packaging and distribution of Corn flour in both Tanzania and EAC countries. The implementation of this project will comprise the following activities:-

- I. Setting up warehouse which shall be used as a factory for the purpose of this project.
- II. Setting up another warehouses which shall be used for inbound and outbound logistics
- III. Setting up corn processing machinery plant
- IV. Installation of modern packaging machineries and equipments
- V. Installation of Generators
- VI. Procurements of Light trucks

2.3 Technical requirement of the projects

Technically the project to be feasible the company plans to procure the following machines which include.

- ✚ Complete set of Flour Mill Plant and their accessories
- ✚ Drum Sieve- is used for pre cleaning grains in food and seed industries
- ✚ Centrifugal Machine - helps in cleaning the flour and separate choker from it
- ✚ Complete set of Conveyor system

⬇ Step up Transformer

Following the electrical technical survey as far as the Location of this project at Arumeru Area, It was advised that, Sanya Industries Group Limited to Install Step up oil filled transformer with capacity of 1800 kVA to make a constant and powerful electricity supply to the project.

2.4 Location

The project will be located at Ngorbob Area Arumeru District Arusha. The site has adequate space to accommodate the proposed project. The location is ideally suited for the business operations centre of the project because it is easily accessible and its infrastructure is highly developed.

2.5 Project Subscribers

The Company's shareholders have a wide business experience with investments in Tanzania include Kilimanjaro, Arusha, Dar es Salaam, Tanga and Morogoro..The company is owned by four shareholders with the following shares.

Name of Directors	Nationality	Number of shares %
Abubakar Hashim Ibrahim	Tanzanian	50
Zainab Abubakar	Tanzanian	50

2:6 Legal Structures

Sanya Industries Group Ltd is company legally registered in Tanzania and it bears the Certificate of Incorporation no; 737441 issued on 19th November, 2009 .The following documents justify legal establishment and legal operation of Harsho Packaging Ltd within the Packaging Industry.

- Memorandum and Article of Association.
- Certificate of Incorporation.
- Tax Identification Number Certificate
- Value added Tax certificate

2:7 Management Structure

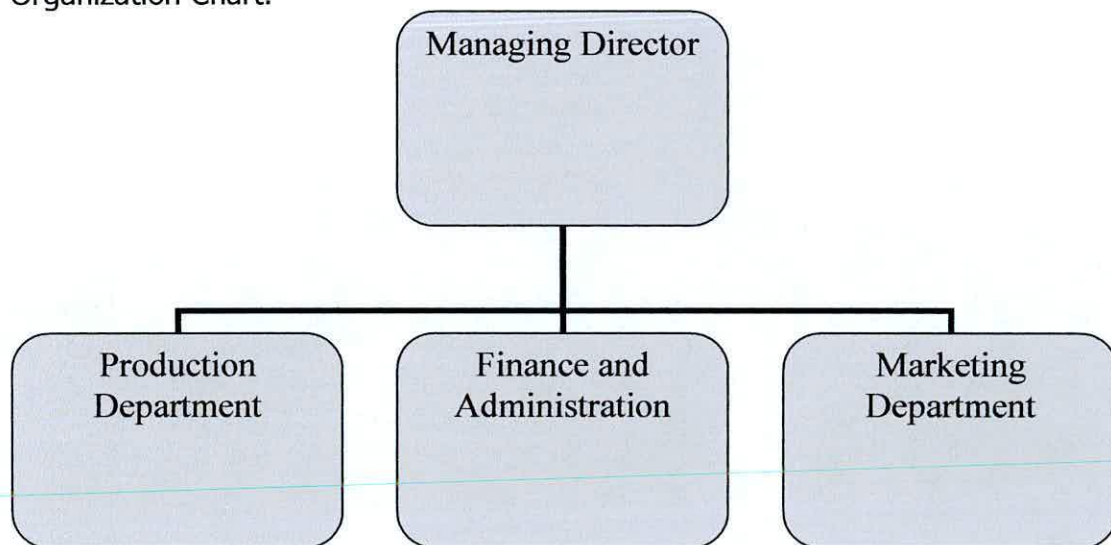
The project's operations will be managed through a Board of Directors, responsible for the formulation and supervision of company policies and guidelines; while the Project Manager, Abubakar Hashim Ibrahim will supervise the day-to-day activities of the project. He will also be in charge of the financial issues of the project. Under him will be the Plant manager and the Administration or operations department's Technical Manager.

The company wants to be guided by the following Management set up;-

SALARIES & WAGES	NUMBER	MONTHLY PAY	MONTHS	ANNUAL PAY
Director	1	1500	12	18,000
Production Managers Finance and Administration Officers	2	900	12	21,600
Salesmen	4	850	12	40,800
Production Engineer	2	250	12	6,000
Machine operators	2	800	12	19,200
Drivers	15	100	13	19,500
Secretary	3	200	12	7,200
Watchmen	1	12	12	144
	4	50	12	2,400
	31	11,237	12	134,844
Add Allowances 30%		3371		40,453
Sub -Total	31	14608		175,297
GRAND TOTAL SALARIES				175,297

2.9 Organization Chart

The planned Company Organization Structure is represented by the following Organization Chart.



PARTY III

3.0 MARKET POTENTIAL DISCRPTIONS

The maize wholesale market based in the main (Dar es Salaam) and secondary towns (Songea, Njombe, Makambako, Iringa, Mafinga, Morogoro, etc.) frequented by the traders, the storekeepers, some farmers and maize brokers. It is on these markets that maize can be sold from trader to trader and that much long--term grain storage is operated and that the traders locate their buffer reserves. Maize brokerage is a specificity of the Dar es Salaam maize wholesale market where they connect the traders and the millers. The millers define prices but the brokers have the capacity to influence them through their central position.

The flour wholesale market is concentrated around the main mills and in the main consumption centers. The flour wholesale markets connect the millers, the wholesalers and the retailers. The prices are defined by the millers according to their processing costs and to the demand on the market (quantities/prices).The flour retail market is where consumers get flour from retailers on local markets, from shops or kiosks and now more importantly, from supermarkets.

Milling capacity is growing rapidly. Hammer mills have reached most of the villages (an average of one mill per village is a conservative estimate). Urban medium scale millers are now emerging to take a share of the market for maize flour. In all the larger (regional) towns, the number of mills has at least doubled in the last 10 years. In Dar es Salaam, the number of medium and large--scale millers has increased by 10 times over the last years 10 years (from 20 to over 200).

3.1 Maize Demand Projections

Market Demand		2015	2015
Local Demand ('000 tonnes)	Tanzania Demand	3,800	5,500
Imports ('000 tonnes)	Tanzania Imports	0	0
	EAC Imports	500	850
Consumption ('000 tonnes)	Global consumption	910,000	1,400,000
Export Demand ('000 tonnes)	EU Demand	50,000	80,000
	Other Export Demand	860,000	1,330,000

Sources: World Bank, OECD, FAO

3:2 Products

Sanya Industries Group Ltd shall be processing flour and package into the following arrays:

- ❖ 1 kilogram
- ❖ 2 kilogram
- ❖ 3 kilogram
- ❖ 5 kilogram
- ❖ 10 kilogram

Sanya Industries Group Ltd will be selling 90% of sales in Tanzania, 10% will be export in up country areas such as Mombasa, Uganda and Nairobi.

3.3 Pricing

The company's pricing policy is set with the objectives of achieving profitability and growth and achieving a reasonable share of the market without necessarily pricing the company out of competition. The company will maintain a wide set of packages on offer with different terms and prices to suit different interests and pocket sizes.

3.4 Promotion and Advertising

Creative promotion and advertising strategies will be outlined in the comprehensive marketing plan. With the objective of capturing new market segments and to attract faster responses in older market segments without stretching the company's human and financial resources too thin.

3.5 SWOT ANALYSIS

3.5.1. Strengths

The strengths of Sanya Industries Group Ltd will be the same as those that have served the project promoters in other businesses in Kilimanjaro, Arusha, and Shinyanga . These are:

- Sound and credible management and financial policies.
- A fairly well skilled, committed and efficient labour force.
- A quality product of the proposed project:

3.5.2 Weaknesses.

The shortcomings that likely to hold the company back from progress, the following rank highest:

- Lack of enough expert
- Lack of updates of data of Development of Packaging Industry in Tanzania

3.5.3 Opportunities:

The company is focused to take optimum possible advantage on the following:

- Market liberalization
- Lucrative investment incentives package from TIC for both capital and deemed goods
- Unrestricted repatriation of profits.
- A stable economic and political environment

3.5.4 Threats:

The most profound threats that likely to threaten the operation of the project includes;

- Bureaucracy and corruption, factors which should not be ignored as it might affect government facilitation particularly among public servants who are supposed to support the private sector.
- High electricity rate

3.6 Economic Aspects of The Project

Besides the financial/monetary returns to the project owners, there are other benefits to be derived for the whole country viz.

3.6.1 Employment Opportunities

Employment and poverty reduction are among the major concern of the Central and the Local Government authorities. It is gratifying to note that M/S Sanya Industries Group Ltd is going to provide employment to 31 people all of whom will be nationals. This is a significant contribution coming from outside the country in creating employment opportunities to our people.

3.6.2 Revenue to the Government

The Project is expected to pay a substantial annual amount in the form of corporation tax rising to usd 150,670 in the second year of the company's operation. In the third year where by the Company will be in a full swim operation, tax to the Government becomes USD 112,128. For the period under review, tax paid by the Company alone to the Central Government, excluding workers' income taxes, accumulate to 400,714

3.6.3 Foreign Exchange Earning

Almost 75% of all the transactions to be carried sales will be settled in local currency. Revenue from packaging materials estimated at average 900,960 \$ per annum.

PARTY IV

4.0 INVESTMENTS STRUCTURE AND FINANCING PARTERN

4.1 INVESTMENT STRUCTURE

Land and Building: 600,000\$

The sponsors have spent 310,000\$ to buy make semi development on the site earmarked for this investment at Arumeru. The Company is planning to spend 210,000 for construction of warehouses for Plant Installation Machine and storage, Office Building.

Machinery and Equipment: 829,000 \$

Sum of 1,135,000 \$ will be spent to acquire various machinery and equipments. The Machines and equipments for corn milling and corn flour packaging

Motor Vehicles: 205,000 \$

The Company will purchase a total of 3 vehicles each with a carrying capacity of 4 tons. These vehicles will be purchased from Toyota sale agent in Arusha.

- The project will need 3 Light trucks each at value of 105,000 \$
- Two brand new Toyota pickup at a cost of 80,000\$
- One update model of RAV4 for Managing Director at cost of 20,000\$

The four-wheel drive vehicles are critically crucial for patrol purposes as well visiting to potential customers.

Office Furniture and Fittings: 15,000 \$

This investment cost item has been estimated to cost 15,000 \$ It will consist of computers and their accessories, office tables, chairs, telephone; fax machines, file cabinets and cash safes, sofa chairs etc.

Pre- Operational Expenses: 33,960 \$

These will come to about 33,960\$ and will cover things like company registration, expenses spent by the Company while exploring the viability of the project, especially the market/client identification exercise done in those destinations targeted to be served. Also included under this item are issues like consultancy fees, legal fees and recruitment and training costs of personnel.

Initial Working Capital: 106,000 \$

A provisional Working Capital has been made at 106,000 \$ right from project operations. This will take care of employee training, salaries, fuel, etc.

4.2 FINANCING PATTERN:

The whole project will be financed solely through equity. In case of any short fall in financing, which is very unlikely, the promoters will bring in more funds from their businesses spread over several regions in Tanzania.

4.3 FINANCIAL ASPECTS OF THE PROJECT

Projected Profit and Loss Statement

The attached schedule shows the projected income for a 5-years period. The position depicts the project earning profits throughout the period under review. In the first year of its operation, the project makes an after tax profit of -10,501\$ from the third year onwards, when the project will be operating at 100%, profit after tax will be 262,797 USD per year. For the first five years of the project operation, after tax profit of more 1,107,677 USD/= at the end of the five year will be accumulated

Projected Cash Flows

The project's cash flows are shown in projected financial statements. They depict a good liquidity position right from the first year. Cash accumulation builds up from 257,570 USD in the second year to 1,164,809USD at the end of 5 years of the project's operations.

PARTY V

5.0 CONCLUSION AND RECOMMENDATION

5.1 CONCLUSION

The project is profitable and contributes to government revenue by way of taxes. The project provides employment to 31 people who all are national Tanzanians. The project is an encouraging sign of the confidence shareholders of Sanya Group of Industries Ltd have in this country, Tanzania to the extent that they are ready to invest such large sums of investment despite the odds of the sector in question.

5.2 RECOMMENDATION:

After the foregoing economic and financial evaluation of the project, there is a strong justification for implementing this project and for the relevant Government organs to give it the encouragement and support it deserves. Management strongly recommends that this project be implemented and be given all the support required by all the concerned Government Ministries and agencies, including the Tanzania Revenue Authority, TRA, and the Tanzania Investment Centre, TIC. The project deserves this support because of its viability, since it is technically and financially feasible, economically viable and socially acceptable.

**SANYA INDUSTRIES GROUP LTD
FINANCIAL PROJECTION (2014 – 2019)**

SANYA INDUSTRIES GROUP LTD

PROJECTED PROFIT AND LOSS STATEMENTS FOR THE PERIOD

	2014	2015	2016	2017	2018	2019
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Sales Revenue	0	908,960	1,008,780	1,169,343	1,349,019	1,472,117
Less: Cost of Sales	0	245,553	265,410	285,637	307,412	316,534
Gross Profit	0	663,407	743,370	883,706	1,041,607	1,155,583
Administration Expenses	15,000	321,744	323,187	325,575	327,599	329,383
Operating Profit	-15,000	341,663	420,182	558,132	714,009	826,199
Capital & Financial Charges						
Depreciation	0	126,421	164,096	178,471	178,471	178,471
Loan Interest	0	0	0	0	0	0
Sub Total	0	126,421	164,096	178,471	178,471	178,471
Profit before Tax	-15,000	215,242	160,182	286,723	451,894	572,449
Taxable Income	-15,000	215,242	160,182	286,723	451,894	572,449
Tax (30%)	-4,500	64,573	48,055	86,017	135,568	171,735
Profit After Tax	-10,500	150,670	112,128	200,706	316,326	400,714
Profit brought Forward	-1	0	150,670	249,657	427,845	706,962
Profit for Appropriation	-10,501	150,670	262,797	450,364	744,171	1,107,677
APPROPRIATION ACCOUNT						
Dividends Rate	-1	0	5%	5%	5%	5%
Amount	10,501	0	13,140	22,518	37,209	55,384
Revenue Reserve	-21,002	150,670	249,657	427,845	706,962	1,052,293
Total	-10,501	150,670	262,797	450,364	744,171	1,107,677

SANYA INDUSTRIES GROUP LTD
PROJECTED CASH FLOW STATEMENTS FOR THE PERIOD

	2014	2015	2016	2017	2018	2019
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
CASHFLOW FROM OPERATIONS						
Sales	0	881,691	978,517	1,099,182	1,281,568	1,427,953
Subtotal Cash Received		881,691	978,517	1,099,182	1,281,568	1,427,953
Expenditures from Operations:						
Cost of Sales	0	245,553	265,410	285,637	307,412	316,534
Administrative expenses	11,040	378,568	373,224	418,744	457,221	496,778
Subtotal Cash payment	11,040	624,121	638,635	704,381	764,632	813,312
Cashflow From Operations	-11,040	257,570	339,882	394,802	516,936	614,641
CASH FROM INVESTMENTS:						
Investments Outflow	-1,190,000					
Re-Investment		-475,000	-115,000			
Cash from Investment	1,190,000	-475,000	-115,000		0	0
CASH FLOW FROM FINANCING:						
Owners Equity	1,190,000	475,000	115,000			
Bank Loan	0	0	0			
Bank Loan repayment		0	0	0	0	0
Interest on Loan		0	0	0	0	0
Dividends		0	-13,140	-22,518	-37,209	-55,384
Cash from Financing	1,190,000	475,000	-127,244	-244,536	-237,024	-235,218
NET CASHFLOW FOR PERIOD	0	257,570	97,638	150,266	279,911	379,423
CASHFLOW AT START OF YEAR			257,570	355,209	505,475	785,386
CASHFLOW AT THE END OF YEAR	0	257,570	355,209	505,475	785,386	1,164,809

SANYA INDUSTRIES GROUP LTD

PROJECTED BALANCE SHEET FOR THE PERIOD

	2014	2015	2016	2017	2018	2019
	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	USD \$	USD \$	USD \$	USD \$	USD \$	USD \$
NON CURRENT ASSETS						
Land & Buildings	310,000	285,000	285,000	285,000	285,000	285,000
Plant Machinery& Equipments	539,000	1,045,000	1,135,000	1,135,000	1,135,000	1,135,000
Motor Vehicles	120,000	180,000	205,000	205,000	205,000	205,000
Furniture & Fittings	0	15,000	15,000	15,000	15,000	15,000
Pre operational Expenses	18,960	33,960	33,960	33,960	33,960	33,960
Working capital	11,040	95,000	0	106,040	0	0
Total	1,190,000	1,653,960	1,673,960	1,780,000	1,673,960	1,673,960
Less Accumulated Depreciation	0	290,517	468,988	527,459	705,930	705,930
Non Current Assets	1,190,000	1,363,443	1,204,972	1,252,541	968,030	968,030
CURRENT ASSETS						
Stocks	0	34,986	69,272	23,490	83,672	34,565
Debtors	0	43,780	59,725	34,998	89,358	22,354
Cash and Bank Balance	0	257,570	355,209	505,475	785,386	1,164,809
Total Current Assets	0	336,337	484,205	563,963	958,415	1,221,728
CURRENT LIABILITIES						
Creditor	0	86,544	16,338	66,324	22,673	27,673
Tax Payable	0	25,767	10,322	16,268	20,608	25,608
Total Current Liabilities	0	112,311	26,660	82,593	43,282	53,282
NET CURRENT ASSETS	0	224,026	457,545	481,370	915,134	1,168,446
TOTAL NET ASSETS	1,190,000	1,587,469	1,662,517	1,733,911	1,883,164	2,136,476
FINANCED BY						
Share Capital	238,000	238,000	238,000	238,000	238,000	238,000
Revenue Reserve	0	150,670	262,797	450,364	704,171	1,107,677
Net worth	238,000	388,670	500,797	688,364	942,171	1,345,677
Loan	952,000	1,198,800	1,161,720	1,045,548	940,993	0
TOTAL	1,190,000	1,587,470	1,662,517	1,733,912	1,883,164	2,136,476

INTERNAL RATE OF RETURN

	0	2014	2015	2016	2017	2018
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
INFLOWS						
Operating Profit		341,663	420,182	558,132	714,009	826,199
Residual Value						
Recoupment of Working Capital						
Total		341,663	420,182	558,132	714,009	826,199
OUTFLOWS						
Investments	1,190,000					
Re -Investments		475,000	475,000	115,000	0	0
Taxation		64,573	48,055	86,017	135,568	171,735
Change in Working Capital		41,755	53,847	33,095	2,730	-20,675
Total		581,327	576,902	234,112	138,298	151,060
NET CASHFLOW		-239,664	-156,720	324,020	575,710	675,139
DCF (15%)	0.15	0.870	0.756	0.658	0.683	0.621
NPV AT (15%DCF)		-208,404	-118,503	213,048	393,210	419,262
Total NPV at 20% DCF	698,614					
DCF (10%)	0.1	0.909	0.826	0.751	0.683	0.621
NPV AT (10%DCF)		-217,877	-129,520	243,441	393,210	419,262
Total NPV at 10% DCF	708,516					
IRR=	12.52					

CAPITAL INVESTMENT COSTS

1

FINANCING PLAN	%	PHAS E 1 AMOUNT USD \$	PHASE 2 AMOUNT USD \$	PHASE 3 AMOUNT USD \$	TOTAL AMOUNT USD \$
EQUITY	100	1,190,000	95,000	115,000	1,780,000
LOAN	0	0	0	0	0
TOTAL FINANCING	100	1,190,000	95,000	115,000	1,780,000

2

PROJECT COST SUMMARY	2014 AMOUNT USD \$	2015 AMOUNT USD \$	2016 AMOUNT USD \$	TOTAL AMOUNT USD \$
Land & Buildings	310,000	190,000	100,000	600,000
Plant Machinery & Equipments	539,000	200,000	90,000	829,000
Motor Vehicles	120,000	60,000	25,000	205,000
Furniture & Fittings	0	15,000	0	15,000
Pre operational Expenses	18,960	15,000		33,960
Total Capital Cost	987,960	480,000	215,000	1,682,960
Working Capital	11,040	95,000	0	106,040
TOTAL PROJECT COST	999,000	575,000	215,000	1,789,000

3

COST OF CARS	QTY	PRICE USD \$	AMOUNT USD \$
Light trucks	3	35000	105,000
Pick up	2	20,000	40,000
TOTAL COST OF CARS			145,000

DEPRECIATION & AMORTISATION SCHEDULE

GROSS FIXED ASSETS		2014 AMOUNT USD \$	2015 AMOUNT USD \$	2016 AMOUNT USD \$	2017 AMOUNT USD \$	2018 AMOUNT USD \$
Land & Buildings		310,000	285,000	285,000	285,000	285,000
Plant Machinery & Equipments		539,000	1,045,000	1,135,000	1,135,000	1,135,000
Motor Vehicles		120,000	180,000	205,000	205,000	205,000
Furniture & Fittings		0	15,000	15,000	15,000	15,000
Pre operational Expenses		18,960	33,960	33,960	33,960	33,960
TOTAL		1,178,960	1,558,960	1,673,960	1,673,960	1,673,960
ANNUAL DEPRECIATION	RATE	AMOUNT				
Land & Buildings	2%	3,900	5,700	5,700	5,700	5,700
Plant Machinery & Equipments	12.50%	105,625	130,625	141,875	141,875	141,875
Motor Vehicles	12.50%	15,000	22,500	25,625	25,625	25,625
Furniture & Fittings	12.50%	0	1,875	1,875	1,875	1,875
Pre operational Expenses	10%	1,896	3,396	3,396	3,396	3,396
Total Annual Depreciation		126,421	164,096	178,471	178,471	178,471
Accumulated Depreciation		126,421	290,517	468,988	527,459	705,930
NET FIXED ASSETS		1,052,539	1,268,443	1,204,972	1,146,501	968,030

PAYBACK PERIOD ANALYSIS

	YEAR 0	2014	2015	2016	2017	2018
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Profit After Tax		150,670	112,128	200,706	316,326	400,714
Depreciation		126,421	164,096	178,471	178,471	178,471
Total		277,091	276,224	379,177	494,797	579,185
Discounted Cashflow		256,565	255,763	351,090	458,145	536,283
Capital Cost	1,190,000					
Remaining amount		-933,435	-677,672	-326,582	131,563	667,846
Pay Back Period					4	

BREAK EVEN ANALYSIS

	2014	2015	2016	2017	2018	2019
	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Sales Revenue		908,960	1,008,780	1,169,343	1,349,019	1,472,117
Variable Costs		245,553	265,410	285,637	307,412	316,534
Contribution Margin		663,407	743,370	883,706	1,041,607	1,155,583
Fixed Costs		448,165	583,187	596,983	589,714	583,134
Contribution Margin Ratio %		72.99	73.69	75.57	77.21	78.50
Beak even Sales		6,140	7,914	7,899	7,638	7,429
Break even Point (%)		0.68	0.78	0.68	0.57	0.50

SALARIES & WAGES	NUMBER	MONTHLY PAY	MONTHS	ANNUAL PAY
Director	1	1500	12	18,000
Production Managers	2	900	12	21,600
Officers	4	850	12	40,800
Salesmen	2	250	12	6,000
Production Engineer	2	800	12	19,200
Machine operators	15	100	13	19,500
Drivers	3	200	12	7,200
Secretary	1	12	12	144
Watchmen	4	50	12	2,400
	31	11,237	12	134,844
Add Allowances 30%		3371		40,453
Sub -Total	31	14608		175,297
GRAND TOTAL SALARIES				175,297

REVENUE ESTIMATES				2014	2015	2016	2017	2018
ITEM				AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Daily installed Capacity	sqm			1235	1290	1345	1400	1455
Annual working Days				200	200	200	200	200
Annual Installed Capacity	sqm			247,000	258,000	269,000	280,000	291,000
Production Target %ageof Capacity				80%	85%	90%	95%	95%
Planned Production	sqm			197,600	219,300	242,100	266,000	276,450
Planned Extraction Recovery Rate		0.250%		0.00225	0.00225	0.00225	0.00225	0.00225
Average Price per sqm		Us\$		4.60	4.60	4.83	5.07	5.33
Planned Revenue Export Sales		Us\$		908,960	1,008,780	1,169,343	1,349,019	1,472,117
VAT				20%	20%	20%	20%	20%
Value of Tax		Us\$		181,792	201,756	233,869	269,804	294,423
Net Sales Revenue				908,960	1,008,780	1,169,343	1,349,019	1,472,117

COST OF SALES		2014	2015	2016	2017	2018
ITEM		AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$	AMOUNT USD \$
Output in sqm		197,600	219,300	242,100	266,000	276,450
Cost of Raw Materials						
Average cost@sqm of materials	\$	0.5	0.5	0.5	0.5	0.5
Cost of Materials	\$	103,740	115,133	127,103	139,650	139,650
Packing materials (1% Sales)		9,090	10,088	11,693	13,490	14,721
Sub Total Cost Us\$		112,830	125,220	138,796	153,140	154,371
Utilities		5,312	5,591	5,763	6,166	6,635
Consumables		22,700	23,835	25,027	26,278	27,592
Oil & lubricants		28,375	29,794	31,283	32,848	34,490
Repair & Maintenance		71,025	75,379	79,005	82,813	86,811
Total inputs		240,241	259,819	279,874	301,245	309,899
<i>Capacity Utilisation</i>		80%	85%	90%	95%	95%
<i>Cost of Electricity kwh</i>	90	94	99	95	99	104
<i>Estiamted cost@kwh</i>	\$	0.07	0.07	0.07	0.07	0.08
<i>Cost of Electricity Power</i>		3,846	4,048	4,048	4,452	4,921
		0	0	0	0	0
Sub Total Energy cost	(\$)	3,846	4,048	4,048	4,452	4,921
<i>Water Requirement (Litres)</i>	12000	10260	10800	12000	12000	12000
<i>Cost@ Litres</i>	\$	0.14	0.14	0.14	0.14	0.14
Total Cost of Water		1,466	1,543	1,714	1,714	1,714
Total Utilities Cost		5,312	5,591	5,763	6,166	6,635
Consumables Spares (2%Machinery value)		22,700	23,835	25,027	26,278	27,592
Oils/lubricants(10%Machinery value)		28,375	29,794	31,283	32,848	34,490
Maintenance Productive Assets						
Buildings(1%of value)	1%	1,950	2,850	2,850	2,850	2,850
Motor Vehicles (15%of value)	15%	18,000	18,900	19,845	20,837	21,879
Furniture& Fittings (5%of value)	5%	0	0	0	0	0
Sub Total Maintanance cost		71,025	75,379	79,005	82,813	86,811
COST OF SALES		245,553	265,410	285,637	307,412	316,534







TANZANIA



Certificate of Incorporation

Section 15

No **73741**

I HEREBY CERTIFY THAT

SANYA INDUSTRIES GROUP 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 **19TH** day of **NOVEMBER**

TWO THOUSAND AND NINE

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

Asst. Registrar of Companies

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Asst. Registrar of Companies