

HEMATRA INVESTMENT LTD

MINUTE SHEET

Dokezo
No.

1.0

EXD

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 5.5 m.....
- (b) Legal entity has been incorporated under certificate No. 81604..... of 01/08/2011.....

Based on the above, the letter of approval is hereby submitted for signature in order for the project to comply with the requirements of Section 17 of Tanzania Investment Act, 1997.

Submitted for signature.



N. Senzia

DIF

23rd December, 2013

APPROVED BY EXD

Sign: 

Date: 20/12/13


Ag EXD  For Exp 21/01/2013

In response to the TIC letter of registration dated 23/12/2013

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from CRDB Bank PLC.....
- (c) Lease Agreement.....

With the above submission EXD is requested to sign Certificate of Incentives No. 042574..... herein attached.


IFM (P)
21/01/2014

MINUTE SHEET

Dokezo
No.

TICC/PP.10/042574/6

24/02/2014

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

Dear Sir,

**RE: DUTY/VAT REMISSIONS ON THE CAPITAL/DEEMED
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES NO.
042574**

M/S Hematec Investment Limited is a TIC registered company with certificate of incentives **No. 042574** which is valid up to **November 2016**

The company has been registered with objectives of establishing a facility to produce buildings materials.

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

Yours sincerely

TANZANIA INVESTMENT CENTRE



Anna Lyimo

FOR: EXECUTIVE DIRECTOR

HEMATEC INVESTMENT LTD.

P.o. Box 34078,
Dar es Salaam - Tanzania.

5

10th Feb 2014

The Commissioner for Custom and Excise,
P.o. Box 9050,
Dar Es Salaam.

UFS

Executive Director,
Tanzania Investment Centre,
P.o. Box 938,
Dar Es Salaam.



Dear Sir / Madam,

**RE: APPLICATION FOR DUTY/VAT EXEMPTION ON CAPITAL / DEEMED CAPITAL
GOODS ON CERTIFICATE NO. 042574**

Reference is made as per above-mentioned, our Company was given a certificate of Incentive **No. 042574**, attached herewith is a certified copy for your necessary use. Together with, we are attaching a comprehensive intended list of importations for your approval for the above mentioned.

Looking to receiving your earliest and kind consideration.

Faithfully yours,
HEMATEC INVESTMENT LTD

A handwritten signature in black ink, appearing to read "Heriel J. Muluo".

Heriel J. Muluo
Managing Director.



00220601

Handwritten notes: Original, 22/1/2014, Post Executive Director, Tanzania Investment Centre

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

042574

No:

This is to certify that

HEMATEC INVESTMENT LIMITED

of address P.O. BOX 34078

DAR ES SALAAM

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

HEMATIC INVESTMENT LIMITED

Which is located at PLOT NO. 500 LUGOBA, BAGAMOYO

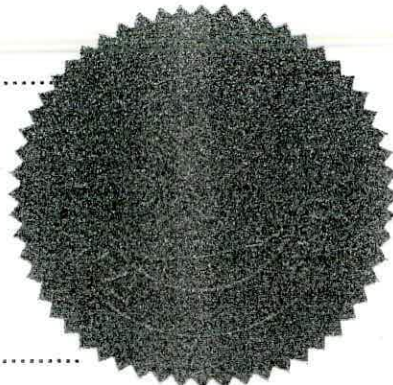
COAST (PWANI)

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 21ST 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	Share Holding (%)
Emmanuel P. Lyimo	Tanzanian	50
Heriel J. Muluo	Tanzanian	50
2. Proposed Activities : **To establish a facility to produce building materials**
3. Sector: **Manufacturing** Subsector: **Building Materials**
Sub Base Materials
4. Investment cost: Foreign **-** Local **USD 5.5m.** Total **USD 5.5**
5. Project Financing: Equity **USD 2m.** Loans **USD 3.5m.** Total **USD 5.5m.**
6. Source, terms and conditions of loan.....
7. Assets to be invested:

Capital items:	Foreign	Local	Total
	-	USD 5.5m.	USD 5.5m.
	None		
8. Technology Agreement **None**
9. Date of TIC Registration: **23rd December 2013**
10. Implementation period **December 2013 - November 2016**
11. Operative date..... **December 2016**
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 II 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
None

Signed
Executive Director

INTENDED CAPITAL/DEEMED CAPITAL GOODS/ITEM

S/No.	ITEMS	QUANTITY
1	Hydraulic Excavator	3
2	Road Rollers (vibrating)	3
3	Pick up (Single Cabin)	10
4	Double Cabin pick up ✕	5
5	Light Trucks 2-10n Tons	12
6	Cranes	5
7	Motor grader	4
8	JCB Wheel loader	3
9	Fork Lifts	5
10	Industrial generator	5
11	Dumping Trucks 15-30Tons ✕	15
12	Car concrete mixer	8
13	Ordinary concrete mixer	10
14	Compressor (with Hammer)	8
15	Poker Vibrator	10
16	Bulldozer	2
17	Pedestrian Roller	5
18	Loading shovels	4
19	Communication Equipment; Complete set of motorolla kit Radio with Base station	30Radios
20	GPS System	6sets
21	Security Camera	20sets
22	weighing Scales	2sets
23	Plate Compactor	12
24	Heavy Duty Trucks with Container lifting gear	3sets
25	Tool Boxes	15
26	Concrete Cutter	10
27	Bitumen Sprayers	3
28	Aggregate Crushers	2
29	Water Pumps	15
30	Water Bozer	4
31	Welding Machines	12
32	Drilling Machines	20
33	Asphalt Pavers	2
34	Tamping rammer	10
35	Wheel Loaders	3
36	Chips Spreaders	4
37	Asphalt Pavers	2

38	Unique Crane	5
39	Low Bed Truck	3
40	Laboratory equipments for Construction works	2sets
41	Concrete Batching plant	2
42	Asphalt Concrete milling Machine	2
43	Bore Hole Drilling Equipments	3sets
44	Pneumatic Roller	3
45	Surveying equipments (Total Stations)	5
46	Levelling Instrument	10
47	Mechanical Broom	3
48	Chain Hoist Crane	2
49	Tower Crane	1
50	Concrete Dumpers	8
51	Soil/Cement Stabilizer	2
52	Tandam Roller/Steel Roller	3
53	Sheep foot Roller	2
54	Sand Blastin Equipment	4
55	Mini Fuel tanker	2
56	Steel scaffolding	8500m ²
57	Road crane 40ft for plant lifting	2
58	Tractors	6
59	Road Marking Equipment	3
60	Road Marking Melting Equipment	3
61	Road Lighting Towers	6
62	Thrust Boring Machine	4
63	Splice Machine (Fiber works)	4
64	OTDR Machine (Fiber works)	4
65	Power Meter	6
66	Cable Blowing Machine	6
67	Hydraulic Hammer	5
68	Back Hoe Loader	6
69	Hand Bitumen Sprayer	4
70	Rammer-Non Strategic Equipment	3
71	Floor Saw	4
72	Sweeper Lebon-Agricultural Tractor	5
73	Electric Welding Machine	4
74	Chain Saw	6
75	Butt Fusion Machine/Welding	5
76	Mobile Crusher	5



00220601

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

042574

No:

This is to certify that

HEMATEC INVESTMENT LIMITED

P.O. BOX 34078

of address

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation/extension~~
~~XXXXXX of the~~ enterprise known as

HEMATIC INVESTMENT LIMITED

PLOT NO. 500 LUGOBA, BAGAMOYO

Which is located at

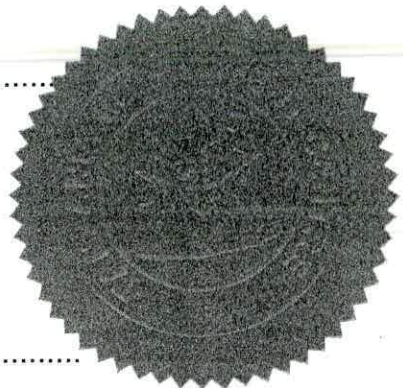
COAST (PWANI)

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 21ST 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 (%)
<u>Emmanuel P. Lyimo</u>	<u>Tanzanian</u>	<u>50</u>
<u>Heriel J. Muluo</u>	<u>Tanzanian</u>	<u>50</u>

2. Proposed Activities : To establish a facility to produce building materials

3. Sector: Manufacturing Subsector: Building Materials
Sub Base Materials

4. Investment cost: Foreign - Local USD 5.5m. Total USD 5.5m.

5. Project Financing: Equity USD 2m. Loans USD 3.5m. Total USD 5.5m.

6. Source, terms and conditions of loan:

7. Assets to be invested:

Capital items:	Foreign	Local	Total
	<u>-</u>	<u>USD 5.5m.</u>	<u>USD 5.5m.</u>

8. Technology Agreement None

9. Date of TIC Registration: 23rd December 2013

10. Implementation period December 2013 - November 2016

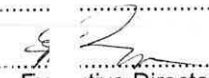
11. Operative date December 2016

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)

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14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
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 - (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 None

Signed  Executive Director

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CRDB BANK PLC
Mlimani City Branch,
P.O. Box 35407,
Dar es Salaam, Tanzania
Tel: +255 (0)22 2411047, 2411050,
Fax: +255 (0)22 2411045
Website: <http://www.crdbbank.com>

24th December 2013

CRDB/MC/TIC/3158652/12/2013

The Executive Director,
Tanzania Investment Centre (TIC),
P. O. Box 938,
DAR ES SALAAM.



Dear Sir/Madam,

RE: HEMATEC INVESTMENT LIMITED

As requested by our customer we would like to confirm to you that the above mentioned is our customer maintaining account number 0150315865200.

This information is strictly confidential for official use only and should not be treated as guarantee to any transaction.

In case of any doubt or clarification please do not hesitate to contact the undersigned.

Yours,

Allen Killango
BRANCH DIRECTOR

Unclaimed refund beyond three years will be forfeited

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TANZANIA INVESTMENT CENTRE

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

RECEIPT REC013859

No. 007803

Received from : HEMATEC INVESTMENT LTD

Address P.O. Box 34078, Dar Es Salaam.

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

Being payment in respect of : CERTIFICATE OF INCENTIVES FEES

Amount : TZS 1,600,000.00

Cash / Cheque No: D/deposit 18/12

Date : 18-Dec-2013



**For Executive Director
Tanzania Investment Centre**

[Signature]

Receiving Officer

TICC/PP.10/042574/3

23rd December, 2013

Managing Director,
Hematec Investments Ltd
P.O. Box 340

DAR ES SALAAM

RE: CERTIFICATE OF INCENTIVES FOR PRODUCTION OF BUILDING MATERIALS

We wish to acknowledge receipt of your project proposal to establish and operate facility for production of building materials as presented in the TIC P.A. 1 Form No. 11573 and Feasibility Study with a projected investment amounting to USD 5.5 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:-

- Bank Reference for equity funding or a letter from Bank/Financial Institution that a loan is granted or is under consideration as required by Section 17(3) (f) of Tanzania Investment Act

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:-

TICC/PP.10/042574/3

23rd December, 2013

*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



Juliet R. Kairuki

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
Hematec Investment Ltd.

Post Box	Lugoba, Plot No. 500	COI Number	81004	Contact	Mr. Heriel J. Mulubo
Post Office	34078	COI Date	01/08/2011	Designation	Managing Director
Region	Coast Region	Application F. No	11573	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0754 078 335
		Sub Sector	Building Materials/Sub Base Materials	Fax	0
		File No	042574	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Plot No. 500	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>0</td> <td>2</td> <td>0</td> <td>3.5</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	2	0	3.5			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0	2		0	3.5									
Street	Lugoba												
District	Bagamoyo												
Region	Coast (Pwani)												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	Plant
Emmanuel P. Lyimo	Tanzanian	50	0.3	3.99
Heriel J. Muluo	Tanzanian	50	Vehicles	0.88
			Furniture & Fittings	0.055
			Pre-expenses	0.052
			Others	0.073
			Working Capital	0.15
			Total	5.5

Employment	60	Evaluated By	wf officer4
Capacity	410000 cc	Drawn By	wf registry2
Project Turn Over		Project Type	Local

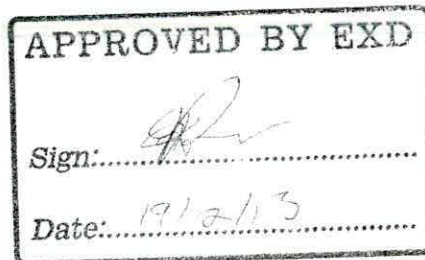
Description

To establish a facility to produce building materials

Recommendations

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

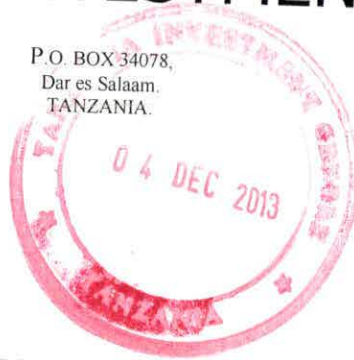
Decision



HEMATEC INVESTMENT LTD

①

P.O. BOX 34078,
Dar es Salaam,
TANZANIA.



2nd Dec, 2013.

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

APPLICATION FOR TIC CERTIFICATE OF INCENTIVES.

Please refer to the above heading.

We are planning to establish a road aggregates/sub base material manufacturing unit

Attached herewith please find:-

- ✓ Business plan and
- ✓ Application form dully filled,
- ✓ Certificate of incorporation,
- ✓ Memorandum and articles of association for your necessary action.
- ✓ Bank reference.
- ✓ Evidence of land

Looking forward to receiving your earliest response from your respected office.

Sincerely yours,
HEMATEC INVESTMENT LTD.

Heriel J. Muhulo

.....
Heriel J. Muhulo.
MANAGING DIRECTOR

HEMATEC INVESTMENT LTD

P.O. BOX 34078,
Dar es Salaam,
TANZANIA.

EXTRACT FROM A MEETING OF THE BOARD OF DIRECTORS AND
SHAREHOLDERS OF HEMATEC INVESTMENT LIMITED

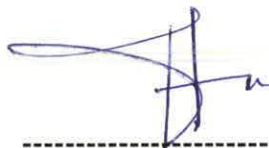
AT A DULY CONVENED AND CONSTITUTED MEETING OF THE BOARD OF
DIRECTORS OF HEMATEC INVESTMENT LIMITED HELD AT THE REGISTERED
OFFICES OF THE COMPANY AT PLOT 111 BLOCK "C" 46, KIJITONYAMA
KINONDONI, DSM REGION ON THE FIFTH DAY OF NOV 2013, The Following
Resolutions Were Passed:

1. THOSE SHAREHOLDERS CONTRIBUTE SUFFICIENT FUNDS TO FINANCE
ESTABLISHMENT OF A BUILDING MATERIALS MANUFACTURING
BUSINESS.
2. THAT THE PROJECT BE REGISTERED WITH TANZANIA INVESTMENT
CENTRE SO AS TO ENJOY FULLY INVESTMENT INCENTIVES, BENEFITS
AND PROTECTION AS PROVIDED FOR UNDER TANZANIA INVESTMENT
ACT, 1997.

CERTIFIED TRUE EXTRACT
(By Order of the Board)



CHAIRMAN



SECRETARY

LEASE AGREEMENT

1. THIS AGREEMENT made this, First date of July 2013 between M/s. PRINCESS LTD of P.O. Box 1921 Morogoro, Tanzania (hereinafter referred to as "the Lessor") of the one part and M/s HEMATEC INVESTMENT LIMITED of P.O. Box 34078, Dar es Salaam, Tanzania (hereinafter referred to as "the Lessee") of the other part.

2. WHEREAS the Lessor is the owner of Site No: 300, situated at Lugoba-Mboga, Bagamoyo district Coast, and is desirous of leasing THE SITE (hereinafter referred to as the "Demised Premises") to the Lessee for a consideration of US\$ 400 (US Dollars Four Hundred Only) per month and,

3. WHEREAS the Lessee is desirous of taking in lease the abovementioned Demised Premises for the same consideration and upon the conditions and the terms hereinafter appearing.

4. NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

4.1 The period of tenancy herein referred as the "Contractual Period" shall be for Five (5) years starting from the 1st day of July 2013 to the, 30th day of June 2018 with an option for renewal following three months prior to the expiry date.

4.2 The monthly rent shall be US\$ 400 (US Dollars Four Hundred Only) payable twelve months in advance and the receipt of the first such payment shall be signified by signing of the agreement.

5. THE LESSEE HEREBY COVENANTS WITH THE LESSOR AS FOLLOWS

5.1 Not to assign, sublet or part with the possession of the premises or any part thereof without the written consent of the Lessor.

5.2 Not to prevent the Lessor and/or his agent with or without workmen, at reasonable time of the day, after reasonable notice to the Lessee in that respect, to enter upon the premises to examine and/or execute major repairs to the said premises under the Lessor's covenants in that behalf.

5.3 To use the premises for lawful business purposes

5.4 To keep the premises and fixtures in good state of repair

5.5 Not to make any alterations or additions to the premises without the written consent of the Lessor

5.6 Not to do anything that will invalidate the insurance policy or cause an increase of risk and premium and pay for such damages unless the Lessor is eligible for insurance compensation

5.7 Unless the lease is renewed, within three months prior to the expiry of the contractual period, to surrender vacant possession of the premises to the Lessor

5.8 Either party may terminate the lease by giving the other party three months notice in writing of the desire to do so, any time from 12 months after this lease has become effective.

5.9 If at any time during the lease the property becomes damaged by fire, not attributable to the Lessee, or by major forces and it becomes unfit for habitation/intended business, the Lessor shall afford the Lessee acceptable alternative accommodation/business premises or terminate the lease.

6. DISPUTE RESOLUTION

All the disputes arising out of the terms of this agreement shall be settled through negotiations or arbitration.

IN WITNESS WHEREOF; the parties hereto have set their respective hands on the day and the year in the manner herein below appearing:

LESSOR

SIGNED by the LESSOR, M/s. PRINCESS LTD on the 3rd day of Dec 2013

NAME Isidory Mweeli

SIGNATURE [Signature]

POSTAL ADDRESS P.O. Box 1921 Morogoro.

QUALIFICATIONS SITE OWNER

LESSEE

For and on behalf of the LESSEE, HEMATEC INVESTMENT LIMITED

NAME Herial Muhulo

SIGNATURE [Signature]

POSTAL ADDRESS P.O. BOX 34078 DSm


QUALIFICATIONS MANAGING DIRECTOR

WITNESS

NAME _____ SIGNATURE _____

POSTAL ADDRESS _____

QUALIFICATIONS _____

 [Signature] 3rd Dec 2013



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
Regulation 42, Government Notice No. 318A of 2002)**

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938

DAR ES SALAAM

Tel. 022 2116328

Fax. 022 2118253

e-mail: information@tic.co.tz

Website: www.tic.co.tz

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/We Heriel J. Mubulu
(director/directors/agent of HEMATEC INVESTMENT LTD
(name of business enterprise) apply for registration of Tanzania Investment Centre
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 111, Block 'C'
46, Kijitonyama, Kinondoni, Dsm.

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
 - (ii) Certificate of Incorporation/Registration
 - (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
 - (iv) Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at Plot 111, Block 'C' 46, Kijitonyama, Dsm
4. The Principal Officers of the Company are 1. Heriel J. Mubulu
2.
5. Auditors of the Company are to be appointed
6. The authorized share capital of the Company is Tshs./~~US\$~~ 10,000,000.

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

is Tshs./US\$ 5,500,000 | -

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

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

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

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

I, Heriel S. Muhulo of Post Office Number 34078 Dar

es Salaam do solemnly and sincerely declare that I am a director/duly

authorized agent of HEMATEC INVESTMENT LTD

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

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

The 3rd day of Dec 2013 }

Heriel S. Muhulo
Applicant

Before me:



[Signature]

Commissioner for Oaths

APPLICATION SUMMARY

Company Name: HEMATEC INVESTMENT LTD

Certificate of Incorporation Number: 81004 Status: NEW

Certificate of Incorporation Date: 28th Jan 2011

Post Box: 34078

Town: DAR ES SA'AAH

Sector: MANUFACTURING

Sub-Sector: Building Material/Sub base material

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....	<u>2000,000/-</u>	.....	<u>3500,000</u>

Project Objectives: Establishment of a modern crusher and manufacturing unit for building and construction materials.

Capacity: 410,000 cc.

Employment: Foreign: 5 Local: 56 Total: 60

Implementation Period: 4 yrs.

Project Location

Site/Plot/Block No.: 800

Street: LUGOBA District: BAGAMUYO Region: COAST
 (Attach sketch map showing project location)

Shareholders	Nationality	%
<u>Heriel J. Mulwa</u>	<u>Tanzanian</u>	<u>50</u>
<u>Emmanuel P. Lyimo</u>	<u>Tanzanian</u>	<u>50</u>
.....
.....

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

Land/Building	..... 300,000/-
Plant	..... 3,993,000/-
Vehicles	..... 876,000/-
Furniture & Fittings	..... 55,000/-
Pre-expenses	..... 52,580/-
Others	..... 73,400/-
Working Capital	..... 150,000/-
TOTAL	..... 5,500,000/-

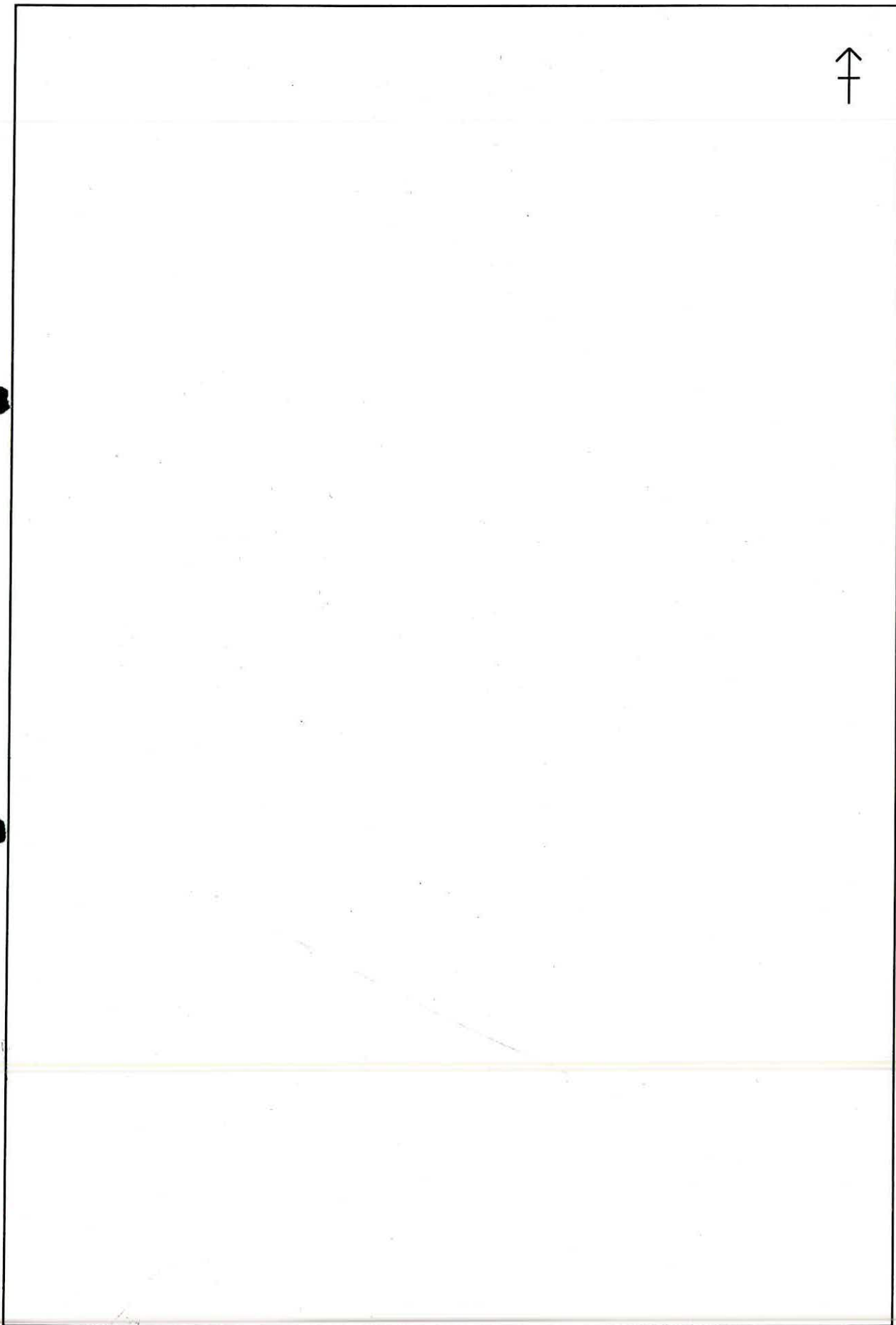
Contact Details:

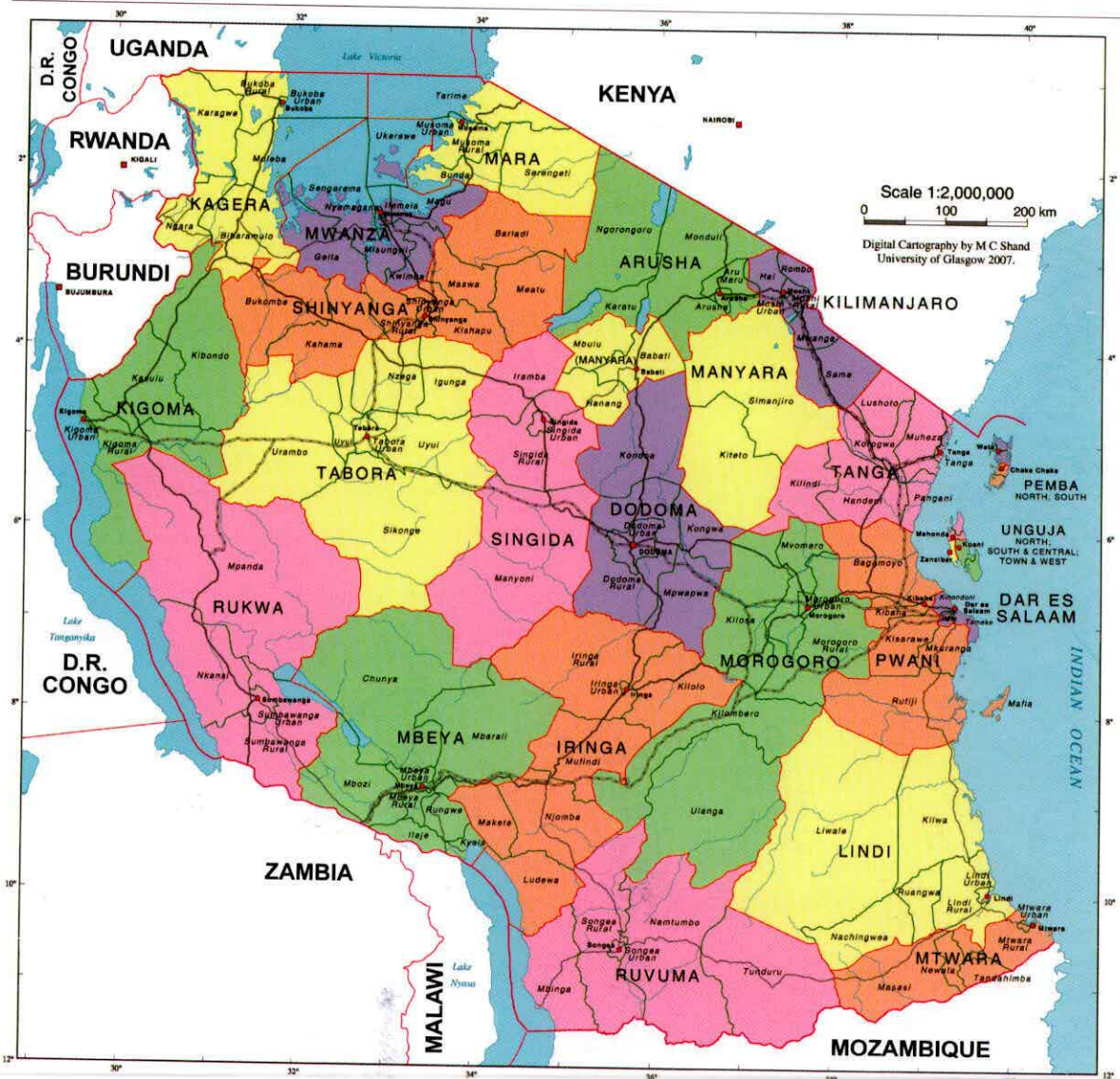
Name: Heriel J. Mulubo Title: Director Manager
Telephone: +255 754 078 335 Fax: -
Email: hmulubo@hematec.co.tz

Payments to be made payable to:

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

SKETCH MAP SHOWING PROJECT LOCATION





Scale 1:2,000,000
0 100 200 km
Digital Cartography by M.C. Shand
University of Glasgow 2007.

HEMATEC INVESTMENT LTD.

**P.O. BOX 34078
DAR ES SALAAM.**

Feasibility Study Report

**On
Establishment of
Manufacturing Unit for Road/Buildings Constructions aggregates and
Bricks blocks.**

In

Mboga-Lugoba, Bagamoyo, Coast.

Prepared for
M/s HEMATEC INVESTMENT LTD,
P.O. BOX 34078,
DAR ES SALAAM.

HEMATEC INVESTMENT LTD

P.O. BOX 34078,
DAR ES SALAAM.

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0.1 Introduction

This feasibility study report is being prepared for **M/S HEMATEC INVESTMENT LTD. of P.O. BOX 34078 DAR ES SALAAM., Tanzania** hereinafter referred to as HIL. HIL has undertaken a project to venture into the manufacturing of sub base materials for road/buildings construction, and other allied products including trading of commodities, transport contractors, air travels and sea travel agents, also clearing and forwarding agents. The promoters are well experienced in the envisaged line of business. The promoters have enough financial resources to see through the project and will bring in foreign exchange right from the inception stage of the project.

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

This report has additionally deliberated upon the social and related economic benefits (net) that will accrue to the nation and has given adequate weight age for the same in the conclusion & recommendation paragraph.

02. Company Details:

Registration:

M/S HIL was registered with the Registrar of Companies on 18th of Jan 2011 as a limited liability company. The Authorized share capital of the company is same as the paid-up share capital. The registration number of the company is 81004.

Object Clause:

"To carry on the business of constructions of buildings/roads, vibrated blocks, interlocks blocks, carriers by land, by sea or air and as railway and tramway owners, wharfingers, light men, warehousemen, ship owners, transport, contractors, builders and owners of aircraft and vessels of all kinds, locomotives, traction engines motors, wagons and rolling stock and as shipping agents and forwarders or goods of allied products as well"

Other object clauses include the business of transporters, transport contractors, air travel and sea travel agents, chatterers and tourist agents, to establish camps, buildings, health farms and conveniences of all kinds for tourists, passengers and holiday makers including hotel and lodging accommodation, guides and reading rooms and also interest in construction line.

Promoters/Shareholders & Directors:

The Shareholders of HIL are as under:

Name of the Share Holder	Nationality	% Holding
Heriel John Muhulo p.o. box 34078 D'salaam	Tanzanian	50%
Emmanuel Peter Lyimo p.o. box 34078 D'salaam	Tanzanian	50%

The first directors of the company are:

01. Heriel. J.Muhulo
02. Emmanuel. P.Lyimo

Location of the Proposed Site:

The site for the business shall be in Lugoba, area, Bagamoyo District, Coast Region. Since the project is concerned with the manufacturing of sub base/materials for construction, maintain and improve or subscribe towards the construction maintenance and improvement of roads, water-works, cold storage, canals, and also of tramways, railways, and other roads and ways and quays and wharves for the purpose of the Company, or for access to the lands, works and properties of the Company.

Registered Office Address:

Plot/Block NO:Plot, 111,block "C" 46,Kijitonyama Kinondoni Municipality Dar es salaam.

03. The Project:

The basic purpose of the entire project is to add value to the abundantly available inputs, which have hitherto not been adequately exploited. The project will create more wealth for the nation and shall endeavor to bring in more prosperity and economic independence.

HIL is interested in venturing into this area, as they are confident about their latest technology and manufacturing process. HIL is sure to process high quality constructions products out of the so considered inferior quality products.

The project will create nearly 150 employment opportunities directly and more than that indirectly. Apart from adding to the wealth of the nation, it shall also increase the purchasing power of the community thereby leading to an overall increase in demand for other construction products, which shall in turn lead to better economy conditions.

The project shall bring in plant and machinery from outside the country and shall eventually train the local population in the running of the plant. The project will thus contribute towards the manufacturing sector of the economy. As per the latest findings of CTI (Confederation of Tanzanian Industries), manufacturing contributes less than 10% of contribution towards this sector which is very much welcome by the government. The manufacturing process being undertaken shall also ensure that value addition is being done within the country, which is added advantage.

04. Project Location & Inputs:-

Since the project is related to manufacturing of sub base materials for road constructions etc., which is an outcome of specialized processes carried out on raw granite and concrete, the project location preferably has to be near to the raw materials region. Apart from the very fact that the project requires lot of road transport related issues also dictate the location of such projects as being nearer to the source of raw materials.

The promoters reportedly carried out a survey of various regions in Tanzania where such project can be established with minimal obstacles. Their study led them to Lugoba area since its close to raw materials and it also has advantages in terms of availability of adequate local manpower, power and roads also, besides it is easily approachable from city centre, which is the main commercial city of Tanzania. The area shall also prove to be one of the most important markets and as such Dar es Salaam region enjoys the benefits of being near to the source of raw materials i.e. cement, quarries, sands e.t.c, relatively better infrastructure and also being quite near to the main market.

The local authorities have assured the promoters about adequate supply of power and water, which is required for the successful running of the business. Power requirement has been estimated at 1,100 h.p. With 24 hours running.

0.5 The Market Demand:-

Sub base materials for construction form the core product line of this project are all sourced from river sands, sometimes flood sands granite stones. These products are being used in construction industry as well as in preparation of industrial and domestic use.

Tanzania as a country has been enjoying a steady economic growth rate of nearly 4.5% to 5% for last more than 8 years and that has resulted into spurt of demand for quality roads. The demand has been more pronounced in the basic necessity sector. Granite stones and road construction sector have also shown impressive growth. The products of HIL form the basis for domestics and road construction industry. It is used in all stages of road construction. It is useful in the initial stage and once the road construction is completed it is required for interior decoration and for creation of useful attachments.

From marketing angle, apart from the points noted above, this project enjoyed a distinct advantage. There are certain international standards in which the dimensions are available for Road construction materials; however HIL envisaged producing concrete and granite stones in various sizes, which can suit the requirements of local populace. This strategy shall provide the project with an additional marketing edge compared to imports, the first edge being lower prices. HIL believes that creation of non-standard size shall not only make it more viable/profitable but will in long run also ensure maximum utilization of available resources.

HIL promoters firmly believe that they will not encounter any major hurdle in marketing their products. Some time will definitely be required as the product boast of being import substitute and the products are not meant for direct consumption (which implies that they are being sold to an intermediary). However in long run HIL promoters and management are very much sure about the successful operation of the project.

The per capital consumption of Sub base materials for road construction in Tanzania is one of the lowest in the world and the growing economy and changes in international situation it is very likely that the demand for concrete and granite stones products is growing in geometric proportions. HIL seeks to initiate its activities on the premise of such calculations.

06. Promoters & Management:-

The importance of well-informed promoters and professional management can never be over estimated for successful implementation of the any project. It is said that well – informed promoter and professional management can make even a not so viable project otherwise and vice-versa.

07. Manufacturing Process & Technology: -

The factory to be put-up for manufacture concrete and vibrated bricks blocks, sub base materials, granite stones, concrete etc. for road construction, shall be a very simple and target oriented. Concrete will support the roof and the sidewalls will leave open. This will not only ensure that the initial set – up cost of the project will be minimal but will also enable HIL to increase the factory will maintain a very large open space to accommodate the storage of granite stones received in form of concrete waiting for further processing. In other words, the factory will be not consuming a very large area of land.

The project envisages manufacture of:

- ◆ M.R. Grade Granite Stone (GGS).
- ◆ B.W.P. Grade (bwpg).
- ◆ Film faced concretes;
- ◆ Checkered wall concrete white;
- ◆ Vibrated blocks.
- ◆ Interlocks blocks.
- ◆ Louver blocks.
- ◆ SS Concretes & Culverts
- ◆ Concrete bricks/blocks

The manufacturing process is briefly described as under:

Granite stones from the earmarked area from the source are brought to the factory and put into the concrete form. This is done in order to ensure that there are no end cracks. This process thus reduces loss of yield. This process assumes more importance in case of this project due to the fact that the granite stones envisaged to be utilized here is of very inferior/perishable quality. As per the study of the promoters the species expected to be utilized have never been utilized up till now in the country. There are nearly 15 such varieties and barring for one or two none of these species have been commercially exploited. In a way this is also one of the edges of this project.

08. Manpower: -

Although the project of manufacturing sub base materials for road constructions will require lot of automatic machines, lot of manpower especially at lower end shall be required to carry out preparatory processes as well as for quick movement of concretes within the factory premises.

HIL will hire one expatriate to oversee the operations supported by twenty local workers. Workers will be guided and trained by the expatriate technical experts to run machines. Organization hierarchy shall be as under:-

a. Top level

Chairman cum Managing Director
General Manager

b. Middle Level

Production Manager
Chief Engineer
Finance Manager
Marketing Manager

c. Lower Level

Production Supervisors
Personnel and Administrative Officer
Accounts Officer.
Sales Officer

HIL shall endeavor to promote local staff as much as possible to ensure better employment opportunities to the local populace. However it shall always ensure that efficiency of the unit is kept intact.

HIL shall run simultaneously a small in-house training house, where the experts will provide training to the new recruits before they are put on the jobs for on-job training. HIL believes that a motivated and skilled manpower can for sure bring in immense benefits to the industry and can ensure peaceful co-existence of all concerned.

09. Cost of the Project & Means of Finance:-

A. Cost of the Project:-

Sr. NO.	Details	US \$
1	Land & Building	300,000/=
2.	Plant & Machinery	3,993,020/=
3.	Furniture, Computers & Fixtures	55,000/=
4.	Vehicles	876,000/=
5.	Pre-operating Costs	52,580/=
6.	Others	73,400/=
7.	Initial working capital	150,000/=
	Total Cost of the Project	5,500,000/=

B. Means of Finance:-

Sr. NO.	Details	US \$
1	Equity Funds	2,000,000/=
2	Promoters' Loan	3,500,000/=
	Total Means of finance	5,500,000/=

The total cost of the project consisting of both the phases has been estimated at **US \$ 5,500,000/=** as can be seen from the above chart, majority of the expenses involved will be on Plant, Machinery and Vehicles. Nearly 73.33%. Besides considerable money will be required in the starting up of the unit which has been grouped under the head pre-operating and initial working capital costs.

Phase I will be implemented within a span of three months and the second and the final phase will be completed within a span of nearly 21 months from the date of the completion of the first phase.

Building will be a simple structure based on pillars with sidewalls open to facilitate future expansions. The height of the factory shed will be 15 feet. A small training house and a rest room for the workers will also be constructed.

Details of Plant & Machinery to be imported is as under:-

Sr. NO.	Description
01	Cranes –
02	Fork Lifts
03	Electrical Hoist
04	Concrete Mixer
05	Concrete vibrator
06	18Tones Lorry
07	Tipping Trucks 7 -8Tones
08	Dumper
09	Theodolite
10	Leveling Equipment
11	Block Making Machine
12	Water Pump
13	Hand compacter
14	Standby Generator
15	Earth moving equipments (Excavators)

Three in-house utility vehicles will be needed to transport the finished goods from the factory to the buyers' place and also for moving the logs within the factory premises wherever required.

Office furniture will be bare minimum and so will be computers (may be three sets). Telephone lines; fax line and Internet line will be kept handy at the factory to ensure speedy and cheap communication.

Pre-operating costs will take care of the preliminary expenses, initial survey and travel costs including accommodation charges, professional charges for preparation of reports etc and shall also cover for the initial joining costs of various key personnel till the real operations commence.

Initial working capital shall include the money required to bring in enough quantity of road construction materials, spend for the revenue expenses for the process carried out on them and the financing of other revenue costs till the time money starts flowing back from the debtors for the goods sold to them on credit.

The promoters of HIL are in possession of required finances and are committed to put in the same as and when required. The initial capital has been created at 1.5 million dollars and balance amount will be treated as loan from promoters, interest free.

10. Project Implementation Schedule:-

As has been stated in the earlier paragraphs the entire project will be implemented in two phases within a period of 24 months. The first phase is expected to be completed within a span of nearly two to three months and

the next phase is expected to be completed in another 21 months. The initial capacity shall be 100 cubic meters a day and after completion of the second phase the manufacturing capacity shall be 450 cubic meters a day.

Considering October 2013 as the first month, the first phase is expected to be completed by July 2014 and commercial operations expected from September 2014. Where as the increased production form 100 cubic tones a day to 450 cubic tones as day will be achieved gradually, however optimum capacity will be reached within 24 months.

The project implementation schedule is shown in form of a table hereunder: (PHASE I).

Sr. No	Activity	Completion Period
01	Company Formation, Registering with statutory authorities, like Income tax, VAT NSSF, etc. securing TIC certificate of incentive Industrial license etc.	Dec 2013
02	Site identification, purchasing the same, designing of plant layout and commencing of construction of factory shed.	Dec 2013
03	Order placement for various machineries, recruitment of key personnel.	Jan 2014.
04	Installation of Machines	Jan/Feb 2014
05	Procurement of, Sands, granite stones for initial trial runs as also for future.	Feb 2014
06	Commencement of Trial Runs	March 2014
07	Commencement of commercial Operations.	July/August 2014

The project implementation schedule is shown in form of a table hereunder (PHASE II)

Sr. NO.	Activity	Completion Period
01	Site MoHILization & Factory Construction	January/February 2015
02	Factory Shed Complete & Plant Layout finalized for implementation.	February 2015
03	Order placement for various machineries, recruitment of key personnel	February/March 2015
04	Installation of Plant & Machines	March/April 2015
05	Procurement of granite stones for initial trial runs and plant commissioning.	May 2015
06	Commencement of Trial Runs	May/June 2015
07	Commencement of Commercial Operations.	May/June 2015

The second phase implementation will begin immediately after twelve months and it is expected that within a span of another nine months major expansion as envisaged will be completed. Improvements will be introduced in the next phase based on the experiences of the first phase.

11. Project Financials:-

11.01 Assumptions

- a) The rate of one US \$ is equal to T.shs 1,670/=
- b) Required labor force will be available
- c) Required permits will be granted within the limited time schedule to ensure implementation as per schedule.
- d) The first phase will be operational within a span of three months.
- e) The second phase will taken nearly 21 months to complete after the start of first year and will increase the capacity to 450 cubic tones per day.
- f) Total investment will be US \$ 5,500,000
- g) The project will have own finance
- h) Land will be available on lease in future as and when required.
- i) Import duty exemption and deferment of VAT will be available on import of plant and machinery.

11.02 Projected Five Years Profitability Statements

As can be seen from the enclosed projected profitability statement, the company will not earn profits in the first year where the operations are to run only for six months; however there will be cash-profits.

The company will attain a turnover of US \$ 0.62 million in first six months; will go up to US \$ 0.240 millions in the next years and from third year of operation will remain steady at US \$ 1.580 millions.

The profits will start coming from the 2nd year of operations. From the year 4 and onwards the annual profits will be in the range of US \$ 1.0 million and above. The project enjoys a payback period of 5 years.

The company will be earning gross profit @ 6% and net profit of nearly 2.5%. For a very large project, like this a net profit of 2% is quite reasonable. Government will earn lot of revenues due to such high turnover.

Selling costs have been assumed at 2% of the sales and other overheads have been assumed not to cross US \$ 50,000 a month including manpower costs.

Depreciation has been provided as per the prevailing income tax rates. Further full depreciation has been provided on assets purchased during the year. Separate schedules are attached with this report for calculation of depreciation.

11.03 Projected Five Years Balance Sheet

The enclosed balance sheet shows a very sound position of the company. The current assets ration is in excess of 1.2 from the beginning and by the year 5 it reaches 2.

Inventory will be maintained only for a period of one week. The reason being the plant is going to be located in the close proximity of Road Constructions materials.

Creditors will be outstanding for a period of 15 days and suppliers of services will be paid at the expiry of one month.

11.04 Projected Five Years Funds Flow Statements:-

As can be seen from the appended projected funds flow statement the company will be financed by the promoter's own funds.

Operating profits will be ploughed in to the business. Once the operations are steadied from the year 2016, the annual contribution of operational profits shall be turning the tune of US \$ 400,000/=

As the operations will grow, the net working capital requirement will also grow. As can be seen the increase in net current assets will be from US \$ 90,000/= (year 2013) to US \$ 680,000/= (year 2015).

The company assumes to maintain a positive cash balance of US \$ 45,000/= to US \$80,000/=.

11.05 Projected Five Years Taxation Schedule:-

The company will enjoy tax incentives as per the governing laws of the country. It will have taxable profits only from the year 2017 and will then onwards contribute to the exchequer in excess of US \$ 150,000/= in the first year and then onwards in excess of US \$ 340,000/= The company may reduce its tax burden by investing or expanding its operations and in either case the country benefits.

12. Social & Development Benefits:-

Generally it is presumed that a project for manufacture of granite stones or concretes will result into block making. Whilst this is true to a very larger extent, it should be noted that this project plans not to acquire more and more land even for manufacturing.

◆ Employment creation

As has been observed earlier this project will provide direct employment opportunities to more than 120 locals inclusive of skilled, semi- skilled and un-skilled class. One expatriate will also be employed as per the requirement of the project.

This direct employment of more than 121 individuals will generate indirect employment for more than 500 individuals. In nutshell it can be concluded that this project will have a very positive impact on the level of employment in the country and will be welcome change.

◆ Transfer of technology

This project being a manufacturing project will usher in the country technology. Although the technology is simple the advantages to the country are quite significant. The country will get the advantage of value addition due to such incoming technology. Further the country can reduce its dependence on imports for the finished products manufactured by this project. Local employees will get on-the-job training from the experts (expatriate) employed and in long run will improve the technical competence of the local population.

◆ Contribution to the exchequer.

This project will contribute substantially to the society in general and to the exchequer in particular. As has been observed the total turnover at 100% utilization will be in the range of US \$ 24 million. This will result into VAT outflow of substantial amounts. Besides the company will be contributing tremendously in terms of PAYE and NSSF. In addition the company will also be contributing in terms of corporate taxation from the year 2014 onwards.

◆ Positive cascading impact on the nation's economy.

This project will have overall positive impact on the society. It will not only save the precious foreign currency reserves of the country by producing import substitute products, and by exporting the final product, but will also generate direct employment to more than 121 individuals and will provide means of livelihood to more than 500 individuals. The cascading positive impact on the society will be too great. This project will lead to creation of

national wealth. Its contribution to the exchequer will also be quite significant in terms of NSSF, PAYE, VAT and direct taxation apart from skills and development levy.

One more advantage of this project is its location. Since it is located at Lugoba, Coast Region, which is not fully developed, will get more opportunities to commercially expand and develop. This project will thus result into regional development. This project will thus held the government to further its own objective of promoting regional development.

13. Conclusion & Recommendation:-

The foregoing write-up indicates following benefits to the country, which in turn pleads for immediate acceptance of this project as a feasible project.

- ◆ The country will get a manufacturing unit, which will add to its scarce manufacturing base. As on date the country's manufacturing base is very low with contribution of 9% to the GDP and thereby making the economy pre-dominantly agriculture oriented.
- ◆ The project will bring in latest technology in the relevant field and will ensure training or development of skilled labour force in the country. The labour force will get on –job training and will thus make them more and more competent.
- ◆ The project when implemented in full over a period of 24 months will ensure that there will be a direct flow of foreign currency in the country to the tune of US \$ 1,500,000/= which is considerable by any standard.
- ◆ The project will lead to regional development besides. As it will be located in Coast Region. This advantage has many other advantages running parallel. There will be tremendous boost to the economic development in the region. It will arrest migration of individuals and will also alleviate the problem of congestion and concentration of working force in neighbouring Dar es Salaam region.
- ◆ It will provide cascading positive impact on the economic situation in Dar es Salaam and other neighbouring regions.

There are many other benefits direct and indirect of this project and therefore we conclude that this project is feasible technically as well as economically.

HEMATEC INVESTMENT LIMITED
INVESTMENT COST

US\$

	FOREIGN	LOCAL	TOTAL
LAND AND BUILDING		300,000	300,000
PLANT AND MACHINERY AND EQUIPMENTS		3,993,020	3,993,020
MOTOR VEHICLE		876,000	876,000
FURNITURE AND FITTING	0	55,000	55,000
PRE-OPERATIONAL EXPENSES	0	52,580	52,580
INITIAL WORKING CAPITAL		150,000	150,000
OTHERS		73,400	73,400
TOTAL INVESTMENT COST		5,500,000	5,500,000

HEMATEC INVESTMENT LIMITED

DEPRECIATION SCHEDULE

		0	2	3	4	5	6	7	8	9	10
Land and Building	4%	300,000	21,520	21,520	21,520	21,520	21,520	21,520	21,520	21,520	21,520
Workshop Machine & Equipments	12.5	3,993,020	10,281	8,924	7,881	6,896	6,034	5,237	4,625	4,047	3,541
Motor vehicle & trucks	25%	876,000	496,325	496,325	496,325	496,325	496,325	496,325	496,325	496,325	496,325
Furniture & equipment	12.50%	55,000	27,343	23,926	20,935	18,318	16,028	14,025	12,272	10,738	9,395
Pre-operational expenses	20%	52,580	2,000	2,000	2,000	2,000					
		5,276,600	557,469	552,695	548,661	545,059	539,907	537,107	534,742	532,630	530,781

HEMATEC INVESTMENT LTD
FINANCING PATTERN

US\$

	FOREIGN	LOCAL	TOTAL
EQUITY		2,000,000	2,000,000
LOAN(COMMERCIAL BANK)		3,500,000	3,500,000
TOTAL		5,500,000	5,500,000

HEMATEC INVESTMENT LIMITED
BREAK-DOWN OF VEHICLES TO BE PURCHASED

	UNITS	PRICE USD
1 MOTOR VEHICLES		
PICK UP	1	
HEAVY DUMPERS	11	
LOW LOADERS	2	
TIPPING TRUCKS	8	
TOTAL VEHICLES TO BE PURCHASED	22	876,000

HEMATEC INVESTMENT LTD
WORKING CAPITAL

Appendix VI

(us\$000)

YEAR	Assump.	1	2	3	4	5	6	7	8	9	10
Stock											
Bricks blocks	3 months	125	141	157	157	157	157	157	157	157	157
	essential										
	packs										
Sub base material	1 months	29	33	37	37	37	37	37	37	37	37
	requirement										
Utilities	2 months	8	8	8	8	8	8	8	8	8	8
Cash	1 months	12	12	12	12	12	12	12	12	12	12
		174	194	214	214	214	214	214	214	214	214
Debtors											
5% income		387	434	484	484	484	484	484	484	484	484
Creditors											
1 month overheads		32	36	40	40	40	40	40	40	40	40
Total Creditors		32	36	40	40	40	40	40	40	40	40
Net Working Capital		355	398	444	444	444	444	444	444	444	444
Charge in Working											
Capital		355	43	46							

Appendix VII

USD

HEMATEC INVESTMENT LIMITED
SALARIES AND WAGES

	NOS	SALARY PER MONTH	SALARY PER ANNUM
Secretaries	2	250	3,000.00
Mechanics	3	1200	14,400.00
Labours	10	500	6,000.00
Managers	1	1250	15,000.00
Drivers	6	200	8,000.00
Total Salaries	15		46,400.00

HEMATEC INVESTMENT LTD
PROJECTED PROFIT AND LOSS ACCOUNTS

USD 000

	1	2	3	4	5	6	7	8	9	10
Capacity Utilisation	80	90	100							
Sales Revenue	2,640	8,716	9,685	9,685	9,685	9,685	9,685	9,685	9,685	9,685
Operating Expenses										
Overhead Expenses	887	1,352	1,501	1,501	1,501	1,501	1,501	1,501	1,501	1,501
Salaries and Wages	148	148	148	148	148	148	148	148	148	148
Total Operating Expenses	1,876	1,500	1,649	1,649	1,649	1,649	1,649	1,649	1,649	1,649
Total Operating Profit	2,741	7,216	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036
Financial and Capital Charges										
Depreciation	563	537	553	549	545	540	537	534	533	531
Profit before Tax	4,162	6,659	7,483	7,487	7,491	7,496	7,499	7,502	7,503	7,505
Profit after Tax	2,913									
Capital Allowance	3,251	6,659	7,483	7,487	7,491	7,496	7,499	7,502	7,503	7,505
Taxation 30%	975	1,998	2,245	2,246	2,247	2,249	2,250	2,251	2,251	2,257
Profit after Tax	2,913	4,441	5,238	5,241	5,244	5,247	5,249	5,251	5,252	5,248
Profit Brought Forward	-	2,276	6,937	12,175	17,416	22,660	27,907	33,156	38,407	43,659
Total Revenue	2,913	6,937	12,175	17,416	22,660	27,907	33,156	38,407	43,659	48,907

HEMATEC INVESTMENT LTD
PROJECTED PROFIT CASHFLOW

US\$000

	0	1	2	3	4	5	6	7	8	9	10
CASH INFLOW											
Capital inflow											
Equity	5,500										
OPERATIONAL INFLOW											
Profit before Tax		6,150	6,659	7,483	7,487	7,491	7,496	7,499	7,502	7,503	7,505
Depreciation		563	557	553	549	545	540	537	534	533	531
Total Cash Inflow	5,500	6,713	7,216	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036
CASH INFLOW											
Investment	5,500	-	-	-	-	-	-	-	-	-	-
Re-Investment	0	-	-	-	-	-	-	-	-	-	-
OUTFLOW											
Taxation	1500	1,998	2,245	2,46	2,247	2,249	2,250	2,251	2,251	2,251	2,251
Increase in W/C	4000	43	46								
Total Cash Outflow	5,500	1,330	2,041	2,291	2,240	2,247	2,249	2,250	2,251	2,251	2,251
Net Cash Outflow	0	5,353	5,175	5,745	5,790	5,789	5,787	5,786	5,785	5,785	5,785
Opening Balance	-	-	5,383	10,558	16,303	22,093	27,882	33,669	39,455	45,240	51,025
Closing Balance	-	5,383	10,558	16,303	22,093	27,882	33,669	39,455	45,240	51,025	56,810

TANZANIA



Certificate of Incorporation

Section 15

No 81004

I HEREBY CERTIFY THAT

HEMATEC INVESTMENT 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 **18TH** day of **JANUARY**

TWO THOUSAND AND ELEVEN

Asst. Registrar of Companies

IMM

THE COMPANIES ACT, 2002

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

HEMATEC INVESTMENT LIMITED

Incorporated thisday of.....2011

DRAWN BY:

HERIEL J.MUHULO
(SUBSCRIBER)
P.O. BOX 34078,
DAR ES SALAAM.

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incorporation

No.

I HEREBY CERTIFY that

HEMATEC INVESTMENT LIMITED

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

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

Registrar of Companies

THE COMPANIES ACT, 2002

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

HEMATEC INVESTMENT LIMITED

Incorporated this day of 2011

DRAWN BY:

HERIEL J. MUHULO
(SUBSCRIBER)
P.O. BOX 34078,
DAR ES SALAAM.

COMPANIES ACT, 2002

MEMORANDUM OF ASSOCIATION

HEMATEC INVESTMENT LIMITED

1. The name of the Company is **HEMATEC INVESTMENT LIMITED**.
2. The registered office of the Company will be situated in Dar es Salaam Tanzania.
3. The objects for which the Company is established are :-
 - a) To engage and or carry on business of all types of a civil works, engineering, road constructions, buildings, renovation, maintenance of dilapidated buildings.
 - b) To carry on business of high way construction and all types of roads construction.
 - c) To carry on business of plumbing, furniture supplies and exporters, residential and office furnisher and to be general designers and fabricators of all kind of gadgets whatsoever.
 - d) To deal with building construction, electrical installation and render electrical services. To deal with construction of dams. To deal with import of all types of plants and deal with plants hire.
 - e) To carry on with the business of mining of minerals and water wells, to be minerals contractors, and/ or exchange, take on lease or otherwise acquire any mines, mining equipment and properties, mining products, mining licenses or rights, concessions, claims and prospecting licenses.
 - f) To establish workshops for maintenance and training of heavy duty construction equipment handling and safety measures, construction labor management.
 - g) To provide consultancy on estate plans, architecture, construction, soil testing, structural designs and engineering and construction labor management.
 - h) To engage in and or to the otherwise carry on business as exporter of timber, gemstone minerals, individuals products, and or timber products, logs articles made out of woods, live birds, live animals, hides and skin, fish pawns and lobsters, carrels, bee wax, canned beef, canned fruits, meerschaum, gemstones, small scale gold, galvanized products, handcrafts, cooking oil, fish nets, animals feeds, chicken feeds, industrial fasteners, all agricultural

TANZANIA
Stamp No. 12 2500/2
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Registrar of Companies

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10/01/2011
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and non agricultural produce be it raw, semi-processed or processed articles of all kind, type and description whatsoever.

- i) To carry on the business of architectural work and technical drawings on buildings and contractors, masonry and general construction contractors and where necessary to provide consultation on the same.
- j) To carry on the business of engineers, civil engineers, and construction engineers, consulting engineers, industrial engineers, electrical engineers, mechanical engineers and general engineers in all kinds of disciplines.
- k) To construct, build, execute, carryout, equip, improve, work, develop, administer, manage, control all forms of buildings or any part thereof in particular projects of telecommunications ,towers and ancillary works and public works and conveniences of all kinds which expression in this memorandum includes roads, railways, tramways, bridges, viaducts, aqueducts, docks, harbours, piers, wharves, canals, reservoirs, embankments, irrigations, reclamation, aerodromes, airports, improvements, sewage, drainage, sanitary, water, gas, electric, light, telephonic, telegraphic and power supply works and factories, hotels, warehouses, markets and public buildings, housing estates for any private local municipal council or public authority and all other works or conveniences of a public or semi public character or of public utility.
- l) To carry on the business of industrial engineers for efficient production of industrial goods taking into account plant and procedural design, the management of materials and energy and integration of workers within the overall system of production engineering to enhance productivity, efficiency and profitability.
- m) To carry on all or any other business of preparing building sites and by constructing, preparing, reconstructing, altering, improving, decorating, furnishing, furnishing and maintaining houses, flats, offices, shops, warehouses, factories, buildings, works and conveniences of all kinds and by consolidating or connecting or sub-dividing properties and by leasing or disposing of the same.
- n) To apply for purchase or otherwise acquire any contracts, decrees and concessions for or in relation to the construction, execution, carrying out, equipment improvement, management, administration or control of public works and conveniences and to undertake, execute, carry out of or otherwise turn to account the same.
- o) To carry out the business of miners, metallurgists, quarries, builders, and contractors , civil, mechanical, industrial and general engineers, farmers, graziers, stonemasons, paviors, tillers, glaziers, tar, contractors, bricklayers, pile drivers tree fellers, land clearers, pit sinkers, timber, merchants, joiners, carpenters and wood workers, dredging, contractors, plumbers, painters, plasterers, decorators , wharfingers, stevedores, barge owners, lighter -men, carriers, shipping and forwarding agents and garage proprietors, ship owners, ship builders, merchants importers and exporters and to buy, sell and deal in property of all kinds.
- p) To provide for the benefit of other persons consultancy, advisory, training and management services concerning or connected with anything that the company does in the exercise of its power or has power to do, or in which the company has gained or developed expertise in the course of its business, and to provide training and

educational courses, documentation and material for employees of the company and for other persons in matters which in the opinion of the company are connected with, of concern, or of benefit to, the business and activities of the company or which utilise the company's communications systems or services.

- q) To invent, design, develop, construct, manufacture, produce, erect, assemble, test, import, export, alter, install, maintain, repair, renovate, refurbish, recondition, utilise, operate, manage, purchase, sell, hire, hire out, supply and otherwise deal in all kinds of equipment, apparatus, plant machinery, appliances, articles, furniture, things, accessories, components, fittings, tools, materials, substances, products, computers, computer programmes, and software which are required or are likely to be required by the company or other persons for the purposes of, or in connection with, any of the business of the company or which in the opinion of the company may be conveniently or advantageously dealt with by the company in connection or association with any of its subsidiaries.
- r) To Carry on the business of steel mills, iron masters, iron and steel converter, mechanical engineers, manufacturers of steels sheets, iron sheets, iron bars, iron, beams, pipes, guarders, nuts, bolts, screws, agricultural implements and all kinds of machinery parts, cycle parts, tool makers, brass founders, metal workers, boiler makers, mill weights, mill stores, wood workers, painters, electrical engineers, gas generators, framers, printers, carriers and merchants and to buy, sell, manufacture, repair, convert, alter, let on hire, and deal in machinery implements, rolling stocks, and hardwires of all kinds and to carry on any other allied business as permissible under the law.
- s) To install mills and factories to achieve the above ends.
- t) To manufacture, import, assemble, export, buy, sell, let on hire, exchange, alter, improve, manipulate, prepare for market and/or otherwise deal in or distribute all kinds of plants, machineries, machine parts, tools, apparatus, utensils, raw material and substances necessary or convenient for carrying on any of the above specified business or other allied marketable commodities.
- u) To sell the finished products and buy raw materials.
- v) To carry on the business or businesses of acquiring, constructing, owning, managing, setting up or operating various industries such as iron and steel mills, engineering works, cardboard, hardboard and straw board mills, paper and paper products mills, glass factories, sugar mills, ghee mills, oil mills, flour mills, cement factories, gas cylindering and purifying mills, acid factories, manufacturers of electrical goods, appliances and machinery for industrial purposes.
- w) To carry on the business of industrial managements consultants, town planners, land developers, builders, contractors, designers architectures, engineers, technical and mechanical engineers, surveyors, valuers, appraisers, decorators, furnishers, furniture makers, merchants and dealers in cement, steel, iron, wood, coal, timber, and other building requisites and job contractors.
- x) To act as dealers, traders, commission agents, brokers, mercantile construe agents, distributors, stockists, importers, exporters, shipping, clearing and business forwarding agents, selling agents, indenting agents, advertising agents, representatives of commercial, industrial, agricultural and manufacturing concerns.

- y) To purchase, acquire, and take over the properties and assets, undertaking and liabilities of any other business carried on by any person, firm or company having similar objects of this company, along with the name, goodwill, licenses, quotas, tenancy rights, agencies, concessions or any other rights and privileges which the company may think necessary or convenient for the purposes of its business.
- z) To carry on any other trade, business or activity whatsoever and to do anything of any nature which can, in the opinion of the Directors of the company, be advantageously or conveniently carried on by the company in connection with, as ancillary as to any of its businesses.
- aa) To Purchase, take on lease or in exchange, hire or otherwise any movable or immovable property of any kind or any interest therein and any rights or privileges which the Directors of the company may think necessary or convenient for the purposes of or in connection with the company's businesses or which may enhance the value of any other property of the company.
- bb) To build, construction, alter, improve, enlarge, repair, maintain, develop, demolish, remove, or replace and to work, manage, carry out or control works of all descriptions, including but not limited to offices, factories, mills, warehouses, shops, stores, garages and other buildings, roads, machinery and plant, which may, in the opinion of the Directors of the company, be likely to advance directly or indirectly the company's interests; to clear sites for the same; to contribute to, subsidize or otherwise assist in the building, construction, alteration, repair, improvement, enlargement, maintenance, development, demolition, removal, replacement, working management, carrying out or control.
- cc) To borrow money or secure or discharge any debt or obligation of the company in such manner as may be thought fit by the company and in particular (but without prejudice to securities of any kind or without any such security and upon such terms mortgages or charges (fixed or floating) founded or based upon all or any part of the undertaking, property, assets and rights (present and future) of the company or without any such security and any such terms as to priority or otherwise as the company shall think fit, and to receive money on deposit and advance payments with or without allowance of interest thereon, subject to the conditions/restrictions imposed under any law.
- dd) To improve, manage, develop, turn to account, grant rights or privileges in respect of or otherwise deal with any of the property, rights and privileges of the company.
- ee) To subscribe for, purchase or otherwise acquire and hold shares, stocks, debentures and other securities of any other company and to invest and deal with the moneys of the company in any manner.
- ff) To vest any movable or immovable property, right, privilege or interest acquired by or belonging to the company in any person or company on behalf of or for the benefit of the company and with or without any declared trust in favour of the company.
- gg) To apply for, purchase or otherwise acquire and protect and renew, in any part of the world, any patents, patent rights, copyrights, trade marks, designs, formulae, licenses, concessions and the like, conferring any exclusive or non-exclusive or

limited right to their 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 likely, directly or indirectly, to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise .

- hh) To adopt such means of making known the activities and products of the Company as may seem expedient and in particular by advertising in the mass media whether written or audiovisual, facsimile, internet, by circular by exhibitions, by publication of books and periodicals and by granting prizes, rewards and donations.
- ii) To construct, maintain, alter, make, acquire, lease, hire or work railways, tramways, motor cars, wagons, telegraph lines, telephones, pipe lines, docks and canals, bridges, tanks or storage accommodation, reservoirs, wells, , roads, streets, gasworks, waterworks, piers and other works, and plant or machinery of every description, and to contribute to the cost of making, providing, carrying on and working the same; to enter into contracts or arrangements with any municipal or other body, corporation, company or person as to interchange of traffic, running powers, joint working or otherwise, which may seem expedient.
- jj) To buy, hire, manufacture, sell, barter, deal and trade in all kinds of - produce, merchandise, metals, minerals, goods, stores, chattels, properties and effects of any sort or kind and to transact any or every description of agency, commission, commercial, manufacturing and mercantile business.
- kk) To operate motor transport of all kinds, including the leasing or hiring for any period or number of journeys of cars, lorries, trucks, and vehicles used in the repair of such vehicles.
- ll) To exercise and enforce all rights and powers conferred by or incident to the ownership of any such shares stock obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof and to provide managerial and other executive supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.
- mm) To advance money to Shareholders in the Company and others, for the purpose of enabling the person borrowing the same to erect, or to purchase, or enlarge or repair any house or building, or to purchase the fee simple or any less estate or interest in, or to take a demise for any less estate or interest in, or to take a demise for any term or terms of years of any freehold or leasehold property upon such terms and conditions as the Company may think fit.
- nn) To establish or acquire and trading stations, factories, stores and depots in Africa and elsewhere and to purchase, lease or otherwise acquire, , develop and improve any business or any immovable or movable property in Africa and elsewhere or any undivided or other interest whatsoever therein respectively.
- oo) To apply for, acquire and hold any charters, privileges, monopolies, licenses, concessions, patents or other rights or powers from any Government or State or any potentate or local or other authority in Africa and elsewhere and to exercise, carry on and work any powers, rights and privileges so obtained.

- pp) To any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly to enhance the value of or render more profitable any of the Company's property.
- qq) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the business, which this Company is authorised to carry on and as part of the consideration of such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm or company and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.
- rr) To own or manage hotels, bonded warehouses, storage of goods for profit, and do all things connected with a forwarding business.
- ss) To manufacture, buy, sell, refine, prepare, grow, preserve, can, pack, import, export and deal in provisions of all kinds, both wholesale and retail, and whether solid or liquid.
- tt) To such trading and manufacturing business or businesses as can be conveniently carried on by the Company.
- uu) To all or any of the businesses of manufacturers and merchants of and dealers in and importers and exporters of goods, ware and merchandise of all kinds, ship-owners and chatters, shipbuilders, carriers of passengers and goods, forwarding and shipping agents, engineers, builders, planters, cultivators, miners, metallurgists, contractors, marine underwriters and the ordinary business of marine and fire assurance on all their branches, wharfingers, warehousemen, general traders, produce merchants, and brokers.
- vv) To acquire by purchase, lease, exchange, or otherwise any immovable properties, buildings and hereditaments of any, tenure or description whosoever situate and any estate or interest thereon, and any rights over or connected with immovable property, and to turn the same into account as may seem expedient, and, in particular, by laying out, preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting up and improving buildings, factories, warehouses, shops, wharves, offices, works and conveniences of all kinds, and by planting, paving, draining, farming, cultivating, letting for building lease or building agreement or otherwise turn to account any farm or other products of any such immovable property.
- ww) To invest and deal with moneys of the Company not immediately required upon such securities (which terms shall include fixed deposits with any banking company) in such manner as may from time to time be determined.
- xx) To borrow, whether on bank overdrafts or otherwise, or raise money in such manner as the Company shall think fit, and, in particular, by issue of debentures, mortgages or other securities or otherwise and to secure the repayment of any money borrowed,

raised or owing by charge, mortgage, bills of sale, debentures or lien upon the whole or any part of the Company's property, undertaking and assets (whether present or future) including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company of an obligation or liability it may undertake.

- yy) To guarantee the payment or performance of any debts, contracts or obligations, or become security for any person, firm or company; for any purpose whatsoever, and to act as agents for the collection, receipt or payment of money, and generally to act as agents for and render services to customers and others, and generally to give guarantees and indemnities and to secure the same by and create and issue bonds, debentures, debenture stock, perpetual or redeemable, mortgages, charge all or any of the property and uncalled capital of the undertaking of the Company, or any part thereof, to purchase any securities so issued and receive deposits or moneys on any terms.
- zz) To draw, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, cheques, warrants, debentures and other negotiable or transferable instruments.
- aaa) To enter into any arrangements with any Government or authorities supreme, municipal or otherwise, or any corporations or companies, or persons, having objects which may seem conducive to the benefit of the Company, and to obtain from such Governments and authorities such rights and privileges as may be to the benefit of the Company.
- bbb) To grant pensions, allowances, gratuities and bonuses to employees or ex-employees of the Company or its predecessors in business or the dependants of such persons, and to support or subscribe to any charitable or other institutions, clubs, societies or funds.
- ccc) To receive money on deposit at interest or otherwise, and lend money to such persons with or without security and on such terms as may seem expedient and, in particular, to customers and other persons having dealings with the Company, and to give any guarantee or indemnity as may seem expedient, and generally to undertake and execute all kinds of business operations.
- ddd) To amalgamate with or enter into partnership or any joint venture or profit-sharing arrangement or co-operation with any company, firm or person engaged or interested in the carrying on or conduct of any business or enterprise from which the Company would or might derive any benefit, whether direct or indirect.
- eee) To apply for and take up or acquire by way of exchange or otherwise, and hold or sell and dispose of the shares or securities of any other company carrying on or about to carry on business in which the Company is or may be interested, and to amalgamate with any other such company or companies.
- fff) To act as agents, brokers and trustees for any person or company or to undertake and perform contracts and sub-contracts, and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors or others.
- ggg) To remunerate any person or company rendering service to the Company by payment in cash or partly in cash and partly in fully paid shares of the Company.

- hhh) To pay all expenses incurred in the formation and incorporation of the Company and the preparation and completion of all preliminary agreements relative to the intended formation of the Company.
- iii) To support and to subscribe to any charitable or public object and institution; society and club which may be for the benefit of the Company or employees or may be connected with any town or place where the Company carries on business.
- jjj) To distribute among the members of the Company in specie any property of the Company.
- kkk) To operate as a general commercial company by dealing with all types of business the company may deem fit to deal with.
- lll) To carry on business of transportation of goods and passengers, to be clearing and forwarding agents, to run marine vessels, vehicles, railways, aircraft and all types of transport.
- mmm) To carry on the business of supply of office furniture and all other equipment for the office and school use. To carry on business of selling computer and all types of electronic equipments.
- nnn) To carry on the business of importers and suppliers of laboratory equipment for schools and hospitals and other institutions, to supply laboratory chemicals, to establish and run pharmacies and to be suppliers of drugs.
- ooo) To carry on the business of importers, exporters, buying, selling, dealers in hardware, building materials, sanitary-ware, wall papers, roofing tiles, flooring tiles, supplying industrial equipments, agricultural implements and equipments spares of every description, plumbers, decorators, steel fabrication, machine shop, nickel plating, electric plating, making steel windows, doors, frames and roof tresses.
- ppp) To carry on business of agro processing such as food processing; to deal with business of small and large scale farming.
- qqq) To carry on the business of supply of stationery, books and all allied materials, to deal with printing and publishing newspapers, books, magazine, fliers, cards, and calendars; and to carry on the business of sign writers and to be suppliers of all types of educational materials such as books, computers and printers.
- rrr) To carry on the business of a telephones, telegraph, cables and wireless communications company and to establish, work, manage, sell, hire out, and maintain telephone exchanges, cable communications, telegraph offices and radio and television receiving and transmitting stations and any other systems for communications whether consisting of sounds or visual images and to run internet cafes.

- sss) To carry on business of technical colleges, computer colleges and all types of polytechnic schools/ colleges.
- tt) To deal with supply of agricultural products, forest products such as timber and logs, and carry on business of supply of live stock products. To carry on business of supplying building materials and hardware of whatever nature, deal with building and general civil construction of whatever nature. To deal with import and export of electrical and building construction materials. To sell all types of electrical, and all electronic equipments.
- uuu) To carry on the business of soap manufacturers, to buy, sell, manufacture, refine, prepare, and deal in all kinds of detergents and ingredients, to carry on business as manufacturers of candles and perfumes, collectors of flowers and perfume producing vegetation.
- vvv) To enter with any arrangement with government or authorities, supreme, municipal, local or otherwise, and to obtain from any such government, authorities all rights, concessions and privileges that may seem conducive to the object of the company or any of them.
- www) To receive money or deposit and borrow or take loans or overdraft or raise or secure the payment of money in such manner as directors may think for better performance of the company. To appropriate any part or parts of the property of the company for the purpose of the company, and to build or let shops, offices and other places of the business and to use or lease any part of the property of the company not required for the purpose of the aforesaid for any purpose for which it may be conveniently used or let.
- xxx) To undertake investments in sports related activities, to run shops, stores and sell sports and football goods and equipments, to sell all types of goods in wholesale and retail for industrial, offices and domestic use.
- yyy) To subscribe for, purchase or otherwise acquire and hold shares, stocks, debentures and other securities of any other company and to invest and deal with monies of the company in any manner.
- zzz) To vest any movable or immovable properties, rights, privileges or interest acquired by or belonging to the company in any person or company on behalf of or for the benefit of the company and with or without any declared trust in favor of the company.
- aaaa) To sell or dispose the under taking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debenture, or securities, of any other company licenses to use the same outright or any terms which may, in the opinion of the Directors, to the interest of the Company.

- bbbb) To deal with landscaping, gardening, clearing and all associated activities.
- cccc) To engage in or otherwise carry on the business as exporter of gemstone minerals, individual products, and or timber products, logs articles made out of wood, live birds, live animals, hides and skins, fish, prawns and lobsters, carrels, bees, canned beef, canned fruits, meerschaums, gemstones, small scale gold, galvanized products, handcrafts, cooking oil, fishnets, animal feeds, chicken feeds, industrial fasteners, all agricultural and non agricultural produce be it raw, semi-processed articles of all kind, types and description whatsoever. To carry on business of petrol service station and deal in petrol, diesel, oil kerosene, mineral oil, crude oil, grease and /or fuel oil of all kinds and all other kinds of mineral and petroleum products as an importers, dealer or distributors and servicing and repairing of vehicles of all types generally. To carry on the business of hair dressing, hair cutting trimming, styling, setting hair, dyeing, treatment, shampoo, massaging of scalp, beauty treatment and all sort of beauty treatment, relaxing, facial, manicure, pedicure, waxing, acne, treatment and all sort of beauty soap, creams, all types of cosmetics, hair lotion, essential oils, denitrifies, breaching preparations and other substance for laundry use, clearing, polishing, scouring and abrasive preparation.
- dddd) To carry on the business of imports of motor vehicles, spare parts, electrical goods of various kinds, machinery, computers, calculators, metals, refrigerators, air conditioners, cookers, textiles, building materials, industrial joinery spares, agricultural machinery, etc
- eeee) To carry all kinds of business consultant such as management, communication, and information technology, marketing and sales, strategic management, business process, re-engineering, business start-ups, importation and exportation of goods, operations and logistics, human resources and finance.
- ffff) To engage thin or otherwise to carry on the business of dealers in information technology, computer and network technologies, software, accessories and as computer stationers.
- gggg) To carry on business of service provider and provide services or outsourcing, management agents, debt collection, data centers, as well as complete networking solution including hardware and software.
- hhhh) Generally to act as agent, broker and trustee for any person, company or firm in respect of any business or matter of any nature whatsoever.
- iiii) To carry on the business of pharmacy, hospital, pharmaceuticals, medical preparations and chemicals in all aspects related to treatment of people and animals. Attend to patients, dispense any medicines, perform operations and to do all other acts and things necessary for carrying on business of a hospital, veterinary dispensary and general pharmacy.

And it is hereby declared that:-

The word "company" in this clause, except where used in reference to this company, shall be deemed to include any partnership or other body of person, whether incorporated or not incorporated, and whether domiciled in Tanzania or elsewhere, and


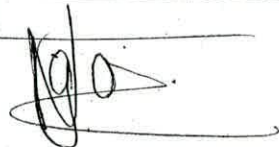
The object specified in each of the paragraphs of this clause shall be regarded as independent objects, and accordingly shall in no wise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to, or reference from the terms of any other PARAGRAPH or by the name of the company, sense of the said paragraphs defined the objects of a separate and distinct company, and

The meaning of any general word or words of in any paragraph of this clause shall not be restricted by being construed *ejusdem generis* with any particular word or words in the same paragraph.

4. The liability of the members is limited.

5. The authorized share capital of the Company is Shillings ~~Ten~~ Millions (10,000,000/=) divided into 500 ordinary shares of T.Shs. 20,000/= each. The company shall have powers to increase its capital and to divide its shares in its capital for the time being into several classes of stock or shares, and to attach thereto respectively such preferential, deferred, or special rights, privileges, or conditions as may be determined by or in accordance with the articles with the Articles of Association of the Company.

We, the several persons whose names, addresses and descriptions are subscribed hereunder, 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 out opposite our respective names.

NAME, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURE OF EACH SUBSCRIBER
HERIEL JOHN MUHULO P.O. BOX 34078 DAR ES SALAAM	250	
EMMANUEL PETER LYIMO P.O. BOX 34078 DAR ES SALAAM.	250	

Dated at Dar es Salaam this 05TH day of JANUARY, 2011

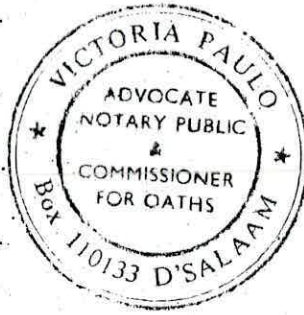
WITNESS TO THE ABOVE SIGNATURES

NAME VICTORIA PAULO

SIGNATURE: *Paulo*

POSTAL ADDRESS: 11045 DSM

QUALIFICATION: ADVOCATE



THE COMPANIES ACT NO. 12 OF 2002

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

HEMATEC INVESTMENT LIMITED

PRELIMINARY

1. In these Articles:

"The Act" means the Companies Act 2002 of the laws of Tanganyika

"The articles" means the articles of the company

"Clear days" in relation to the period of the notice means that period excluding the day when notice is given or on which it is to take effect.

"The holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.

"The seal" means the common seal of the company.

"Secretary" means the secretary of the company or any person appointed to perform the duties of the secretary of the company.

When any provision of the Act is referred to, the reference to that provision is a reference to the provision as modified by any laws for the time being in force.

Unless the context otherwise requires, the expression defined in the Act or any statutory modification thereof in force on the date these regulations become binding on the company shall have the meaning so defined.

Any words importing the singular shall include the plural and vice versa, and words importing the masculine shall include feminine genders and vice versa, and the words importing persons shall include bodies corporate, partnerships, firms, co-operative societies, etc.

The regulations of Table 'A' in the first schedule to the Act (hereinafter called Table 'A') shall apply to the Company, save in so far as they are varied or excluded hereby, but in case of any conflict between the provisions herein, and the provisions under Table 'A' the former shall prevail, and in addition to the substitution for or the modification of the provisions of Table 'A' the following shall be the regulations of the company:

A PRIVATE COMPANY

2. The Company is a Private Company and accordingly:
 - (a) The right to transfer shares is restricted in the manner hereinafter prescribed.
 - (b) The number of members of the company is limited to fifty and as further provided for in the Act.
 - (c) Any invitation to the public to subscribe for any shares or debentures of the company is prohibited.
 - (d) The company shall not have power to issue shares warrants to bearer.

SHARE CAPITAL AND VARIATION OF RIGHTS

2. Subject to the provision of the Act, and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise as the company may by ordinary resolution determine.
3. Subject to the provisions of sections 61 of the Act, any shares may, with the sanctions of an ordinary resolution, be issued on the terms and in such manner as the company before the issue of the shares may by special resolution determine.
4. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the share of that class) may, whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Regulations relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.
5. The rights conferred upon the holders of the shares of any class shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the issue of further shares ranking *pari passu* therewith.
6. The company may exercise the powers of paying commissions conferred by section 56 of the Act. Subject to the provisions of the Act, such commission may be satisfied by the payment of cash or the allotment of full or partly paid shares or partly in one way and partly in other.
7. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any share or any interest in any fractional part of a share or (except as otherwise provided by the articles or by

law) any other rights or interests in respect of share except an absolute right to the entirety thereof in the registered holder.

SHARE CERTIFICATES

8. Every member, upon becoming the holder of any shares, shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one more of his shares upon payment for every certificates after the first such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid thereon. In respect of a share of shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one joint holder shall be sufficient delivery to all joints holders.
9. If a share certificates is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and payment of expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing out) on delivery up of the old certificate.

LIEN

10. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (moneys whether presently payable or not) called or payable at a fixed time in respect of that share; but the directors may time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien, if any, on a share shall extend to any amounts payable in respect of it.
11. The Company may sell, in such manner as the directors shall have a lien if a sum in respect of which the lien exist is presently payable and is not paid within fourteen clear days after a notice in writing has been given to the holder of the share, or the person entitled thereof by reason of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shared may be sold.
12. To give effect to any such sale the directors may authorize some person to transfers the shares sold to, or in accordance with the directions of, the purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
13. The net proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exist as is presently

payable, and the residue, if any shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for sums not sums not presently payable as existed upon the shares before the sale) be paid to the person to the person entitled to the shares, at the sale.

CALLS ON SHARES

14. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call, and each member shall (subject to receiving at least fourteen clear days notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by installments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.
15. A call shall be deemed to have been made at the time when the resolution of the directors authorizing the call was passed.
16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
17. If a call remains unpaid after it has become due and payable, the person from whom the sum is due shall pay interest on the amount unpaid from the day it becomes due and payable to the time of actual payment at the rate fixed by the terms of allotment of the share or, if no rate is fixed, at a rate not exceeding five percent per annum as the directors may determine, but the directors may waive payment of such interest wholly or in part.
18. An amount payable in respect of a share on allotment or any fixed date, whether in respect of nominal value or premium or as an installment of a call shall be deemed to be a call, and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
19. Subject to the terms of allotment, the directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and times of payment.
20. The directors may, if they think fit, receive from any member willing to advance the same, all or any part of the money un-called and upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become [payable]) pay interest at such rate not exceeding (unless the company in general meeting shall otherwise direct) six per cent per annum, as may be agreed upon between the directors and the members paying such sum in advance.

TRANSFER OF SHARES

21. The instrument of transfer of any share shall be in any usual form or any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid up, by or on behalf of the transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
22. If the directors refuse to register a transfer they shall within sixty days after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
23. The registration of transfers of shares or any transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
24. No fee shall be charged for the registration of any instrument of transfers of other document relating to or affecting title to any share.

TRANSMISSION OF SHARES

25. In case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the personal representative of the deceased where he was a sole holder or the only survivor of joint holders, shall be the only persons recognized by the company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
26. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may properly be required by the registered as holder of the share, or elect to have some person nominated by him registered as the transferee in which case he shall execute the appropriate instrument of transfer. All the articles relating to the right to transfer of shares shall apply to any such notice or transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
27. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall have the rights to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in the respect of it to exercise any right conferred by membership in relation to meetings of the company.

ALTERATION OF CAPITAL

28. If a call remains unpaid after it has become due and payable, the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with, the shares in respect of which the call was made will be liable to be forfeited.

29. If the notice is not complied with, any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
30. Subject to the provisions of this Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person, and at any time before a sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person, the directors may authorize some person to execute an instrument of transfer of the share in question.
31. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the company for cancellation the certificate for the shares forfeited, but shall remain liable to the company for all moneys which, at the date of forfeiture, were payable by him to the company in respect of the shares, but his liability shall cease if and when the company shall have received payment in full of all such moneys in respect of the shares, but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
32. A statutory declaration by a director or the secretary that a share has been forfeited on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

ALTERATION OF CAPITAL

33. The company may by ordinary resolution:-
 - (a) Increase its share capital by new shares of such amount, as the resolution prescribes;
 - (b) Consolidate and divide all or any of its share capital into share of larger amount than its existing share;
 - (c) Subject to the provisions of section 65 (1)(d) of the Act, sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association;
 - (d) Cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount the amount it share capital by the amount of the shares so cancelled.
34. Whenever as a result of a condition of shares any members would become entitled to fraction of a share, the direction may, on behalf of the those members, sell the shares representing the fractions for the best price reasonably obtainable to any person

- (including subject to the provisions of this Act, the company) and distribute the net proceed of sale in due proportion among those members, and the directors may authorize some person to execute an instrument of transfer of the shares to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by any irregularity in or invalidity of the proceeding in reference to the sale.
35. Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any way.
 36. 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 notices 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.
 37. All general meetings other than annual meetings shall be called extraordinary general meetings.
 38. The directors may, whenever they think fit, call an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisitionists, or, in default, may be convened by such requisitionists, as provided by section 134 of the Act. If at any time there are not within the territory sufficient directors to call the meeting, any director or any two members of the company may call the meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

NOTICE OF GENERAL MEETINGS

39. Every general meeting shall be called by twenty-one clear days notice in writing. The notice shall specify the time and place of the meeting the general nature of the business and, in the case of an annual general meeting, shall specify the meeting as such;
Provide that a meeting of the company may be called by shorter if it is so agreed:-
 - (a) in the case of an 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 vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.
40. Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given 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 omissions to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

41. All business shall be deemed special that is transacted at an Extra-Ordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of declaring a divide, the consideration of the accounts, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.
42. No Business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; two person entitled to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorized representative of a corporation, shall be a quorum
43. If within half an hour from the time appointed for the meeting a quorum is not present, or if during the course of a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same and place or to such other day at such other time and place as directors may determine.
44. 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, directors present shall elect one of their number to be chairman of the meeting and, if there is only one director present and willing to Act, he shall be chairman.
45. 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 some one of their number to be chairman of the meeting.
46. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at a general meeting and at any separate meeting of the holders of any class of shares in the company.
47. 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 and the general nature of the business to be transacted at an adjourned meeting.
48. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded:
 - (a) by the chairman or;
 - (b) at least two members having the right to vote at the meeting; or
 - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;

And a demand by a person as proxy for a member shall be the same as a demand by the member.

49. 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 or not carried by a particular majority and an entry to the effect in the minutes of the meeting shall be evidence of that fact.
50. The demand for a poll may, before the poll is taken, be withdrawn.
51. Except as provided in article 54, if a poll is duly demand it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
52. 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 casting vote in addition to any other vote he may have.
53. 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 not more than thirty days after the poll is demanded as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending taking of the poll.
54. A resolution in writing executed 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 may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

55. Subject to any rights or restrictions attached to any share or class or classes of shares, on a show of hands every member (being an individual) present in person or (being a corporation) present by a duly authorized representative, not being himself a member entitled to vote, and on a poll every member shall have one vote for each share of which he is the holder.
56. In case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
57. A member of respect of whose estate a manager has been appointed under section 26 of the Mental Disease Ordinance, may vote, whether on show of hands or on a poll, by his manager, and such manager may ,on poll, vote by proxy.
58. No member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares in the company unless all class or other sums presently payable by him in respect of shares in the Company have been paid.
59. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every not

disallowed at such meeting shall be valid for all purposes. Any objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

60. On a poll votes may be given either personally or by proxy. A member may appoint more one proxy to attend to the same occasion.
61. The instrument appointing a proxy shall be in writing executed by or on behalf of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.
62. The instrument appointing a proxy and any authority under which it is executed a copy of that authority certified notarially or in such other manner as approved by the directors shall be deposited at the registered office of the company or at such other place within the Tanzania as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed 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.
63. An instrument appointing a proxy shall be in the following form or a form as near thereof as circumstances admit:

".....Limited.....
.....
I/we.....of.....,being.....a
Member/members of the above named company, hereby
appoint.....of.....or failing him,.....
of....., as my/ our proxy to vote for me/us on my/ our behalf at the
(annual or extraordinary, as the case may be) general meeting of the Company to be
held on the.....day of....., and at any adjournment thereof.

Signed thisday of.....20....."

64. 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.....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 held on the.....day of....., and
at any adjournment thereof.

Signed this.....day of.....20....."

This form is to used in favour of\against resolutions {1/2/3 etc.}. Unless otherwise instructed, the proxy will vote as he thinks fit or abstain from voting.

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

CORPORATION ACTING BY REPRESENTATIVE AT MEETINGS.

67. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

DIRECTORS

68. (a) The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum of association or majority of them and until such determination the signatories to the Memorandum of Association shall be the first directors. Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall be not less than two.
- (b) Unless and until the Company in general meeting shall otherwise Determine, the first Directors of the Company shall be:-
- 1) HERIEL JOHN MUHULO
 - 2) EMMANUEL PETER LYIMO
69. The shareholding qualifications for directors may be fixed by the company in general meeting, and unless and until so fixed no qualifications shall be required.

POWERS AND DUTIES OF DIRECTORS

70. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the Company shall be managed by the directors, who may exercise all the powers 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 articles 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 the directors.

71. The Directors may by powers 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.
72. The directors may exercise all the powers of the company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, 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 of any third party.
73. The company may exercise the powers conferred upon the company by sections 124 to 127 of the Act with regard to the keeping of a branch register, and the directors may (subject to the provisions of those sections) make and vary such regulations as they may think fit respecting the keeping of any such register.

DIRECTORS' APPOINTMENTS AND INTERESTS.

74. The directors may appoint one or more of their number to the office of Managing Director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any service outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director, but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing director and a director holding any other executive office shall not be subject to retirement by rotation.
75. A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the company shall declare the nature of interest at a meeting of the directors in accordance with section 209 of the Act.
76. Subject to the provisions for the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office-
 - (a) May be a part to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
 - (b) May be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in any body corporate promoted by the company or in which the company may be interested;
 - (c) Shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company unless the company otherwise directs.

Provided that nothing herein contained shall authorize a director or his firm to act as auditor to the company.

77. For the purposes of articles 76 and 77-
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in such transaction of the nature and extent specified; and
 - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
78. All cheques, promissory notes, drafts, 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 in such manner as the directors shall from time to time by resolution determine.

MINUTES

79. The directors shall cause minutes to be made in books kept 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 the directors, and of committees of directors.
 - (c) Of all resolutions and proceedings at all meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committees of directors.

REMUNERATION AND EXPENSES; GRATUITIES AND PENSIONS.

80. The remuneration of the directors shall be determined by ordinary resolution of the company and, unless the resolution otherwise provides, such remuneration shall be deemed to accrue from day to day. The directors may 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 or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the business of the company.
81. The directors on behalf of the company may pay gratuity or pension or allowance on retirement to any director who had any other salaries offices or place of profit with the company or to his widow or dependants and make contributions to any fund and pay premiums for the purchase or provisions of any such gratuity, pension or allowance.

DISQUALIFICATION OF DIRECTORS

82. The office of director shall be vacated, if the director:-
- (a) Ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
 - (b) Becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) Becomes of unsound mind; or
 - (d) Resigns his office by notice in writing to the company; or
 - (e) Shall for more than six consecutive months have been absent without permission of the directors from meetings of the directors held during that period and the Directors resolve that his office be vacated.

APPOINTMENT AND RETIREMENT OF DIRECTORS

83. The company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or to be an additional director.
84. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the total number of directors does not exceed the number fixed by or in accordance with these articles. A director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election.
85. The company may by ordinary resolution, of which special notice has been given in accordance with section 144 of the Act, remove any director before the expiration of his period of office notwithstanding anything in these articles or in any agreement between the company and the director. Such removal shall be without prejudice to any claim the director may have for damages for breach of any service contract with the company.
86. The company may by ordinary resolution appoint another person in place of a director removed from office under the immediately preceding regulation, and without prejudice to the powers of the directors under article 85 the company may by ordinary resolutions appoint a person to be a director either to fill a vacancy or as an additional director.

PROCEEDINGS OF DIRECTORS

87. Subject to the provision of the articles, the directors may regulate their meetings as they think fit. Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A director may, and the secretary at the request of a director shall, call a meeting of the directors, it shall not be necessary to give notice of a meeting of directors to any director who is absent from the meeting.
88. 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.

89. The continuing directors may act notwithstanding any vacancy in their number but, if their number is reduced below the number fixed as the necessary quorum, the continuing directors or director may act for the purpose of filling vacancies or of calling general meeting.
90. The directors may appoint one of their number to the chairman of the board of directors and determine the period for which he is to hold office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors as 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 their number to be chairman of the meeting.
91. The directors may delegate any of their powers to committee consisting of one or more directors; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors. Subject to any such regulations, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they as they are capable of applying.
92. All acts done by a meeting of the directors or 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.
93. A resolution in writing, signed by all the directors entitled to receive notice of meeting of the directors, or of a committee of directors, shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of directors duly convened and held, and may consist of several documents in the like form each signed by one or more directors.
94. Save as otherwise provided in the articles, a director shall not vote at a meeting of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which is material and which conflicts or may conflict with the interests of the company. Subject to and in accordance with the provisions of the Act, an interest of a person who is connected with a director shall be treated as an interest of the director.
95. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
96. The company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
97. Where proposals are under consideration concerning the appointment of two or more directors to offices or employment with the company or any body corporate in which the company is interested, the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except than concerning his own appointment.

98. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to the director other than himself shall be final and conclusive.

SECRETARY

99. The Secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and Secretary so appointed may be removed by them.
100. A provision of the Act or these Regulations requiring or authorizing a thing to be done by or to a director and the Secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the Secretary.

THE SEAL

101. 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.

DIVIDENDS AND RESERVE

102. Subject to section 180 of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
103. Subject to the provisions of the Act, the directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company available for distribution.
104. The directors may, before recommending any dividend, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for any purpose to which the profits of the company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the directors may from time to time think fit. The directors may also without placing the same to reserve carry forward and any profits which they may think prudent not to divide.
105. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
106. Any general meeting declaring a dividend may, upon the recommendation of the directors, direct payment of such dividend wholly or partly by the distribution of

assets and, where any difficulty arises in regard to the distribution, the directors may settle the same, and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of members, and may vest assets in trustees.

107. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque sent through the post to the registered address of the holder or, in the case of joint holders, to the registered address of the that one of the joint holders who is first named in the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, payment of the cheque shall be a good discharge to the company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by them as joint holders.
108. No dividend or other payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.
109. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

ACCOUNTS

110. The directors shall cause proper books of account to be kept with respect to:-
 - (a) All sums of money received and expended by the Company and the matters in respect of 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.

Provided books not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.
111. The books of account shall be kept at the registered offices 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.
112. No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorized by the directors or by ordinary resolution of the company.
113. The directors shall, in accordance with section 153,155 and 159 of the Act, cause to be prepared and to be laid before the company in general meeting such profit and loss accounts, balance sheets, cash flow statements group accounts (if any) and reports as are referred to those to in those sections.
114. In accordance with section 163 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 director's report and the auditor's report shall not less than twenty-one days

before the date of the meeting be sent to every member of, and every holder of debentures of, the company. Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the company is not aware or to more than one of the joint holders of any shares or debentures.

CAPITALISATION OF PROFITS

115. The directors may, with the authority of an ordinary resolution of the company:
- (a) Resolve to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and that such sum be capitalized to the members who would have been entitled to it were distributed by way of dividend and in the same proportions and apply such sum either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or in paying up in full in issued shares or debentures of the company to be allotted and distributed;
 - (b) Make such provision the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and authorize and person to enter on behalf of all the members entitled thereof into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they are entitled upon such capitalization, and any agreement made under such authority shall be effective and binding on all such members.

AUDIT

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

NOTICES

117. 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 wither personally or by sending it by post in a prepaid envelop addressed to the member at his registered address, or by leaving it at that address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing, 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 be given him shall be entitled to receive any notice from the company.
118. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.
119. A notice may be given by the Company to the persons entitled to a share in consequence of the death of bankruptcy of a member by sending or delivering it, in any manner authorized by the articles, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within the Tanzania supplied for the purpose by the persons

claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

120. A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received purpose for which it was called.

WINDING UP

121. If the Company is wound up the liquidator may, with sanction of a special resolution of the company and any other sanction required by the Act divide amongst the members in specie the whole or any part of the assets of the company and may, for that purpose, set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustee upon such trusts for the benefit of the members as the liquidator, with like sanction; shall determine, but no member shall be compelled to accept any shares or other securities upon which there is a liability.

INDEMNITY


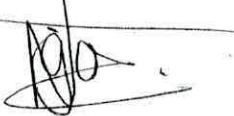
122. Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer auditor of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 481 of the Act in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

ARBITRATION

123. If and whenever any dispute or difference shall arise between the company and any of the members or their respective representative touching upon the construction or meaning of any of any of the Articles herein contained or any act matter or thing made or done or omitted to be done or with regard to the rights or liabilities arising here under or arising out of the relation existing between the parties by reasons of these articles or the Act, such differences shall (unless a sole arbitrator be agreed upon) forth worth be referred to the arbitration of three (3) arbitrator, one to be appointed by each party and the third to be appointed by the first two or, in the event of failure to agree within (cap 15) or any then existing statutory modifications or re-enactment thereof shall apply by Special Resolution.

ALTERATIONS/ADDITIONS

Subject to the provisions of the Act and to those contained in the Memorandum of Association, the Company may by special resolution make alteration or additions to the Articles of Association and any such alteration or addition so made shall be as valid and effectual as if originally contained in these Articles and the subject in the like manner to alteration by Special Resolution.

NAME AND ADDRESSES OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURE OF EACH SUBSCRIBER
HERIEL JOHN MUHULO P.O. BOX 34078 DAR ES SALAAM	250	
EMMANUEL PETER LYIMO P.O. BOX 34078 DAR ES SALAAM.	250	

Dated at Dar es Salaam this 05TH day of JANUARY, 2011

WITNESS TO THE ABOVE SIGNATURES

NAME: VICTORIA PAULO

SIGNATURE: 

POSTAL ADDRESS: 11045 DSM

QUALIFICATION: ADVOCATE

