



YAPI AFRICA INCORPORATED

LID

# MINUTE SHEET

Dokezo  
No.

# MINUTE SHEET

Dokezo  
No.

## Ag. EXD

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

(a) Minimum finance investment threshold has been exceeded, the project expects to invest ..... USD 3.66M .....

(b) Legal entity has been incorporated under certificate

No. 82130 ..... of 17/03/2011 .....

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.



R. Arbogast

Ag. DIF

2<sup>nd</sup> August, 2011

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## Ag. EXD

In response to the TIC letter of registration dated 02/08/2011 .....

The project has submitted the required documents namely:-

(a) Company Board Resolution

(b) Reference letter/Financing from Kuwait Turk Bank .....

(c) Lease Agreement .....

With the above submission EXD is requested to sign Certificate of Incentives No. 042076 ..... herein attached.



Ag. DIF

09/08/2011

**YAPI AFRICA INCOPORATE  
LIMITED.**

P.O. BOX 13464  
DAR ES SALAAM.

Feasibility Study Report

On

Establishment of  
Manufacturing Unit for Road/Buildings  
Constructions aggregates and Buildings  
Rehabilitations.

In

DAR ES SALAAM., Tanzania

Prepared for  
M/s YAPI AFRICA INCOPORATE LIMITED,  
P.O. BOX 13464,  
DAR ES SALAAM.

# YAPI AFRICA INCOPORATE LIMITED

P.O. BOX 13464,  
DAR ES SALAAM.

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## 0.1 Introduction

This feasibility study report is being prepared for M/S YAPI AFRICA INCOPORATE LIMITED. of P.O. BOX 13464 DAR ES SALAAM., Tanzania hereinafter referred to as YAIL. YAIL 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 AICL. 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 YAIL was registered with the Registrar of Companies on 17<sup>th</sup> of March 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 82130.

### 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 clearing and forwarding and thereby acting as clearing and forwarding consultants, transporters, transport contractors, air travel and sea travel agents, chattering 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 YAIL are as under:

Name of the Share Holder	Nationality	% Holding
Suleyman H.Muftigil Kurucesme Cad. Fazilet Hanim Yalisi,No 2, 34345,Besiktas- Instanbul,Turkey	Turkish	50%
Konstantino Giannakopoulos, P.o. Box 13464, Dar es Salaam.	Greek	50%

The first directors of the company are:

01. Suleyman H.Muftigil
02. Konstantino Giannakopoulos.

**Location of the Proposed Site:**

The site for the business shall be in Pongwe-Msungula, QDS 167/3, Bagamoyo, Coast Region. Since the project is concerned with 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 Harbour View, 10<sup>th</sup> floor Samora Avenue. 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.

YAIL is interested in venturing into this area, as they are confident about their latest technology and manufacturing process. YAIL 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 the Dar es Salaam region, it also has advantages in terms of availability of adequate local manpower, power and roads also, besides it is easily approachable from Dar es Salaam, which is the main commercial city of Tanzania. Dar es Salaam 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 road construction form the core product line of this project are all sourced from 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 AICL form the basic for 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 AICL 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. AICL 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.

YAIL 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 YAIL 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. YAIL 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-a-versa.

#### 07. Manufacturing Process & Technology: -

The factory to be put-up for manufacture 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 YAIL 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.

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.

AICL 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

YAIL 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.

YAIL 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. YAIL 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	45,000/=
2.	Plant & Machinery	2,810,000/=
3.	Furniture, Computers & Fixtures	20,000/=
4.	Vehicles	560,000/=
5.	Pre-operating Costs	15,000/=
6.	Others	10,000/=
7.	Initial working capital	200,000/=
	<b>Total Cost of the Project</b>	<b>3,660,000/=</b>

B. Means of Finance:-

Sr. NO.	Details	US \$
1	Equity Funds	3,660,000/=
2	Promoters' Loan	
	Total Means of finance	3,660,000/=

The total cost of the project consisting of both the phases has been estimated at US \$ 3,660,000/= 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 AICL 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 August 2011 as the first month, the first phase is expected to be completed by December 2011 and commercial operations expected from Jan 2012. 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.	June/July 2011
02	Site identification, purchasing the same, designing of plant layout and commencing of construction of factory shed.	August 2011
03	Order placement for various machineries, recruitment of key personnel.	Sept 2011/Oct 2011.
04	Installation of Machines	Oct/Nov 2011
05	Procurement of granite stones for initial trial runs as also for future.	Nov/Dec 2011
06	Commencement of Trial Runs	December 2011
07	Commencement of commercial Operations.	January 2012

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

Sr. NO.	Activity	Completion Period
01	Site Mobilization & Factory Construction	January/February 2012
02	Factory Shed Complete & Plant Layout finalized for implementation.	February 2012
03	Order placement for various machineries, recruitment of key personnel	February/March 2012
04	Installation of Plant & Machines	March/April 2012
05	Procurement of granite stones for initial trial runs and plant commissioning.	May 2012
06	Commencement of Trial Runs	May/June 2012
07	Commencement of Commercial Operations.	May/June 2012

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 1,600/=
- 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 \$ 3,660 million
- 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 \$ 2.580 million.

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 2014, 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 2012) to US \$ 680,000/= (year 2013).

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 2014 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 \$ 3,500,000/= 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 Coast region.
- ◆ It will provide cascading positive impact on the economic situation in Coast and other neighboring 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.

**YAPI AFRICA INCOPORATE LIMITED  
INVESTMENT COST**

	FOREIGN	LOCAL	TOTAL
LAND AND BUILDING	45,000		45,000
PLANT AND MACHINERY AND EQUIPMENTS	2,810,000		2,810,000
MOTOR VEHICLE	560,000		560,000
FURNITURE AND FITTING	20,000		20,000
PRE-OPERATIONAL EXPENSES	15,000		15,000
INITIAL WORKING CAPITAL	200,000		200,000
OTHERS	10,000		10,000
<b>TOTAL INVESTMENT COST</b>	<b>3,660,000</b>		<b>3,660,000</b>

US\$

**YAPI AFRICA INCOPORATE LIMITED  
DEPRECIATION SCHEDULE**

		1	2	3	4	5	6	7	8	9	10
Land and Building	4%	45	21,520	21,520	21,520	21,520	21,520	21,520	21,520	21,520	21,520
Workshop Machine & Equipments	12.5	2,810	10,281	8,924	7,881	6,896	6,034	5,237	4,625	4,047	3,541
Motor vehicle & trucks	25%	560	496,325	496,325	496,325	496,325	496,325	496,325	496,325	496,325	496,325
Furniture & equipment	12.50%	20	27,343	23,926	20,935	18,318	16,028	14,025	12,272	10,738	9,395
Pre-operational expenses	20%	15	2,000	2,000	2,000	2,000					
		<b>3,451</b>	<b>557,469</b>	<b>552,695</b>	<b>548,661</b>	<b>545,059</b>	<b>539,907</b>	<b>537,107</b>	<b>534,742</b>	<b>532,630</b>	<b>530,781</b>

YAPI AFRICA INCOPORATE LTD  
FINANCING PATTERN

US\$

	FOREIGN	LOCAL	TOTAL
EQUITY		3,660,000	3,660,000
<b>TOTAL</b>		<b>3,660,000</b>	<b>3,660,000</b>

**YAPI AFRICA INCOPORATE LIMITED****BREAK-DOWN OF VEHICLES TO BE PURCHASED**

	UNITS	PRICE USD
<b>1</b> <b>MOTOR VEHICLES</b>		
PICK UP	1	
CANTER	3	
MICRO BUS	1	
LIGHT TRUCKS	8	
<b>TOTAL VEHICLES TO BE PURCHASED</b>	<b>13</b>	<b>560,000</b>



**YAPI AFRICA INCOPORATE LTD  
WORKING CAPITAL**

Appendix VI

(us\$000)

YEAR	Assump.	1	2	3	4	5	6	7	8	9	10
<b>Stock</b>											
Road aggregates	3 months essential packs	125	141	157	157	157	157	157	157	157	157
Sub base material	1 months requirement	29	33	37	37	37	37	37	37	37	37
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
<b>Debtors</b>											
5% income		387	434	484	484	484	484	484	484	484	484
<b>Creditors</b>											
1 month overheads		32	36	40	40	40	40	40	40	40	40
<b>Total Creditors</b>		32	36	40	40	40	40	40	40	40	40
Net Working Capital		355	398	444	444	444	444	444	444	444	444
<b>Charge in Working Capital</b>		<b>355</b>	<b>43</b>	<b>46</b>							

Appendix VII

USD

**YAPI AFRICA INCOPORATE LIMITED  
SALARIES AND WAGES**

	<b>NOS.</b>	<b>SALARY PER MONTH</b>	<b>SALARY PER ANNUM</b>
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
<b>Total Salaries</b>	<b>15</b>		<b>46,400.00</b>

YAPI AFRICA INCOPORATE LTD  
PROJECTED PROFIT AND LOSS ACCOUNTS

Appendix ix

	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
<b>Operating Expenses</b>										
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
<b>Financial and Capital Charges</b>										
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
<b>Total Revenue</b>	<b>2,913</b>	<b>6,937</b>	<b>12,175</b>	<b>17,416</b>	<b>22,660</b>	<b>27,907</b>	<b>33,156</b>	<b>38,407</b>	<b>43,659</b>	<b>48,907</b>



THE COMPANIES ACT OF 2002

\_\_\_\_\_  
COMPANY LIMITED BY SHARES

\_\_\_\_\_  
MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION

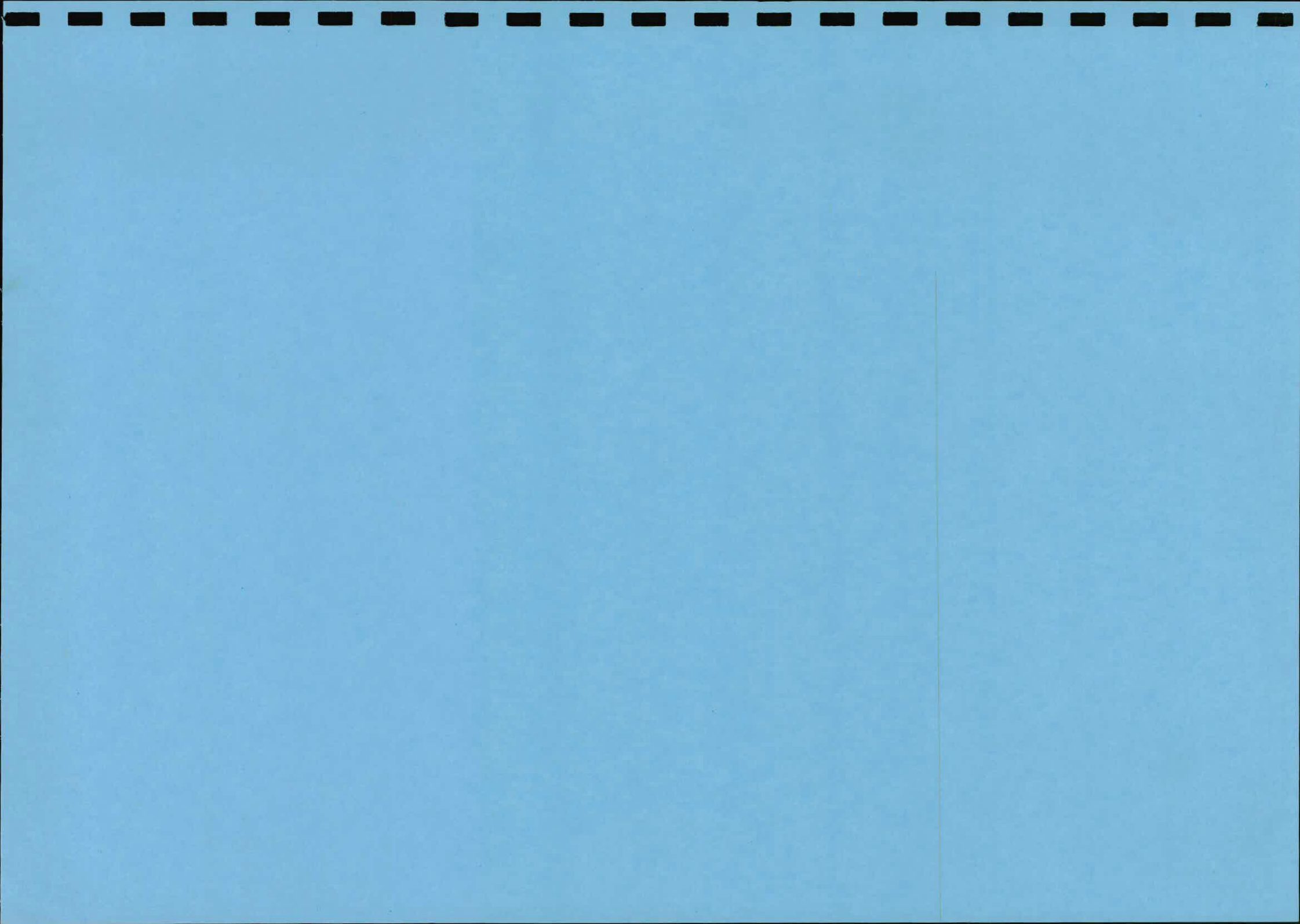
OF

**YAPI AFRICA INCORPORATE LIMITED**

\_\_\_\_\_  
(Incorporated the \_\_\_\_\_ day of \_\_\_\_\_ 2011)  
\_\_\_\_\_

DRAWN BY: \_\_\_\_\_

ASYLA ATTORNEYS  
1<sup>ST</sup> FLOOR ALPHA HOUSE  
ALI HASSAN MWINYI ROAD  
P.O. BOX 80496  
DAR ES SALAAM



THE COMPANIES ACT OF 2002

\_\_\_\_\_  
COMPANY LIMITED BY SHARES  
\_\_\_\_\_

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

**YAPI AFRICA INCORPORATE LIMITED**

\_\_\_\_\_  
(Incorporated the \_\_\_\_\_ day of \_\_\_\_\_ 2011)  
\_\_\_\_\_

DRAWN BY: \_\_\_\_\_

ASYLA ATTORNEYS  
1<sup>ST</sup> FLOOR ALPHA HOUSE  
ALI HASSAN MWINYI ROAD  
P.O. BOX 80496  
DAR ES SALAAM

OF THE ORIGINAL

*Grace G Malekano*  
Grace G Malekano  
ADVOCATE

THE COMPANIES ACT NO. 12 OF 2002  
COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION  
OF  
YAPI AFRICA INCORPORATE LIMITED

1. The name of the Company is **YAPI AFRICA INCORPORATE LIMITED**.
2. The Registered Office of the Company will be situated on the mainland of the United Republic of Tanzania.
3. The purpose for which the Company is established is the transaction of any and all lawful business for which companies may be incorporated in Tanzania; and more particularly the Company shall have powers: -
- (a) To carry on the business (together with any and all related activities) of dealing with, in or in relation to construction, project development, real estate development or property acquisition;
  - (b) To carry on the business (together with any and all related activities) of port management, logistics, consulting, advising and any other related activities;
  - (c) To carry on the business (together with any and all related activities) of trading, exporting, importing, sales and purchase of any items;
  - (d) To carry on the business (together with any and all related activities) of consulting, advising, facility or building management or providing professional services of any kind;
  - (e) To carry on the business (together with any and all related activities) of power generation, power distribution, transportation and logistics of any kind;
  - (f) To carry on the business (together with any and all related activities) of farming, husbandry, agriculture or agri-business of any kind;
  - (g) To carry on the business (together with any and all related activities) of mining, exploration, prospecting, geological surveying, purchase of concessions or otherwise conducting activities in relation to the business of mining;
  - (h) To carry on the business (together with any and all related activities) of telecommunications, internet, computer or other technology of any kind;
  - (i) To carry on the business (together with any and all related activities) of import and/or export of any such items which shall be deemed fit by the directors;

- (j) To carry on the business (together with any and all related activities) of tourism, tour management, sales, marketing or travel and tour related activities of any kind;
- (k) To acquire by purchase or otherwise land and property of any tenure, or any interest in land, in Tanzania and to lease sell or otherwise dispose of said land or property in any matter the Company shall deem fit and for any purpose whatsoever;
- (l) To erect and construct house, buildings or works of every description on any land whether or not owned by the company, and to demolish, rebuild, enlarge, alter and improve existing houses, buildings or works, to convert and appropriate any such land into and for roads, garages, gardens and other facilities, and generally to deal with and develop the property of the company;
- (m) To sell, lease, let, mortgage, charge or otherwise dispose of the land, houses, buildings, and other property of the company;
- (n) To advance money to any individual or corporation on the security of freehold or leasehold property by way of mortgage, or on other security, and in particular to advance money for the purpose of enabling the borrower to erect, purchase, enlarge, alter 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 term or terms of years of any freehold or leasehold property in Tanzania, on such terms and conditions as the company may think fit;
- (o) To undertake or direct the management of the property, buildings, lands and estates (of any tenure or kind) of any persons;
- (p) To purchase and sell for any individual or corporation houses, property, buildings or lands of whatever tenure, or any share or shares or interest or interests therein, and to transact on commission or otherwise the general business of a land agent.
- (q) To acquire and hold either in the name of the company or in that of any nominee shares, and securities issued or guaranteed by any company wherever incorporated, or issued or guaranteed by any government, public body or authority in any part of the world;
- (r) To acquire any such shares, stock, debentures, debenture stock, bonds, notes, obligations, warrants, options or securities by subscription, purchase, exchange, underwriting or otherwise, and whether or not fully paid up, and subject to such terms and conditions as the directors may deem fit.
- (s) To exercise and enforce all rights and powers conferred by or incident to the ownership of any investment of the company, and to provide managerial, administrative, supervisory and consultant services for or in relation to any company in which the company is interested on such terms as may be thought fit.

- (t) To provide transport services that include bus, shuttle, taxi, boat, ferry, chartered and commercial planes, railway and train and overlanders , and carriage services.
- (u) To appropriate any part or parts of the property of the Company for the purpose of and to build or let shops, offices, and other places of business and to use or lease any part of the property of the Company not required for the purposes aforesaid for any purpose for which it may be conveniently used or let.
- (v) To erect and construct house, buildings or works of every description on any land of the Company, or upon any other lands or property, and to pull down, rebuild, enlarge, alter and improve existing houses, buildings or works thereon to convert and appropriate any such land into and for roads, streets, squares, gardens, and pleasure grounds and other conveniences, and generally to deal with and improve the property of the Company.
- (w) To undertake or direct the management of the property, buildings, lands and estates (of any tenure or kind) of any persons, whether members of the Company or not, in the capacity or stewards or receivers or otherwise.
- (x) To purchase and sell for any persons freehold or other house property, buildings or lands, or any share or shares, interest or interests therein, and to transact on commission or otherwise the general business of a land agent.
- (y) To mortgage, encumber, sell, buy, lease or rent any property whatsoever and engage in any business or transactions relating to property.
- (z) To apply for, promote and obtain, any legislation, leave, licence, right or authority to enable the company to carry out its objects and/or for the purpose of obtaining for the company or its members any additional powers to the company to be expedient in the interests of the company or members and to oppose any Bills, Act, regulations, proceedings or applications which may seem to the company likely to prejudice the interests of the company or its members directly or indirectly.
- (aa) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Republic of Tanzania or elsewhere any patents, patent rights, brevets d'Invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.
- (bb) To acquire or 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 businesses which the Company is authorised to carry on and as part of the consideration for 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 mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting 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.
- (cc) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (dd) To invest and deal with the monies of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.
- (ee) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of therefore going any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (Including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).
- (ff) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- (gg) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (hh) To apply for, promote, and obtain any licence of authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the

company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

- (ii) To enter into any arrangements with any government authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.
- (jj) To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.
- (kk) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.
- (ll) To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- (mm) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- (nn) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- (oo) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (pp) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the

same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.

- (qq) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been directors of, or who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.
- (rr) To construct, equip, maintain and work public transport vehicles, motor coaches or to hire vehicles appropriate for the carriage of passengers or goods, and to carry on the business of proprietors and carriers of passengers both in public conveyances and in private vehicles and goods.
- (ss) To carry on the business of an investment company and for that purpose to acquire and hold either in the name of the company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world.
- (tt) To purchase for investment or resale, and to traffic in land and house and other property of any tenure and any interest therein, and to create, sell and deal in freehold and leasehold ground rents, and to make advances upon the security of land or house, or other property, or any interest therein, and generally to deal in, traffic by way of sale, lease, exchange, or otherwise with land and house property and any other property whether real or personal.

- (uu) To distribute among the members of the Company in kind any property of the Company of whatever nature.
- (vv) To carry on any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the businesses of the Company.
- (ww) To procure the Company to be registered or recognised in any part of the world.
- (xx) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.
- (yy) To do all such other things as may be deemed incidental or conducive to the attainment of the company's objects or any of them.

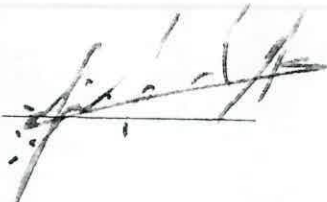
AND so that:

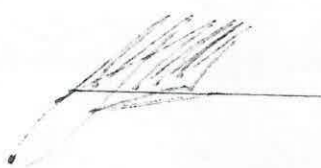
- (i) None of the objects set forth in any sub-clause of this clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this clause, or by reference to or inference from the name of the Company.
- (ii) None of the sub-clauses of this clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this clause as though each such sub-clause contained the objects of a separate Company.
- (iii) The word 'Company' in this clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Republic of Tanzania or elsewhere.

- 4. The liability of the members is limited.
- 5. The Company's share capital is Tanzanian Shillings One Hundred Thousand (Tshs. 500,000,000/=) divided into Five Hundred Thousand (500,000) Ordinary shares of TShs.1,000/= each.

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


Names, Postal Address Occupation of Subscribers	Number of Shares taken by each	Signature of Subscribers
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Suleyman Hamit Muftigil Kurucesme Cad. Fazilet Hanım Yalısı No 2 34345 Besiktas-Istanbul Turkey Turkish Nationality Electrical Engineer	250,000	
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Konstantinos Giannakopoulos PO Box 13464 10 <sup>th</sup> Floor Harbour View Samora Avenue Dar es Salaam Tanzania Greek Nationality Director	250,000	
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Dated this 15<sup>th</sup> day of MARCH, 2011

WITNESS to the above signatures:

Signature:	
Postal Address:	CLARA THADEUS MRAMBA Advocate, Notary Public & Commissioner for Oaths
Qualification:	P.O. Box 11133 DAR-ES-SALAAM

CERTIFIED TRUE COPY  
OF THE ORIGINAL

*Grace G Malekano*  
Grace G Malekano  
ADVOCATE

THE COMPANIES ACT OF 2002

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION  
OF

YAPI AFRICA INCORPORATE LIMITED

TABLE A EXCLUDED

1. The regulations in Table A in the First Schedule to the Companies Act of 2002 shall not apply to the Company, except so far as the same are repeated or contained in these Articles.

INTERPRETATION

2. In these Articles, unless the subject or context otherwise requires, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:-

WORDS	MEANINGS
The Act	The Companies Act of 2002 and every statutory modification and re-enactment thereof for the time being in force.
These Articles	These Articles of Association as originally framed or as altered from time to time by Special Resolution.
The Directors	The directors for the time being of the Company.
The Office	The registered office for the time being of the Company.
Tanzania	Means the Mainland of the United Republic of Tanzania.
Relevant Securities	Means: (a) shares in the company other than shares shown in the

memorandum to have been taken by the subscribers to it or shares allotted in pursuance of an employees' share scheme; and

(b) any right to subscribe for or to convert any security into shares in the companies (other than shares so allotted).

3. Unless the context otherwise requires, words or expression contained in these regulations and in the regulations of Table A that apply to the company bear the same meaning as in the Decree but excluding any statutory modification of it not in force when these regulations become binding on the company words importing the singular only shall include the plural and vice versa, words importing the masculine gender shall include also corporations.
4. The headings in these regulations are for convenience only and shall be ignored in construing the language or meaning of the Articles. Regulation 1 of Table A shall apply as amended.

#### SHARES

5. The Company's share capital is Tanzanian Shillings One Hundred Thousand (Tshs. 500,000,000/=) divided into Five Hundred Thousand (500,000) Ordinary shares of TShs.1,000/= each.
6. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return or capital or otherwise as the Company may from time to time by Ordinary Resolution determine.
7. Subject to the provisions of the Act, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the opinion of the Company are liable to be, redeemed on such terms and in such manner as the Company before the issue of the shares may by Special Resolution determine.
8. The Company is a private company and accordingly:

- (a) No invitation or offer shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the Company, nor shall the Company allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of the those shares or debentures being offered for sale to the public.
  - (b) The shares shall not be transferable except in accordance with the manner prescribed by these Articles.
  - (c) The number of members of the company shall be limited to fifty, not including persons who are in the employment of the company and persons who, having been formerly in the employment of the company, were while in that employment, and have continued after the determination of that employment to be, members of the company.
9. The Company may pay to any person a commission in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company: Provided that such commission shall not exceed 10 per cent of the price at which such shares are issued, or an amount equivalent to such percentage.
10. (a) The Directors may subject to Article 47 hereof allot, grant options over, or otherwise deal with or dispose of any relevant securities of the Company to such persons and generally on such terms and conditions as the Directors think proper.
- (b) The general authority conferred by paragraph (a) of this Article shall be conditional upon due compliance with Article 47 hereof and shall extend to the amount of the authorised share capital of the Company upon its incorporation.
- (d) The Directors shall be entitled under the general authority conferred by paragraph (a) of this Article to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.
11. If two or more persons are registered as joint holders of any share, any one of such persons

may give effectual receipts for any dividends or other moneys payable in respect of such share.

12. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by these Articles otherwise expressly provided or as required by law.
13. Every member shall be entitled, without payment, to receive within two months after allotment or lodgment of transfer (unless the conditions of issue provide for a longer interval) one certificate (under the Company's common seal) or for all the shares registered in his name, specifying the number and (where necessary) denoting numbers of the shares in respect of which it is issued and the amount paid up thereon; Provided that in the case of joint holders the Company shall not be bound to issue more than one certificate to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all. Every certificate shall be signed by one Director and countersigned by the Secretary or by an assistant or deputy Secretary. Where parts only of the shares comprised in a certificate are transferred, the member transferring shall be entitled without payment to a certificate for the balance thereof.
14. If any share certificate shall be defaced, worn out, destroyed or lost, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company investigating the evidence as the Directors shall require but otherwise free of charge and (in case of defacement or wearing out) on delivery up of the old certificate.

#### LIEN

15. The Company shall have a first and paramount lien upon all shares (whether fully paid or not) registered in the name of any member, either alone or jointly with any other person, for his debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors may at any time declare any share to be exempt, wholly or partially, from the provision of this Article.

16. The Directors may sell the shares subject to any such lien at such time or times and in such time or times and in such manner as they think fit, but no sale shall be made until such time as the monies in respect of which such lien exists or some part thereof are or is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due to specifying the liability or engagement and demanding payment or fulfillment or discharge thereof and giving notice of intention to sell in default shall have been served on such member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfillment or discharge shall have been made by him or them for fourteen days after such notice.
17. The net proceeds of any such sale shall be applied in or towards satisfaction of the amount due to the Company, or of the liability or engagement, as the case may be, and the balance (if any) shall be paid to the member or the persons (if any) entitled by transmission to the shares so sold.
18. Upon any such sale as aforesaid, the Directors may authorise some person to execute an instrument of transfer of the shares sold to the purchaser and may enter the purchaser's name in the register as holder of the shares, and the purchase money, nor shall his title to the shares be affected by irregularity or invalidity in proceedings in reference to the sale.
19. No member shall be entitled to receive any dividend or to exercise any privilege as a member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

#### CALLS ON SHARES

20. The Directors may, subject to the provisions of these Articles, from time to time make such calls upon the members in respect of all monies unpaid on their shares as they think fit, provided that fourteen days' notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons, by the instalments (if any) and at the times and places appointed by the Directors.
21. A call shall be deemed to have been made at the time when the resolution of the Directors

authorising such call was passed.

22. The joint holders of a share shall be jointly and severally liable for the payment of all calls and instalments in respect thereof.
23. If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate not exceeding 20 per cent, per annum as the Directors shall fix from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.
24. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all other relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.
25. The Directors may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.
26. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the monies due upon his shares beyond the sums actually called up thereon, and upon the monies so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Directors may pay or allow such interest as may be agreed between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up.

#### TRANSFER OF SHARES

27. Subject to the restrictions of these Articles, shares shall be transferable, but every transfer must be in writing and must be left at the registered office, accompanied by the certificate of

- the shares to be transferred and such other evidence (if any) as the Directors may require to prove the title of the intending transferor.
28. The instrument of transfer of a share shall be executed by the transferor and, when the share is not fully paid, by the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
29. Absent approval by the Board of Directors, any share may only be transferred to a company with the same purpose, mission, and incorporation status as Industrial Revelation Inc.
30. No share shall in any circumstances be issued or transferred to any infant, bankrupt or person of unsound mind.
31. (1) Save as provided in Article 27, no share shall be transferred to any person who is not a member of the Company so long as any member is willing to purchase the same at the fair value (as hereinafter defined), which shall be determined as hereinafter provided.
- (2) In order to ascertain whether any member is willing to purchase a share at the fair value, the person, whether a member of the Company or not, proposing to transfer the same (hereinafter called "the retiring member") shall give a notice in writing (hereinafter described as a "sale notice") to the Company that he desires to transfer the same. Every sale notice shall specify the number of the shares which the retiring member desires to transfer, and shall constitute the Company the agent of the retiring member for the sale of such shares to any member of the Company at the fair value. No sale notice shall be withdrawn except with the sanction of the Directors.
- (3) Forthwith upon receipt by the Company of any sale notice the Company shall direct the Auditors for the time being of the Company to certify the fair value of the shares comprised in such sale notice in accordance with sub-paragraph (4) hereof.
- (4) The fair value of the shares for the purposes of this Article shall be such price as shall be certified in writing by the Auditors of the Company for the time being as being, in their opinion, the fair value of the said shares and in so certifying the Auditors shall pay no regard as to whether the shares comprised in such sale notice form part of a

majority or minority holding in the Company. In carrying out the obligations created by this Article the Auditors shall be considered to be acting as experts and not as arbitrators, and in so determining the fair value of the shares their decision shall be final and binding.

- (5) If the Directors within twenty-eight days after the receipt by the Company of the certificate of the Auditors of the fair value of the shares specified in the sale notice find a member willing to purchase any share comprised therein (hereinafter described as a "purchasing member") and shall give notice thereof to the retiring member, the retiring member shall be bound upon payment of the fair value to transfer the share to such purchasing member. The Directors shall, with a view to finding a purchasing member, offer any shares comprised in the Company as nearly as may be in the proportion to their holdings of shares in the Company, and shall limit a time within which such offer if not accepted will be deemed to have been declined; and the Directors shall make such arrangements as regards the finding of a purchasing member for any shares not accepted by a member to whom they shall have been so offered as aforesaid within the time so limited as they shall think just and reasonable.
- (6) In the event of the retiring member failing to carry out the sale of any shares which he shall have become bound to transfer as aforesaid, the Directors may authorise some person to execute a transfer of the shares to the purchasing member and may give a good receipt for the purchase price of such shares, and may register the purchasing member as holder thereof and issue to him a certificate for the same, and thereupon the purchasing member shall become indefeasibly entitled thereto. The retiring member shall in such case be bound to deliver up his certificate for the said purchase price, without interest, and if such certificate shall comprise any shares which he has not become bound to transfer as aforesaid the Company shall issue to him a balance certificate for such shares.
- (7) If the Directors shall not, within the space of twenty-eight days after receipt by the Company of the certificate of the Auditors referred to in sub-paragraph (5) above, find a purchasing member for all or any of the shares comprised in the sale notice and give notice to the retiring member in the manner aforesaid, or if, through no default of the retiring member, the purchase of any share in respect of which such last mentioned notice shall be given shall not be completed within twenty-one days from

the service of such notice, the retiring member shall at any time within six months thereafter be at liberty, subject to Article 30, to sell and transfer the shares comprised in his sale notice (or such of them as shall not have been sold to a purchasing member) to any person and at any price.

32. The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share whether or not it is a fully paid share, but such right of refusal shall not be exercisable in the case of any transfer made pursuant to Article 27.
33. If the Directors refuse to register a transfer of any shares they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal, as required by the Act.
34. The registration of transfers may be suspended and the register of members closed during the fourteen days immediately preceding every Annual General Meeting of the Company, and at such other times (if any) and for such period as the Directors may from time to time determine, provided always that the register shall not be closed for more than thirty days in any year.

#### TRANSMISSION OF SHARES

35. In the case of the death of a member, the survivors or survivor, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him.
36. Any person becoming entitled to a share in consequence of the death or bankruptcy of any member may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share, or, subject to the provisions as to transfers herein contained (which shall apply as if the death or bankruptcy of the member had not occurred) transfer the same to some other person.
37. A person entitled to a share by transmission shall be entitled to receive, and may give a

discharge for, any dividends or other monies payable in respect of the share, but he shall not be entitled in respect of it to receive notice of, or to attend or vote at meetings of the Company or, save as aforesaid, to exercise any of the rights or privileges of a member, unless and until he shall become a member in respect of the share.

#### FORFEITURE OF SHARES

38. If any member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment, or such part thereof as remains unpaid, together with interest at such rate not exceeding 10 per cent. per annum as the Directors shall determine, and any expenses that may have accrued by reason of such non payment.
39. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which such call or installment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.
40. If the requisitions of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture, notwithstanding that they shall have been declared.
41. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the register of members opposite to the share; but the provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

42. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payments of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.
43. Every share which shall be forfeited may be sold, re-allotted, or otherwise disposed of, either to the person who was before forfeiture the holder thereof, or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and the Directors may, if necessary, authorise some person to transfer the same to such other person as aforesaid.
44. A shareholder whose shares have been forfeited shall, notwithstanding, be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon to the date of payment, in the same manner in all aspects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture without any deduction or allowance for the value of the shares at the time of forfeiture.
45. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Act given or imposed in the case of past members.
46. A statutory declaration in writing that the declarant is a Director of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the date upon which it was forfeited shall, as against all persons claiming to be entitled to share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated, and such declaration shall constitute a good title to the share, and (subject to the execution of any necessary transfer) such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

## ALTERATIONS OF CAPITAL

47. The Company may from time to time by Ordinary Resolution: -

- (A) consolidate and divide its share capital into shares of larger amount than its existing shares, or
- (B) cancel any shares not taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;
- (C) divide its share capital or any part thereof into shares of smaller amounts than is fixed by its Memorandum of Association by sub-division of its existing shares or any of them, subject nevertheless to the provisions of the Act;

and by Special Resolution:-

- (D) reduce its share capital or any capital redemption reserve or share premium account in any manner authorised and subject to any conditions prescribed by the Act.

48. (1) The Company in General Meeting may from time to time whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and (subject to any special rights for the time being attached to any existing class of shares) to carry such preferential, deferred or other special rights (if any), or to be subject to such conditions or restrictions (if any), in regard to dividend, return of capital, voting or otherwise, as the General Meeting resolving upon such increase directs.

(2) Subject to the provisions of the Act the Company may: -

- (i) issue shares, which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and in such manner as shall satisfy the conditions in the Act;
- (ii) purchase its own shares (including any redeemable shares);
- (iii) make a payment in respect of any such redemption or purchase of any of its

own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

49. Subject to any direction to the contrary that may be given by the Company in General Meeting all shares authorised pursuant to Article 8 hereof to be allotted shall be offered to the members in proportion to the existing shares held by them and such offer shall be made by notice in writing specifying the number of the shares to which the member is entitled and limiting a time (being not less than 21 days) within which the offer if not accepted will be deemed to have been declined, and after the expiry of such time or upon receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Directors may, subject to these Articles, allot or otherwise dispose of the same to such persons and upon such shares as aforesaid which, by reason of the proportion borne by them to the number of persons entitled to any such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in manner hereinbefore provided.
50. Except so far as otherwise provided by or pursuant to these Articles or by the conditions of issue, any new share capital shall be considered as part of the original ordinary share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

#### MODIFICATION OF RIGHTS

51. Subject to the provisions of the Act if at any time the share capital of the Company is divided into different classes of shares, the rights or privileges for the time being attached to any class of shares may (notwithstanding that the Company may be or be about to be in liquidation) be varied or abrogated with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class. To any such separate general meeting all the provisions of these Articles relating to General Meetings shall apply provided always that the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question and at an adjourned meeting one person holding shares of the class in question or his proxy and provided that any holder of shares of the class in question present in person or proxy may demand a poll.

### GENERAL MEETINGS

52. 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.

Provided that so long as the Company shall hold its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place, as the Directors shall appoint.

53. All general meetings other than annual general meetings shall be called extraordinary general meetings.
54. The Directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by the Act.

### NOTICE OF GENERAL MEETINGS

55. Every general meeting shall be called by twenty-one days notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and the nature of any special business that is to be transacted, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company in general meeting, to such persons as are, under the regulations of the Company, entitled to receive such notices from the Company. Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in these presents, be deemed to have been duly called if it is so agreed -

- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the members having a

right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

56. The accidental omission 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 that meeting.

#### PROCEEDINGS AT GENERAL MEETINGS

57. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of declaring a dividend, the consideration of the accounts and balance sheets and the reports of the Directors and Auditors, and any other documents accompanying or annexed to the balance sheets, the election of Directors in place of those retiring and the appointment and fixing of the remuneration of the Auditors.
58. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided, two members present in person or by proxy shall be a quorum.
58. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.
60. The Chairman (if any) of the Board of Directors shall preside at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be present but unwilling to act as Chairman, the members present shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, they shall choose some member present to be Chairman of the Meeting.
61. The Chairman of any meeting at which a quorum is present may, with the consent of the

meeting, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business, which might have been transacted at the meeting from which the adjournment took place.

62. At all General Meetings a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded by the Chairman or by at least two persons for the time being entitled to vote at the meeting, or by a member or members representing one-tenth of the total voting rights of all the members having the right to vote at the meeting, or 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 unless a poll be so demanded a declaration by the Chairman of the meeting 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 that effect in the minute book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such a resolution. The demand for a poll may be withdrawn.
63. Subject as provided in Article 62, if a poll be demanded in manner aforesaid, it shall be taken in such manner, as the Chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
64. No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.
65. In the case of any 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.
66. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which a poll has been demanded.

### VOTES OF MEMBERS

67. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder.
68. A member in respect of whom an order has been made by any Court having jurisdiction (whether in Tanzania or elsewhere) in matters concerning mental disorder may vote whether on a show of hands or on a poll by his receiver, curator bonis or other person authorised in that behalf appointed by that Court, and such last-mentioned persons may give their votes either personally or by proxy.
69. If two or more persons are jointly entitled to a share, then in voting upon any question 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 holders of the share, and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
70. Save as herein expressly provided, no member other than a member duly registered who shall have paid everything for the time being due from and payable to the Company in respect of his shares shall be entitled to vote on any question either personally or by proxy, or to be reckoned in a quorum, at any General Meeting.
71. Votes may be given either personally or by proxy. On a show of hands a member (other than a corporation) present only by proxy shall have no vote, but a proxy for or representative of a corporation may vote on a show of hands. A proxy need not be a member.
72. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if such appointor is a corporation under its common seal, if any, and, if none, then under the hand of some officer duly authorised in that behalf. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointor.
73. The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or a notarially certified or office copy thereof, shall be deposited at the office at

least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or in the case of a poll not less than twenty-four hours before the appointed for taking the poll and in default the instrument of proxy shall not be treated as valid.

74. Any instrument appointing a proxy shall be in the following form with such variations (if any) as circumstances may require or the Directors may approve: -

" YAPI AFRICA INCORPORATE LIMITED

I,

"of , a member of

" YAPI AFRICA INCORPORATE LIMITED

"hereby appoint ,

"of ,

"to vote for me and on my behalf at the [Annual,

"Extraordinary or Adjourned, as the case may be]

"General Meeting of the Company to be held

"on the day of and at

"every adjournment thereof.

"As witness my hand this day of ."

75. 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 vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chairman whose decision shall be final and conclusive.

76. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Registered Office before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

77. Subject to the provisions of the Act, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting of the Company 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.

### DIRECTORS

78. Unless and until otherwise determined by the Company in General Meeting, the number of the Directors shall not be less than two or more than five. The first Directors of the Company shall be as named in the particulars delivered to the Registrar of Companies pursuant to the provisions of the Act and for the avoidance of doubt it shall not be a requirement for a Director to also be a shareholder in the Company nor vice versa. .
79. The Directors shall have power from time to time and at any time to appoint any person who is willing to be a Director, either to fill a vacancy or as an additional Director. A Director so appointed shall hold office only until the next Annual General Meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the Meeting, but shall be eligible for re-election at that Meeting.
80. The remuneration of the Directors shall from time to time be determined by the Company in General Meeting. Unless otherwise directed by the resolution by which it is voted, any such remuneration shall be divided amongst the Directors as they may agree, or, failing agreement, equally. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses properly incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to or from Board Meetings. If by arrangement with the other Directors any Director shall perform or render any special duties or services outside his ordinary duties as a Director, the Directors may pay him special remuneration, in addition to his ordinary remuneration, and such special remuneration may be by way of salary, commission or participation in profits, or by any or all of those modes, or otherwise as may be arranged.
81. The office of a Director shall be vacated:-

- (A) If he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director.
- (B) If a receiving order is made against him or he makes any arrangement or composition with his creditors.
- (C) If he becomes of unsound mind and either he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Diseases Act (Cap. 98) or an order is made by a Court having jurisdiction (whether in the Tanzania or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs.
- (D) If he absents himself from the meetings of the Board during a continuous period of six months without special leave of absence from the Directors, and they pass a resolution that he has by reason of such absence vacated his office.
- (E) If by notice in writing given to the Company he resigns his office.

#### MANAGING DIRECTORS AND EXECUTIVE DIRECTORS

82. (A) The Directors may from time to time appoint any one or more of their body to be Managing Director or to any other executive office under the Company (hereinafter referred to as an "Executive Director") and, subject to the provisions of the Act, for such period and upon such terms as they think fit, and may vest in such Managing Director or Executive Director such of the powers hereby vested in the Directors generally as they may think fit, and such powers may be made exercisable for such period or periods and upon such condition and subject to such restrictions, and generally such terms as to remuneration and otherwise as they may determine. The remuneration of such Managing Director or Executive Director may be made payable by way of salary or commission or participation in profits, or by any or all of those modes or otherwise as may be thought expedient, and it may be made a term of any such appointment that he shall receive a pension, gratuity or other benefit on his retirement.

- (B) A Managing Director and any Executive Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire, but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director or Executive Director (as the case may be).

#### POWERS AND DUTIES OF DIRECTORS

83. The business of the Company shall be managed by the Directors, who may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Act or these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Act to any directions given by special resolution but no alteration of the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if such alteration had not been made or that direction had not been given.
84. The Directors may borrow or raise from time to time for the purposes of the Company or secure the payment of such sums as they think fit, and may secure the repayment or payment of any such sums by mortgage or charge upon all or any of the property or assets of the Company or subject (in the case of any security convertible into shares) to the provisions of Article 8, by the issue of debentures, debenture stock and other securities as they may think fit. (Provided that the amount for the time being remaining undischarged of monies borrowed, raised or secured by the Directors shall not at any time exceed (twice the nominal amount of the issued share capital for the time being of the Company) without the sanction of the Company in General Meeting; but no lender shall be bound to see that this limit is observed.)
85. Subject to the provisions of the Act, the Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director or former Director who has held any executive office or employment with the Company or to his widow or dependants

and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

86. The continuing Directors may act at any time notwithstanding any vacancy in their body; provided always that in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as Directors for the purpose of filling up vacancies in their body, or of summoning a General Meeting of the Company, but not for any other purpose.

87. (A) Subject to the provisions of the Act a Director notwithstanding his office may contract with, be a party to, or otherwise interested in any contract or proposed contract or arrangement with the Company or in which the company is otherwise interested and shall not be liable to account for any profit or other benefit derived by him by reason of any such matter and no such contract, proposed contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit: Provided that the nature and extent of the interest of the Director be declared at a meeting of the Directors in full compliance with the Act.

(B) For the purposes of paragraph (A) a general notice given to the Directors at such meeting by a Director to the effect either that he is a member of a specified company or firm and is to be regarded as interested in any contract, transaction or arrangement which may, after the date of the notice, be made with that company or firm, or that he is to be regarded as interested in any contract, transaction or arrangement which may after the date of the notice be made with a specified person who is connected with him shall be sufficient declaration of interest in relation to any such contract, transaction or arrangement.

(C) A Director may vote at a meeting of the Directors or of a committee of Directors upon any resolution concerning a contract, proposed contract, transaction or arrangement in which he has, whether directly or indirectly, an interest or upon any matter arising therefrom, and if he shall so vote his vote shall be counted and he shall be taken into account in determining whether a quorum is present at such meeting.

### ROTATION OF DIRECTORS

88. There shall be no provision or requirement for rotation of directors

### PROCEEDINGS OF DIRECTORS

89. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined, two shall be a quorum. Questions arising at any 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.
90. The Directors may, and on the request of a Director the Secretary shall, at anytime summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the Tanzania.
91. The Directors may from time to time elect a Chairman, who shall preside at meetings of the Directors, and determine the period for which he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose someone of their number to be Chairman of such meeting.
92. (A) A Director (other than an alternate Director) may from time to time by notice in writing to the Company appoint any Director or any person approved by his co-Directors to act as an alternate Director at any meeting of the Board from which he is himself absent, and may in like manner remove any person so appointed from office.
- (B) An alternate Director appointed under this Article shall not be entitled to any remuneration from the Company, but he shall be entitled, while holding office as such, to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member and to attend and vote thereat in place of and in the absence of the Director appointing him.
- (C) Such alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director; but if a Director retires by rotation or otherwise but is re-appointed

or deemed to have been re-appointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.

- (D) An alternate Director shall be deemed for all purposes (save for the appointment of an alternate Director under this Article) a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.
- (E) A person who holds office only as an alternate Director shall, if his appointor is not present, be taken into account in reckoning a quorum at any meeting of the Directors or any committee of the Directors.
93. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. 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.
94. A committee may elect a Chairman of its meetings. If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting.
95. A committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman of the committee shall have a second or casting vote.
96. All acts bona fide done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director.
97. The Directors shall cause proper minutes to be made of all General Meetings of the Company and proper records to be kept of all Written Resolutions (and of signatures) and also of all appointments of officers, and of the proceedings of all meetings of Directors and committees,

and of the attendances thereat, and all business transacted at such meetings. All such minutes and records (and signatures) shall be entered in books provided for the purpose. Any such record of a Written Resolution (and of the signatures) purporting to be signed by a Director or by the Secretary shall be evidence of the proceedings in agreeing to a Written Resolution and until the contrary is proved the requirements of the Act with respect to those proceedings shall be deemed to be complied with and any such minutes of any such meeting, if purporting to be signed by the Chairman of such meeting, shall be conclusive evidence without any further proof of the facts therein stated.

98. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors or of a committee of Directors shall be as valid and effective for all purposes as a resolution passed at a meeting of the Directors or (as the case may be) a committee of Directors duly convened, held and constituted and may consist of several documents in the like form each signed by one or more Directors.

#### THE COMMON SEAL

99. The Company's common seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors, and in the presence of at least two Directors or one Director and of the Secretary, and such Director(s) and/or the Secretary, as the case may be, shall sign every instrument to which the common seal shall be affixed in their presence, and in favour of any purchaser or person bona fide dealing with the Company such signatures shall be conclusive evidence of the fact that the common seal has been properly affixed. It shall be permissible, however for one director to give a power of attorney to another and that such director holding power of attorney may sign on his own behalf as well as on behalf of the other in respect of whom he holds the power of attorney.

#### SECRETARY

100. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them.
101. No person shall be appointed or hold office as Secretary who is -

- (a) the sole Director of the Company; or
  - (b) a corporation the sole Director of which is the sole Director of the Company;
  - (c) the sole Director of a corporation which is the sole Director of the Company.
102. A provision of the Act or these presents requiring or authorising 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.

#### DIVIDENDS AND RESERVE FUNDS

103. Subject to any rights or privileges for the time being attached to any shares in the capital of the Company having preferential, deferred or other special rights in regard to dividends, the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up thereon respectively otherwise than in advance of calls. 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.
104. Subject to the provisions of the Act, the Company in General Meeting may from time to time declare dividends to its members, Industrial Revelation Inc. and IR Tanzania, LLC, but no such dividend shall exceed the amount recommended by the Directors.
105. Subject to the provisions of the Act, the Directors may also pay interim dividends to its members, Industrial Revelation Inc. and IR Tanzania, LLC, if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes of shares, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividends, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful

payment of an interim dividend on any shares having deferred or non-preferred rights.

106. With the sanction of a General Meeting, dividends may be paid wholly or in part in specie, and may be satisfied in whole or in part by the distribution amongst the members in accordance with their rights of fully paid shares, stock or debentures or any other property or assets suitable for distribution as aforesaid. The Directors shall have full liberty to make all such valuations, adjustments and arrangements, and to issue all such certificates or documents of title as may in their opinion be necessary or expedient with a view to facilitating the equitable distribution amongst the members of any dividends or portions of dividends to be satisfied as aforesaid or to giving them the benefit of their proper shares and interests in the property, and no valuation, adjustment or arrangement so made shall be questioned by any member.
107. The Directors may, before recommending any dividend set aside out of the profits of the Company such sums as they think proper to a reserve fund or reserve account, which shall at the discretion of the Directors be applicable for any purpose for which the profits of the Company may lawfully be applied. The Directors may also from time to time carry forward such sums as they may deem expedient in the interests of the Company.
108. The Directors may deduct from any dividend or other monies payable in respect of any shares held by a member, either alone or jointly with any other member, all such sums of money (if any) as may be due and payable by him either alone or jointly with any other person to the Company on account of calls or otherwise in relation to the shares of the Company.
109. Any dividend, instalment of dividend or interest in respect of any shares may be paid by cheque or warrant payable to the order of the member entitled thereto, or (in the case of joint holders) of that member whose name stands first on the register in respect of the joint holding.
110. Every such cheque or warrant shall (unless otherwise directed) be sent by post to the last registered address of the member entitled thereto, and the receipt of the person whose name appears on the register of members as the holder of any share, or, in the case of joint holders, of any one of such holders, or of his or their agent duly appointed in writing, shall be a good discharge to the Company for all dividends or other payments made in respect of such share. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

111. No dividend or other monies payable in respect of a share shall bear interest as against the Company unless otherwise provided by the rights attached to the share.
112. 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.

#### CAPITALIZATION OF RESERVES, ETC

113. The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any undivided profits of the Company (not being required for the payment or provision of any fixed preferential dividend) standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if the same had been distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. Provided always that an amount standing to the credit of a share premium account or capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be allotted to members of the Company as fully paid bonus shares.
114. The Company in General Meeting may upon the recommendations of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any reserve account of the Company or its profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares to be allotted as fully paid bonus shares to those members of the Company who would have been entitled to that sum if it were distributed by way of dividend and in the same proportions and the Directors shall give effect to such resolution.
115. Whenever a resolution is passed in pursuance of these Articles the Directors shall make all

appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto. Where any difficulty arises in respect of any such distribution the Directors shall settle the same as they think expedient, and in particular they may issue fractional certificates, fix the value for distribution of any fully paid up shares or debentures, make cash payments to any shareholders on the footing of the value so fixed in order to adjust rights, and vest any such shares or debentures in trustees upon such trusts for or for the benefit of the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors. When deemed requisite the Directors may authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalization, any agreement made under such authority being binding on all such members.

#### ACCOUNTS

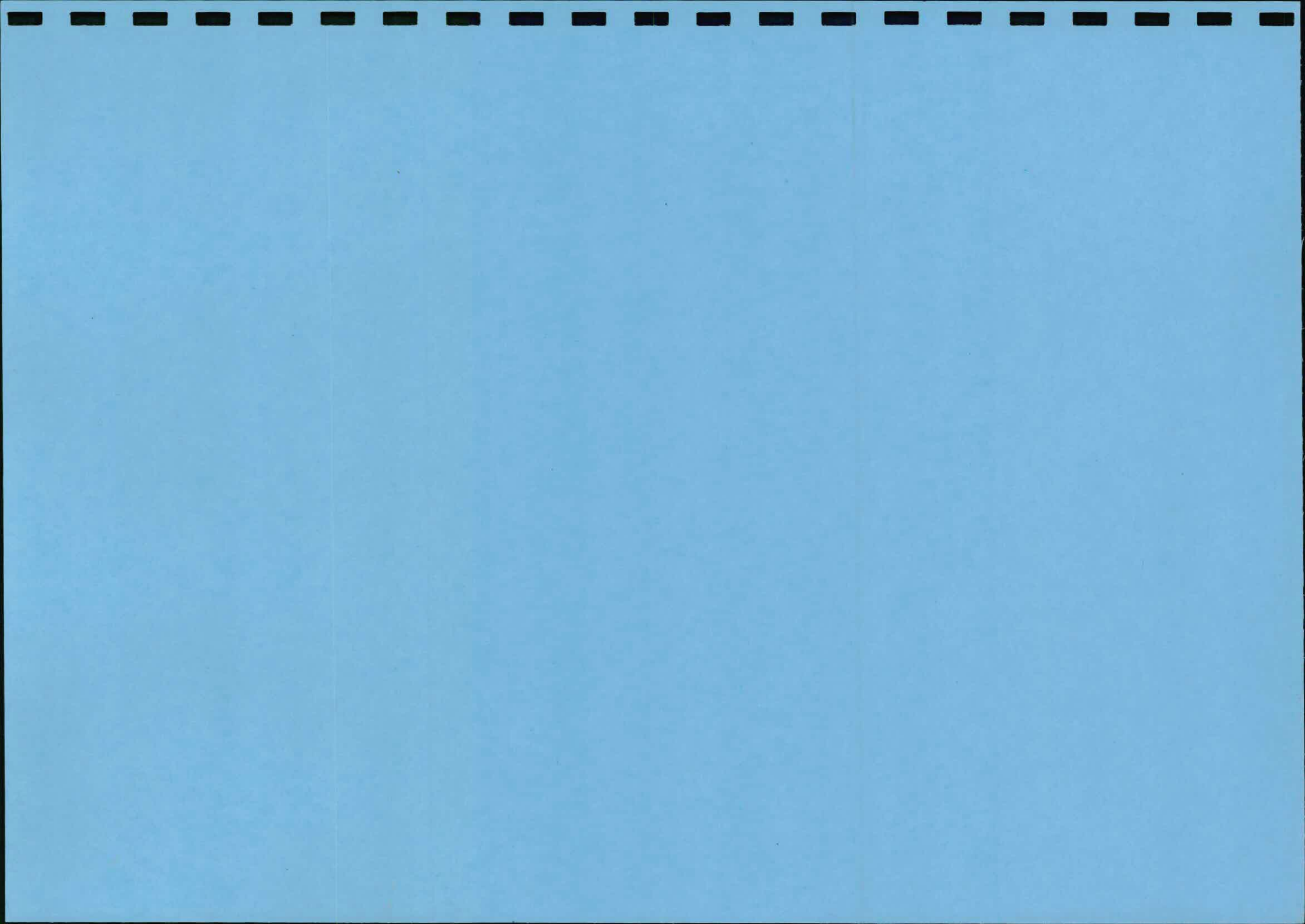
116. The Directors shall cause accounting records to be kept in accordance with the provisions of the Act.
117. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the Company, or any of them, shall be open to the inspection of members, and no member (other than an officer of the Company) shall have any right of inspecting any of the accounting records of the Company except as conferred by the Act authorised by the directors or by a resolution of the Company in General Meeting. The Company's accounting records shall at all times be open to inspection by the officers of the company.
118. The Directors shall from time to time in accordance with the provisions of the Act cause to be prepared and to be laid before the company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as required by the Act.
119. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditors' report, shall not less than twenty-one days before the date of the meeting be sent to all persons entitled to receive notices of general meetings of the Company.

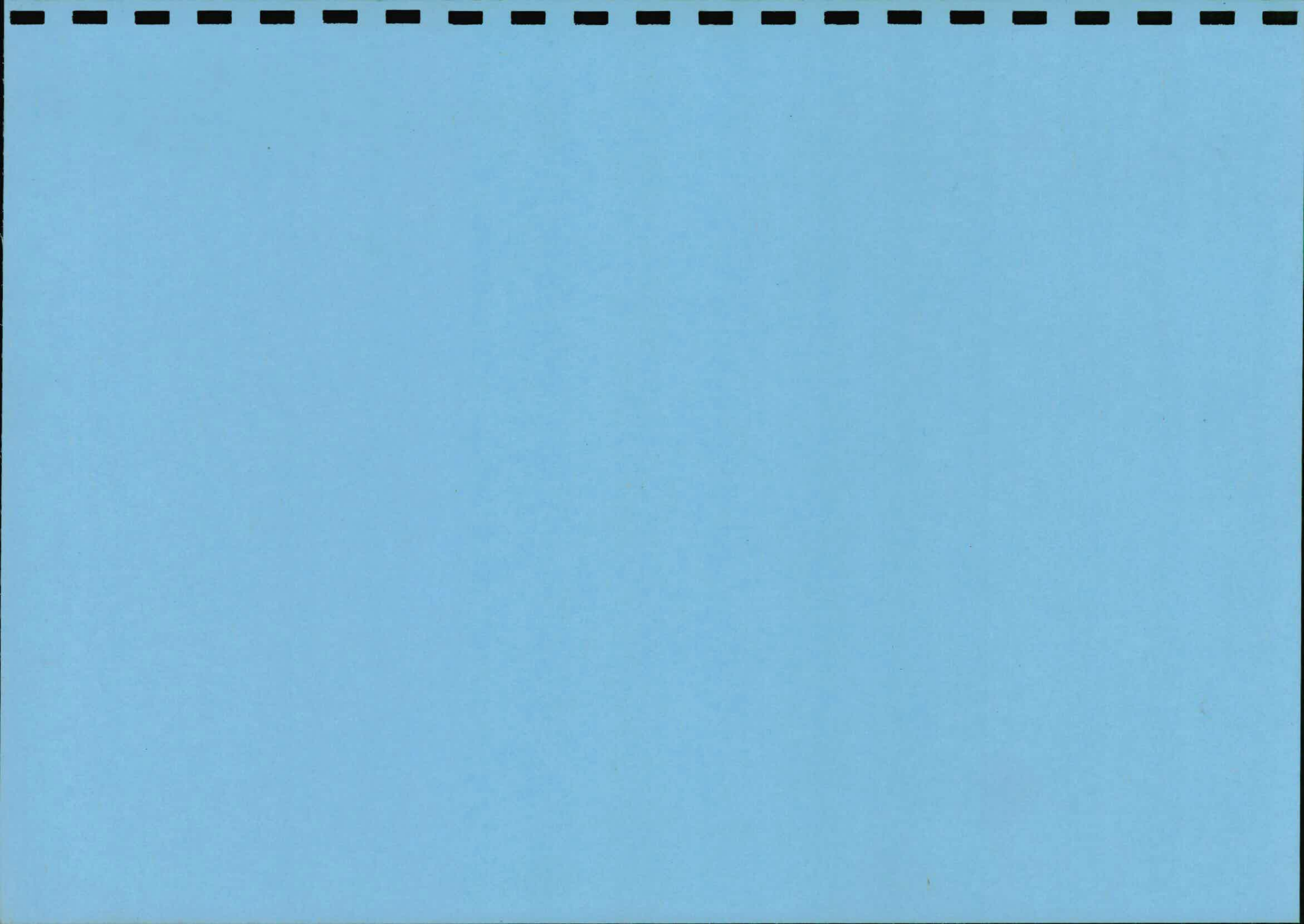
### AUDIT

120. Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.
121. The appointment, powers, rights, remuneration and duties of the Auditors shall be regulated by the provisions of the Act relating thereto.

### NOTICES

122. Any notice to be given pursuant to these Articles shall be in writing and may be served by the Company upon any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register of members or by leaving it at that address.
123. All notices directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the register of members, and any notice so given shall be sufficient notice to the holders of such share.
124. Any member described in the register of members by an address not within Tanzania, who shall from time to time give the Company an address within Tanzania at which notices may be served upon him, shall be entitled to have served upon him at such address any notice to which he would be entitled under these Articles if he had a registered address within Tanzania, but, save as aforesaid, and as provided by the Act, only those members who are described in the register of members by an address within Tanzania shall be entitled to receive notices from the Company.
125. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the Register of Members, has been duly given to a person from whom he derives his title.
126. A notice may be given by the Company to the persons entitled to any share in consequence of







# 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](mailto:information@tic.co.tz)  
Website: [www.tic.co.tz](http://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 KONSTANTINOS GIANNAKOPOULOS  
(director/directors/agent of VAPI AFRICA INCORPORATE LIMITED  
(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 Habour View, 10<sup>th</sup> Floor  
SAMORA, ILALA DAR ES SALAAM

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
  - (ii) Certificate of Incorporation/Registration
  - (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
  - (iv) Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at Habour View, 10<sup>th</sup> Floor Samora DSin
4. The Principal Officers of the Company are 1. KONSTANTINOS GIANNAKOPOULOS  
2. OPALYN SERRANO
5. Auditors of the Company are TO BE APPOINTED
6. The authorized share capital of the Company is Tshs./US\$ 500,000,000/-

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

is Tshs./US\$ ..... 3,660,600/- .....

8. The month and day of the financial year end is 31<sup>st</sup> 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, KONSTANTINOS GIANNAKOPOULOS ..... of Post Office Number 13444 DAR

ES SALAAM ..... do solemnly and sincerely declare that I am a director/duly

authorized agent of YAPI AFRICA INCORPORATE 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 20<sup>th</sup> day of July 2011 }  
..... }

  
Applicant

Before me:



.....  
Commissioner for Oaths

  
20 July 11

**APPLICATION SUMMARY**

Company Name: YAPI AFRICA INCORPORATE LTD

Certificate of Incorporation Number: 82130 Status: NEW

Certificate of Incorporation Date: 17<sup>th</sup> March 2011

Post Box: 13444

Town: DAR ES SALAAM

Sector: CONSTRUCTION/MANUFACTURING

Sub-Sector: SUB BASE MATERIAL / ROAD CONSTRUCTIONS

**Investment Financing Plan in Million US\$/Tshs.**

Foreign Equity	Local Equity	Foreign Loan	Local Loan
<u>3,660,000/-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Project Objectives: Manufacturing unit for sub-base materials for Road aggregates and Building rehab.

Capacity: 300000 m<sup>2</sup>

Employment: Foreign: 5 Local: 45 Total: 50

Implementation Period: 3 YRS

**Project Location**

Site/Plot/Block No.: QDS 167/3

Street: Pongwe-Nsongula District: BAGAMOYO Region: CCAST  
 (Attach sketch map showing project location)

Shareholders	Nationality	%
<u>SULEYMAN H. MUFTICIL</u>	<u>TURKISH</u>	<u>50</u>
<u>CONSTANTINOS GIANNAKOPOULOS</u>	<u>GREEKIAN</u>	<u>50</u>
.....	.....	.....
.....	.....	.....
.....	.....	.....

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

Land/Building	..... 45,000/-
Plant	..... 2,810,000/-
Vehicles	..... 560,000/-
Furniture & Fittings	..... 20,000/-
Pre-expenses	..... 15,000/-
Others	..... 10,000/-
Working Capital	..... 200,000/-
<b>TOTAL</b>	..... <b>3,660,000/-</b>

**Contact Details:**

Name: KONSTANTINOS GIANNAKOPOULOS

Title: Director Managing

Telephone: +255 713 340479

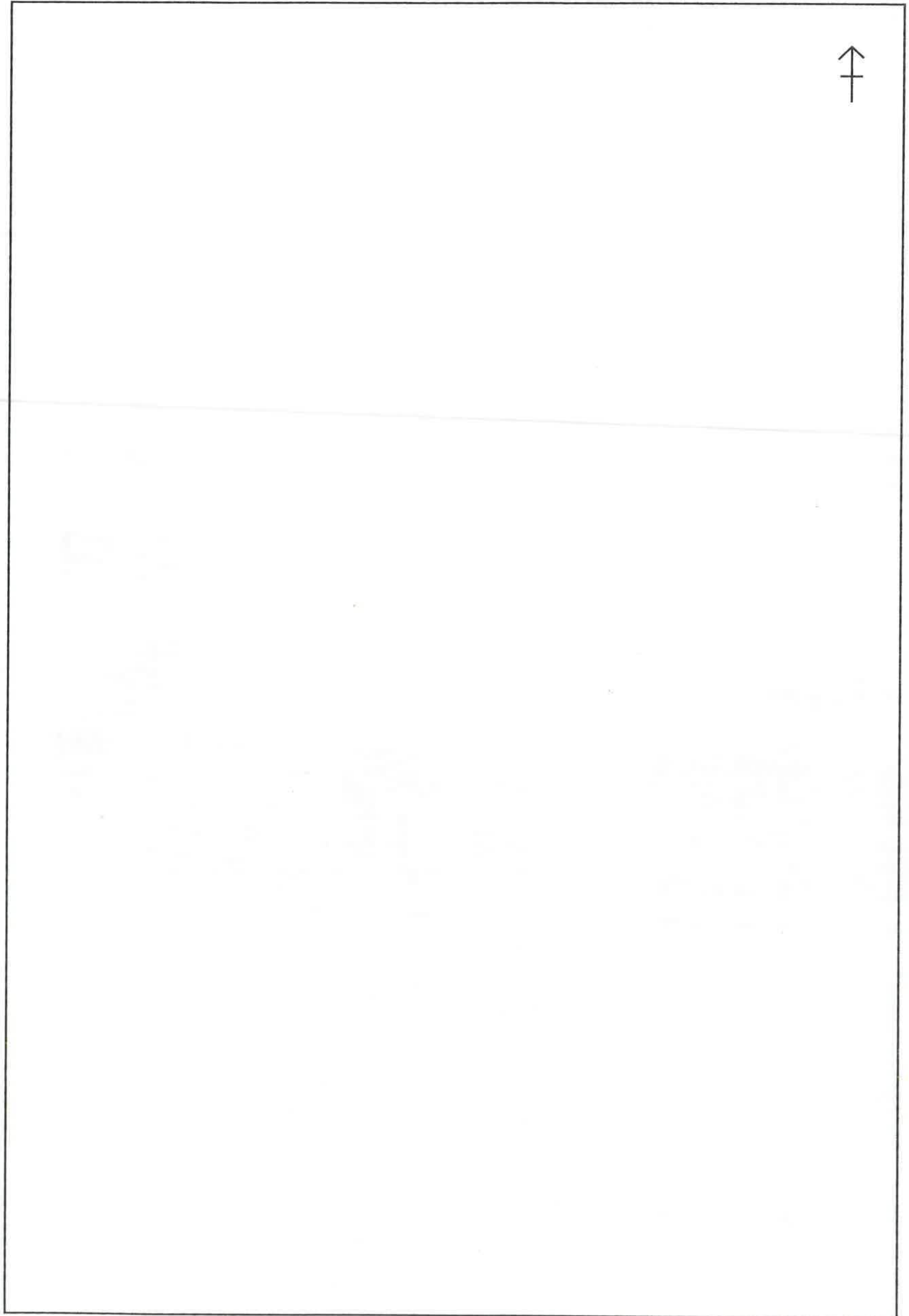
Fax: -

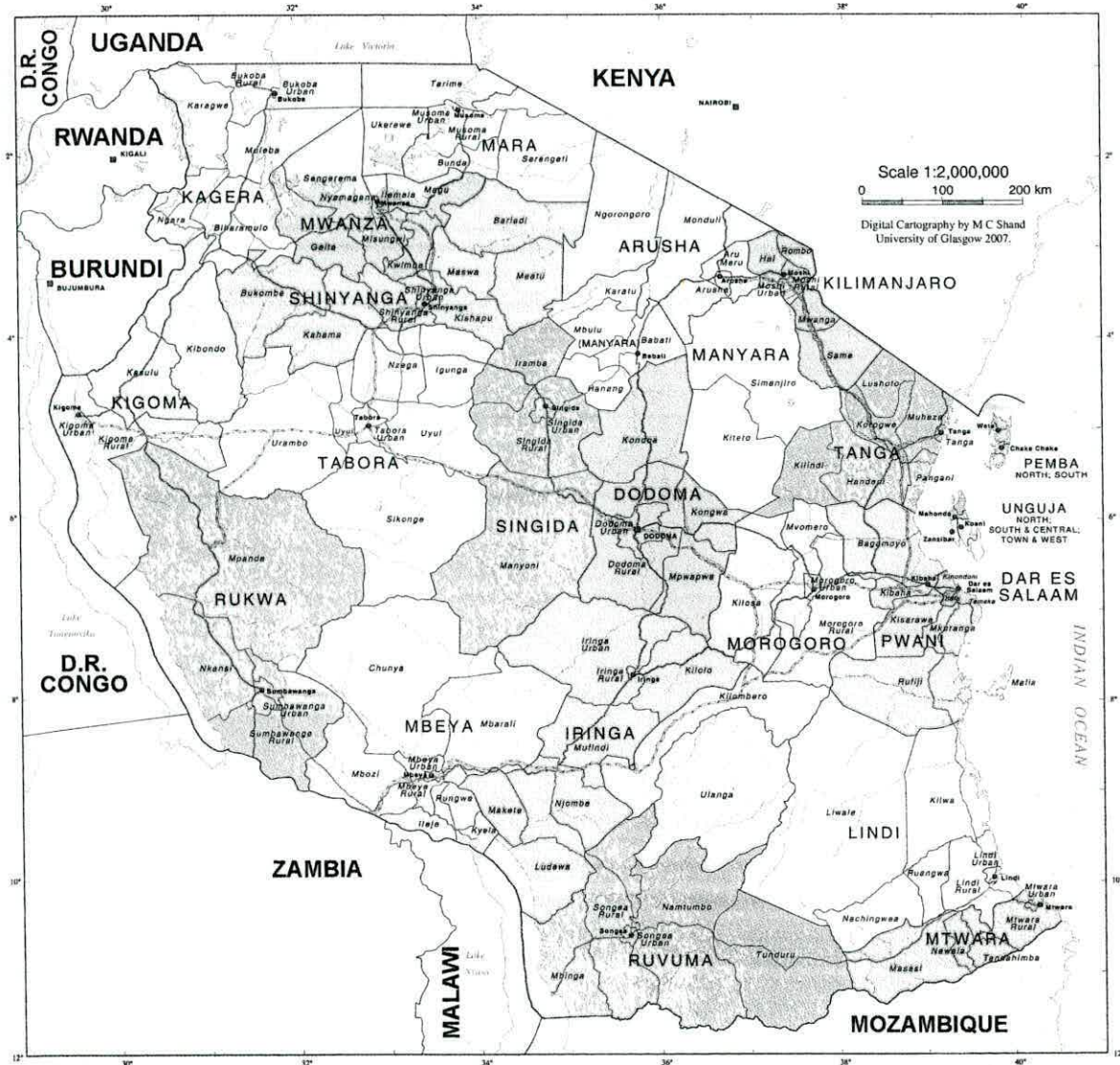
Email: ayie\_comicor@yahoo.com

**Payments to be made payable to:**

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

SKETCH MAP SHOWING PROJECT LOCATION







# TANZANIA INVESTMENT CENTRE

## REGISTRATION FORM

FOR

## CERTIFICATE OF INCENTIVES

(Tanzania Investment Act 1997, Section 17 and 18,  
and the Investment Regulations:  
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Tanzania Investment Centre  
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Website: [www.tic.co.tz](http://www.tic.co.tz)

(Please fill the form in duplicate)

**APPLICATION SUMMARY**

Company Name: YAPI AFRICA INCORPORATE LTD

Certificate of Incorporation Number: 2130 Status: NEW

Certificate of Incorporation Date: 17<sup>th</sup> March 2011

Post Box: 13444

Town: DAR ES SALAAM

Sector: CONSTRUCTION/MANUFACTURING

Sub-Sector: SUB BASE MATERIAL / ROAD CONSTRUCTIONS

**Investment Financing Plan in Million US\$/Tshs.**

Foreign Equity	Local Equity	Foreign Loan	Local Loan
<u>3,660,000/-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Project Objectives: Manufacturing Unit for sub-base materials for Road aggregates and Building rehab.

Capacity: 300000 M<sup>2</sup>

Employment: Foreign: 5 Local: 45 Total: 50

Implementation Period: 3 YRS

**Project Location**

Site/Plot/Block No.: QDS 167/3

Street: Pongwe-Msingula District: BAGAMOYO Region: COAST

(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>SULEYMAN H. MUFTICIL</u>	<u>TURKISH</u>	<u>50</u>
<u>CONSTANTINOS GIANNAKOPOULOS</u>	<u>GREEKIAN</u>	<u>50</u>
.....	.....	.....
.....	.....	.....
.....	.....	.....

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

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Plant	..... 2,810,000/-
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Pre-expenses	..... 15,000/-
Others	..... 10,000/-
Working Capital	..... 200,000/-
<b>TOTAL</b>	..... <b>3,660,000/-</b>

**Contact Details:**

Name: KONSTANTINOS GIANNAKOPOULOS

Title: Director Managng.

Telephone: +255 713 340479

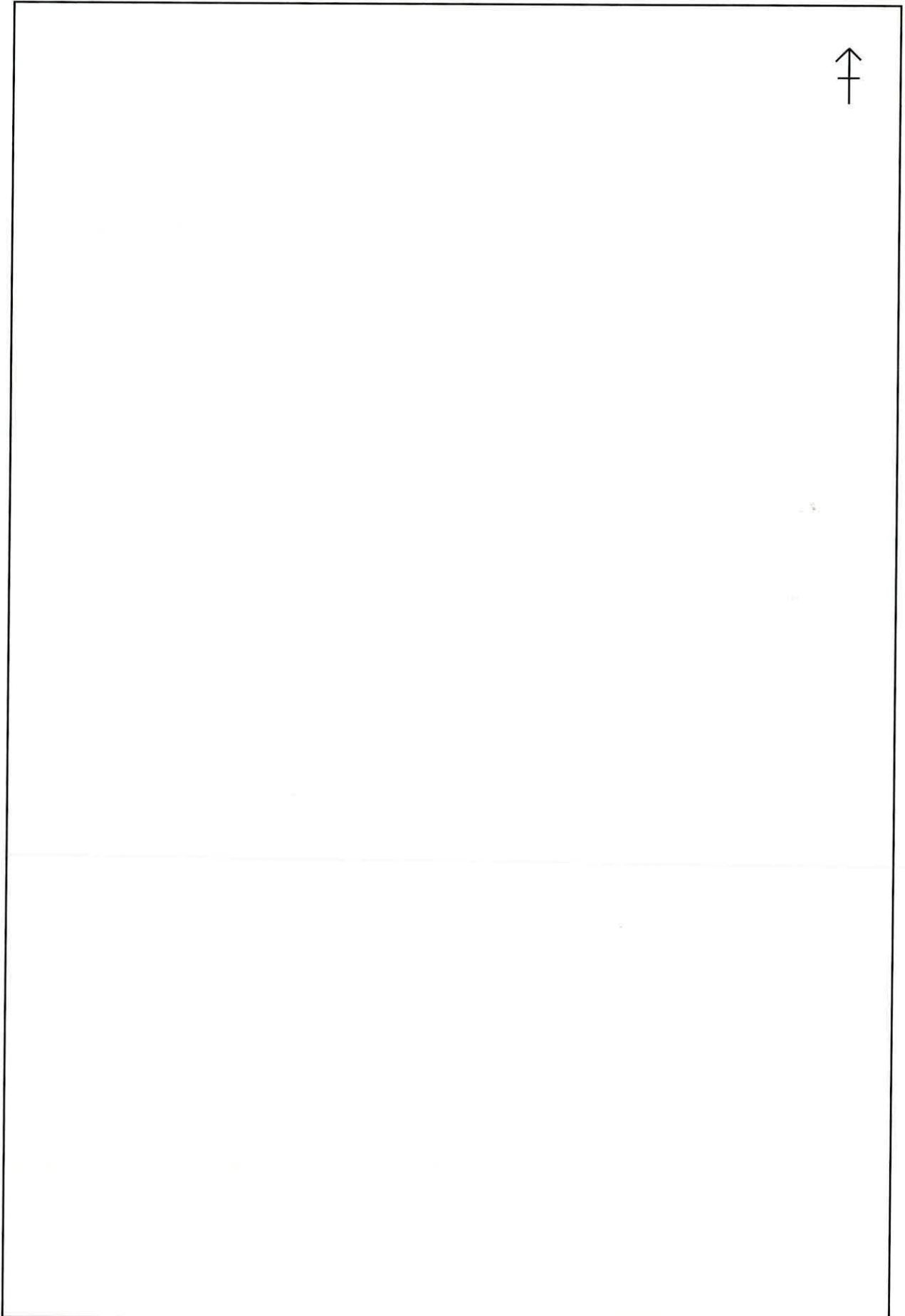
Fax: -

Email: ayie\_canicor@yahoo.com

**Payments to be made payable to:**

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

**SKETCH MAP SHOWING PROJECT LOCATION**







00217897

THE UNITED REPUBLIC OF TANZANIA

# Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042076

## This is to certify that

YAPI AFRICA INCORPORATE LIMITED

of address P.O. BOX 13444

COAST REGION

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

YAPI AFRICA INCORPORATE LIMITED

Which is located at PLOT NO. 16/3 PONGWE - MSUNGULA

BAGAMOYO - COAST REGION (PWANI)

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

  
Ag. Executive Director

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

Dated 5TH AUGUST 2011



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 (%) |
|-----------------------------|-------------|------------------|
| Konstantinos Giannakopoulos | Grecian     | 50               |
| Suleyman Hamit Muftigil     | Turkish     | 50               |
2. Proposed Activities : To establish a project for producing building materials (Aggregates)
3. Sector: Manufacturing Subsector: Building Materials
4. Investment cost: Foreign USD 3.66m. Local - Total USD 3.66m
5. Project Financing: Equity USD 3.66m. Loans - Total USD 3.66m.
6. Source, terms and conditions of loan
7. Assets to be invested:
- | Capital items: | Foreign    | Local | Total      |
|----------------|------------|-------|------------|
|                | USD 3.66m. | -     | USD 3.66m. |
8. Technology Agreement None
9. Date of TIC Registration: 2nd August 2011
10. Implementation period August 2011 - July 2014
11. Operative date August 2014
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
- |   |   |
|---|---|
| (i) Applicable Import Duty              | And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997 |
| (ii) Applicable with-holding Tax        | As per Income Tax Act, 2004 (as amended)                |
| (iii) Eligibility of Capital Allowances | As per Income Tax Act, 2004 (as amended)                |
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
- Date of Commencement of investment has to be notified to the Centre.
  - Certificate not to be transferred, assigned or amended
  - Failure to commence implementation within two years invalidates Certificate
  - Failure to operate investment must be notified to the Centre
  - Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate  
Finished goods are not allowed under this Certificate

Signed   
Ag. Executive Director

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

37894732

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EXCHEQUER RECEIPT

NIMEPOKEA KWA  
Received from

YARI AFRICA INCORPORATE LTD

KIASI  
Amount

Shs.		Cts.	
USD	750		

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

US DOLLAR SEVEN HUNDRED FIFTY ONLY

NA SENTI  
And Cents

KWA MALIPO YA  
In respect of

CERTIFICATE OF INCENTIVE

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

CASH

KITUO - Station

SAHIHI YA MPOKEAJI - Receiving Officer's

Signature

CHEO - Title

Acc

TAREHE - Date

03 AUG. 2011

BEM.

0402076



TICC/PP.10/042076/3

2<sup>nd</sup> August, 2011

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

Yours sincerely,

**Tanzania Investment Centre**

  
B. D. Chonjo  
**For: Executive Director**

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

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

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



## TIC Evaluation Report

Name of the Company  
**Yapi Africa Incorporate Ltd.**

Post Box	Pongwe-Msangula, Qds 167/3	COI Number	82130	Contact	Mr. Konstantines Giannkopoulos
Post Office	13444	COI Date	17/03/2011	Designation	Managing Director
Region	Coastal Region	Application F. No	09336	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0713 340 479
		Sub Sector	Building Materials	Fax	0
		File No	042076	E-Mail Address	Ayi_Conicon@Yahoo.Com

Project Location		Investment Finance Plan in Millions USD												
Plot/Block	QDS 167/3	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>3.66</td> <td>0</td> <td>0</td> <td>0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	3.66	0	0	0				
Foreign Equity	Local Equity		Foreign Loan	Local Loan										
3.66	0		0	0										
Street	Pongwe - Msangula													
District	Bagamoyo													
Region	Coast (Pwani)													

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	Plant
Constantinos Giannakopoulos	Grecian	50	0.045	2.81
Suleiman H. Muftigil	Turkish	50	Vehicles	0.56
			Furniture & Fittings	0.02
			Pre-expenses	0.015
			Others	0.01
			Working Capital	0.2
			Total	3.66

Employment	50	Evaluated By	wf officer2
Capacity	300,000 m2	Drawn By	wf registry1
Project Turn Over		Project Type	Foreign

### Description

To establish a project for producing building materials (Aggregates)

### Recommendations

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

### Decision

*Approved*  
  
 Ag ExD  
 29-07-11

# YAPI AFRICA INCOPORATE LTD

P.o. box 13464,  
Dar es salaam,  
Tanzania.



20<sup>th</sup> July, 2011.

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(Lease agreements)

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

Sincerely yours,  
**YAPI AFRICA INCOPORATE LTD.**

  
.....  
Konstantinos Giannakopoulos.  
**MANAGING DIRECTOR**





№ 16290

CONFIRMATION LETTER

Order : 15617

Date : 07/06/2011

TO WHOM IT MAY CONCERN

The line of credit limit for YAPI URUSLARARASI INSAAT VE DIS TIC. A.S. in Kuyeyi Turk Katim Bankas A.S. (Kuwait Turkish Participation Bank Inc.) is 28,000,000 USD (Twenty Eight Million USD). USD 3,000,000 (Three Million USD) can be used in cash and USD 25,000,000 (Twenty Five Million USD) can be used in letter of guarantee by taking promissory notes of the company with avals received from company shareholders and for the risk exceeding USD 1,750,000 cash blockage amounting to outstanding risk as collateral.

This confirmation letter was arranged upon the Reference Letter (2011 / ) Jun 07 of 2011 prepared by Our Merkez Branch. The information above is prepared upon the request of our customer without taking any responsibility on Our part. The confirmation is submitted for your information.

CERTIFICATE'S TRUE COPY OF THE ORIGINAL



Handwritten signature and date 20/06/2011

General Management (Corporate and Commercial Credits Department)

Beül UZUN

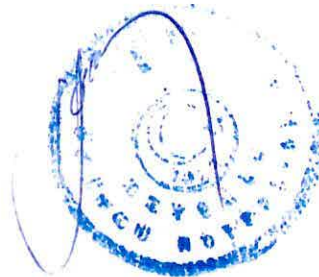
Özeyir YILDIRIM

Supervisor

Handwritten signature

Kuyeyi Türk Kuwait Turkish Participation Bankası

Address, phone numbers, and website information



# YAPI AFRICA INCOPORATE LTD

P.o. box 13464,  
Dar es Salaam,  
Tanzania

**EXTRACT OF THE RESOLUTION PASSED IN THE EXTRA  
ORDINARY GENERAL MEETING OF M/S YAPI AFRICA  
INCOPORATE LIMITED HELD ON 10<sup>TH</sup> July, 2011 AT 10:00  
HOURS.**

**PRESENT:**

Konstantinos Giannakopoulos  
Opalyn Serrano.

**"RESOLVED** that the company should apply to Tanzania Investment Centre (TIC) in order to obtain the approval for the project. Opalyn Serrano was authorized to prepare and submit all required documents to TIC to get the Certificate of Approval"

**CERTIFIED TRUE COPY**

A handwritten signature in black ink, appearing to be 'Opalyn Serrano', written over a horizontal line.

SIGNATURE

# LEASE AGREEMENT

**1. THIS AGREEMENT** made this, Tenth date of JUN 2011 between M/s. MAC CONTRACTORS LTD of P.O. Box 31895 Dar es Salaam, Tanzania (hereinafter referred to as "the Lessor") of the one part and M/s YAPI AFRICA INC. LIMITED of P.O. Box 13464, DSM Tanzania (hereinafter referred to as "the Lessee") of the other part.

**2. WHEREAS** the Lessor is the owner of Plot No: 167/3, situated at PONGWE-MSUNGULA BAGAMOYO, COAST, and is desirous of leasing THE SITE (hereinafter referred to as the "Demised Premises") to the Lessee for a consideration of US\$ 1000 (US Dollars One thousand 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 1<sup>st</sup> day of Jun 2011 to the, 31<sup>st</sup> day of ,May 2015 with an option for renewal following three months prior to the expiry date.

4.2 The monthly rent shall be US\$ 1000 (US Dollars One thousand 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. MAC CONTRACTORS LTD on the 20<sup>th</sup> day of July 2011

NAME OBEDIE KIMARO

SIGNATURE [Signature]

POSTAL ADDRESS P.O. Box 31895 DAR ES SALAAM.

QUALIFICATIONS SITE OWNER

**LESSEE**

For and on behalf of the LESSEE, YAPI AFRICA INC. LIMITED

NAME Konstantinos Giannakopoulos

SIGNATURE [Signature]

POSTAL ADDRESS P.O. BOX 13464 DSM

QUALIFICATIONS MANAGING DIRECTOR

**WITNESS**

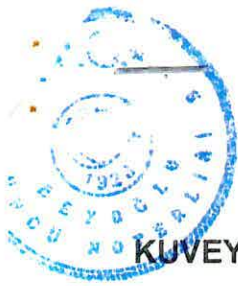
NAME \_\_\_\_\_ SIGNATURE \_\_\_\_\_

POSTAL ADDRESS \_\_\_\_\_

QUALIFICATIONS \_\_\_\_\_



[Signature] 20/ July 2011



T.C.  
BEYOĞLU 3. NCÜ NOTERLİĞİ  
Selahattin Pinar Cad. No. 19  
Asma Kat No. 2 Mecidiyeköy  
Tel: (0212) 213 82 54  
Fax: (0212) 213 84 76

KUVEYT TÜRK

16290

4 HAZİRAN 2011

## ONAY MEKTUBU

Sıra: 15617

Tarih: 07.06.2011

### İLGİLİ MAKAMIN DİKKATİNE

YAPI ULUSLARARASI İNŞAAT VE DIŞ TİC. A.Ş. unvanlı şirketin Kuveyt Türk Katılım Bankası A.Ş. nezdindeki kredi limiti tutarı 28.000.000 USD'dir (Yirmi Sekiz Milyon). Şirket hissedarlarından alınan kefaletlerle birlikte şirketin emre muharrer borç senetleri almak ve 1.750.000 USD tutarını aşan riskler için karşı teminat olarak mevcut risk tutarında nakit blokaj temin edilmek suretiyle, 3.000.000 USD (Üç Milyon) nakit olarak 25.000.000 USD (Yirmi Beş Milyon) ise teminat mektubu biçiminde kullanılabilir.

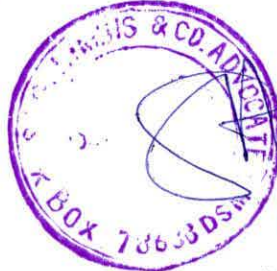
İşbu onay mektubu, Merkez Şubemiz tarafından hazırlanan 07 Haziran 2011 tarihli Referans Mektubu (2011/ ) üzerine düzenlenmiştir. Yukarıda temin edilen bilgiler, tarafımızca herhangi bir sorumluluk alınmaksızın, müşterimizin talebi üzerine hazırlanmıştır. Bilginize sunulur.

Genel Yönetim  
(Kurumsal ve Ticari Krediler Departmanı)

(imza)  
Betül Uzun

(imza)  
Üzeyir Yıldırım  
Süpervizör

CERTIFIED AS TRUE COPY  
OF THE ORIGINAL



(Kaşe ve imza)

İşbu tercümenin açık kimliği ve adresi  
noterliğimizde mahfuz bulunan Yeminli  
Tercüman Mehmet Cemil KARAÇÖL  
tarafından yapıldığı onaylanır

İşbu belge tarafımdan ...  
...Türkçe...  
M. Cemil KARAÇÖL  
Yeminli Mütercim



BEYOĞLU ÜÇÜNCÜ NOTERİ  
TÜRHAN ENGİN  
Vekilli Başkathip Yasemin Şahin

## TANZANIA



## Certificate of Incorporation

Section 15

No **82130**

I HEREBY CERTIFY THAT

**YAPI AFRICA INCORPORATE 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 **17TH** day of **MARCH**

**TWO THOUSAND AND ELEVEN**

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

*Asst. Registrar of Companies*

THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF ENERGY AND MINERALS

THE MINING (MINERAL RIGHTS) REGULATIONS, 1999

**PRIMARY MINING LICENCE 0012033**

*The Mining Act, 1998*

The exclusive right, subject to the provisions of the Mining Act, 1998 and of the regulations thereunder now in force or which may come into force during the continuance of this primary mining licence or any renewal thereof is hereby granted to **M/S Mac Contractors Co.Ltd** of **P.o.Box 31895, Dar-es-Salaam-Tanzania** (hereinafter called the Licensee), to prospect and mine for **Building Materials**, at **Pongwe-Msungula**, in **Bagamoyo** District, **QDS 167/3** over an area described in Annex A.

This Licence, unless sooner cancelled, suspended or surrendered pursuant to the provisions of the Mining Act, 1998, shall be valid for a period of **five (5)** years, effective from the date of grant.

Granted this 8th day of OCTOBER

*[Handwritten signature]*

**Dr. Dalaly P. Kafumu**  
**COMMISSIONER FOR MINERALS**

OF THE ORIGINAL COPY

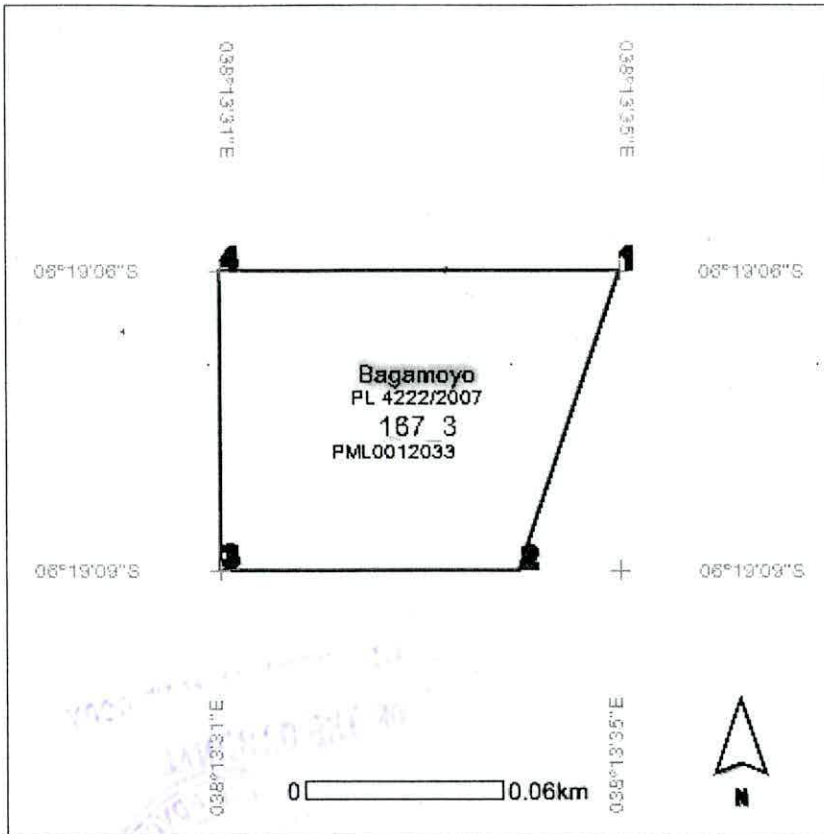


*[Handwritten signature]*

**ANNEX A**

Your granted Licence Area is defined by the following coordinates (Arc 1960):

Corner	Latitude	Longitude
1	-06 deg. 19 min. 06.00 sec.	38 deg. 13 min. 35.00 sec.
2	-06 deg. 19 min. 09.00 sec.	38 deg. 13 min. 34.00 sec.
3	-06 deg. 19 min. 09.00 sec.	38 deg. 13 min. 31.00 sec.
4	-06 deg. 19 min. 06.00 sec.	38 deg. 13 min. 31.00 sec.



Legend	
Licensed area	
License Number	PML0012033
District	Bagamoyo
Direction	

An area of approximately 0.99 Hectares.

**RENTS**

Year	ERV	Amount (TShs.)	Date	Signature & Stamp
1.	32848549	4950/=	20/11/08	
2.				
3.				
4.				
5.				