

THE UNITED REPUBLIC OF TANZANIA
PRIME MINISTER'S OFFICE
TANZANIA INVESTMENT CENTRE

<p>FILE BEGINS</p> <p style="text-align: center;">ENDS</p>	<p>PART</p> <p style="text-align: center;">FILE NUMBER</p> <p style="text-align: center;">TICC</p>
<p>FILE TITLE</p> <p style="text-align: center; font-size: 2em; font-weight: bold;">CONFIDENTIAL</p>	<p style="font-size: 2em; font-weight: bold;">PP-10</p> <p style="font-size: 2em; font-weight: bold;">042522</p>

INDEX HEADINGS

Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M
DIF	F1	[Signature]	28/08/13	[Signature]										
Jette	d1	C	28/08/13	[Signature]										
Exd	M1	G	25/9/13	[Signature]										
DIF	F4	[Signature]	1/10/13	[Signature]										
IFMP	FU	G	4/10/13	[Signature]										
DIF	F1	[Signature]	4/10/13	[Signature]										
Exd	M	G	20/10/13	[Signature]										
DIF	FS	[Signature]	12/6/14	[Signature]										
...	...	...	12/6/14	[Signature]										

PART
 FILE NUMBER
 TICC
 PP-10/042522
 042522

WAN PENG INTERNATIONAL
(T) LTD

MINUTE SHEET

Dokezo
No.

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 8.0m

(b) Legal entity has been incorporated under certificate

No. 101155 of 27/07/2013

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

Submitted for signature.


N. Senzia
DIF

25th September, 2013



EXD

In response to the TIC letter of registration dated 13th September 2013

the project has submitted the required documents namely: -

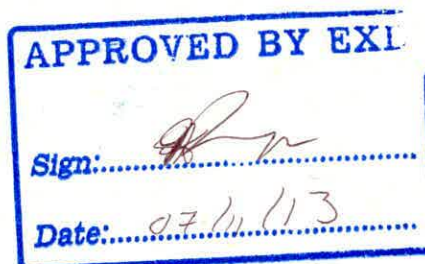
(a) Company Board Resolution.


(b) Reference letter/Financing from NIC Bank LTD

(c) Lease Agreement as evidence of land.

With the above submission EXD is requested to sign Certificate of Incentives No. 042522 herein attached.

29/09/2013




DIF

MINUTE SHEET

Dokezo
No.

TICC/PP.10/042522/3

13th September, 2013

Managing Director,
Wan Peng International (T) Ltd
P.O. Box 78940
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR MANUFACTURING CEMENT
FOAM BLOCKS**

We wish to acknowledge receipt of your project proposal to establish and operate manufacturing plant for cement foam blocks as presented in the TIC P.A. 1 Form No. 11345 and Feasibility Study with a projected investment amounting to USD 8m.

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

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

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

TICC/PP.10/042522/3

13th September, 2013

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

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

Yours sincerely,
Tanzania Investment Centre

Juliet R. Kairuki
EXECUTIVE DIRECTOR

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

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

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



TIC Evaluation Report

Name of the Company
Wan Peng International (T) Ltd

Post Box	Plot No. 576 Upanga	COI Number	101155	Contact	Yunshan Lu
Post Office	78940	COI Date	27/07/2013	Designation	Managing Director
Region	Dar Es Salaam	Application F. No	11345	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0769 895054
		Sub Sector	Building Material	Fax	0
		File No	042522	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD										
Plot/Block	Pugu Road	<table border="1"> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> <tr> <td>4.8</td> <td>0</td> <td>3.2</td> <td>0</td> </tr> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	4.8	0	3.2	0		
Foreign Equity	Local Equity		Foreign Loan	Local Loan								
4.8	0		3.2	0								
Street	Pugu Road											
District	Temeke											
Region	Dar es Salaam											

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	1
Li Guo	China	1	Plant	5
Yunshan Lu	China	99	Vehicles	1
			Furniture & Fittings	0.002
			Pre-expenses	0.068
			Others	0
			Working Capital	0.93
			Total	8

Employment	37	Evaluated By	wf officer4
Capacity	600,000 units per month	Drawn By	wf registry1
Project Turn Over		Project Type	Foreign

Description

To establish project to manufacture cement foam blocks

Recommendations

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

Decision

Approved as recommended
AG/ExD
13/9/2013

Unclaimed refund beyond three years will be forfeited



TANZANIA INVESTMENT CENTRE

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

RECEIPT REC013037

No. 006999

Received from : WAN PENG INTERNATIONAL (T) LTD

Address : P.O. Box 78940 DSM

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



Being payment in respect of : CERTIFICATE OF INCENTIVES

Amount : USD 1,000.00

Cash / Cheque No: D/Deposit

Date : 03-Oct-2013

Buisso

Receiving Officer



1st Floor Harbour View Towers, Samora Avenue • P.O. Box 20268 • Dar es Salaam • Tanzania • Tel +255 (22) 2118625-28 / 2118802 / 2118798
Fax +255 (22) 2129931 / 2116733 • E-mail: tanzania-info@nic-bank.com • www.nic-bank.com

REF: NIC/OPS/212/2013

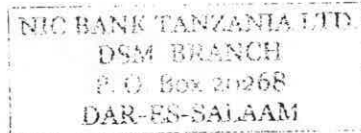
October 11, 2013,

TANZANIA INVESTMENT CENTRE

DAR ES SALAAM

TANZANIA

Dear Sir/ Madam,



RE: WAN PENG INTERNATIONAL LTD

At the request of our customer, we confirm that WAN PENG INTERNATIONAL LIMITED maintains a Current account no.2000137138 for US Dollar account which has been conducted to our entire satisfaction.

Account maintain a balance of USD 354,836.56

Any assistance accorded to her will be highly appreciated.

This information is given without guarantee on our part and that neither the bank nor its officers shall be held responsible for providing it.

Yours faithfully,

Authorized Signatory

Authorized Signatory

WAREHOUSE STORAGE LEASE AGREEMENT

This lease agreement is dated **8th day of October 2013**

between

cargostars limited a limited liability company incorporated under the laws of the united republic of tanzania of p.o box 1000 dar es slaam tanzania (hereinafter referred to as "LESSOR") of one part

And

Wan peng international t limited a limited liability company incorporated under the laws of the united republic of tanzania of p.o box 78940 dar es slaam tanzania (hereinafter referred to as "LESSEE"). Of the other part

Whereas the LESSOR agree to lease to LESSEE a warehouse for Industrial purposes only and the yard behind the warehouse as well as the left opening adjacent thereto on the premises located at plot no 346/2 kurasini, temeke district within the city of dar es salaam, better described in the annexured to this agreement, (hereinafter referred to as " the Demised premises")

WHEREAS, The LESSOR is the registered owner of at plot no 346/2 kurasini, temeke district within the city of dar es salaam [hereinafter known as [THE DEMISED PREMISES] AND WHEREAS, The LESSOR is desirous of leasing the said DEMISES PREMISES and the LESSEE is desirous of leasing from the LESSOR the aforementioned DEMISED PREMISES for the period of five years COMMENCING FROM 1st November 2013 TO 31st november 2018

NOW THIS LEASE AGREEMENT WITNESSETH AS FOLLOWS

1. From the month of commencement of operation of the Warehouse, **LEASE** rental of **USD 120,360.00 USD (say USD one hundred and twenty thousand three hundred and sixty only)** per annum is required to be paid by the Lessee inclusively of VAT, where by **10,200.00 USD (say USD ten thousand two hundred only)** out of **102,000.00 USD (say one hundred two thousand only)** will be Withholding Tax payable by Lessee (Rent Payable will be **110,160 USD (say USD one hundred and ten thousand one hundred and sixty)**per annum. *i.e Rent payable of 8,500 USD per month*)

However, the amount of **LEASE** rental may be revised at any time with mutual consent of both the parties.



This letting is upon the following conditions, covenants and agreements.

1. The LESSEE hereby covenants and agrees to pay the said rental to the LESSOR in the arrangement on the day and time aforesaid agreed upon themselves.
2. the LESSOR agree to lease to LESSEE a warehouse for Industrial purposes only on the premises known as plot no 346/2 kurasini, temeke district within the city of dar es salaam admeasuring _____sq.m (hereinafter referred to as " the premises") for the term of **Five (5) Years**
3. The LESSEE further covenants that he will not assign, sublet or transfer said premises or any part thereof without the LESSOR's consent endorsed in writing hereon; that the written assent hereon to one assignment or transfer of this lease or subletting shall not be considered as a waiver of this covenant by the LESSOR to any subsequent assignment, transfer, subletting, nor shall such written assent to any assignment or transfer, release said LESSEE from liability hereunder.
4. The LESSEE accepts said premises in their present condition and agrees to keep said premises in a good and clean condition. The LESSEE shall not do anything or permit anything to be done in or about the premises which shall cause conflict with any city, county or state ordinance or statute.
5. LESSEE will not keep anything in the premises which will affect the insurance against fire or other hazards. LESSEE agrees to reimburse LESSOR for any increased insurance premiums incurred because of LESSEE's use and occupancy of the premises.
6. LESSEE further covenants and agrees that upon the expiration of said term, or upon the termination of the lease for any cause, he will at once peacefully surrender and deliver up the whole of the above described premises together with all improvements thereon to the LESSOR, his agents and assigns. Provided that



THE LESSEE HEREBY COVENANTS WITH THE LESSOR as follows:

1. to pay the rent hereby reserved on the days and in the manner aforesaid.
2. to keep the interior of the demised premises in good and tenantable repair (fair wear and tear and damage by accidental fire are exempted)
3. to permit the Lessor and or his agents with or without workmen at reasonable times of the day and after reasonable notice to the lessee in that respect to enter upon the demised premises and examine the condition thereof and execute repairs to the said premises under the lessor covenants in that behalf hereinafter contained. The lessor will not unreasonably interfere with the occupation and use of the demises premises by the lessee;
4. At the determination of the term hereby created to quietly yield up the demised premises;
5. to make a minor repair or make good any defect or breach of covenant for which the lessee is responsible and of which notice has been given by the lessor within a period specified in a notice;
6. The LESSEE will do the necessary renovation and construction of those properties to convert it into a warehouse that fit the purpose of the lessee. This includes;
 - (b) demolish an elected brick partition in the demised property during the term of use as per the Lessor request
 - (c) construction of the demarcation to mark the area adjacent to the warehouse as per annexure drawing, which shall be demolished at the end of this agreement.

THE LESSOR HEREBY COVENANTS WITH THE LESSEE as follows:

- a) to hand over the demised premises to the lessee on 1st November 2013 to enable the lessee renovate the said demised premises according to the intended business.
- b) to carry out all major structural repairs on the demised premises and to paint and decorate all such parts thereof as and when necessary;
- c) to permit the lessee performing and observing the covenants and conditions herein written or implied and on its part to be performed and observed peaceful enjoy the



demised premises free from any claims or disturbance by the lessor or those lawfully claiming under him;

d) to bear and discharge all existing and future rates, land rents levies and tax charges for taxes assessment including stamp duty in connection with the execution and validation of this lease, duties, impositions, outgoings and burdens whatsoever payable in respect of the demise premises;

PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED that;

1. Lessor should guarantee that the supply of the water, electricity, three-phase electric power, and Lessee pay the bills on schedule during the term of lease.
 2. In the event that any of the material representations contained in the Application shall be found by the LESSOR to be misleading, incorrect, or untrue, the LESSOR shall have the right to forthwith cancel this lease and to repossess the leased premises. LESSEE agrees to notify LESSOR of any change in employment and failure to do so will be considered a breach of this lease agreement.
 3. LESSEE agrees that at the termination of this lease, or at such earlier time as he shall quit the premises, he will remove all personal property not belonging to LESSOR from the premises, and any property not removed shall be considered as abandoned, and LESSOR may dispose of the same without being accountable to LESSEE for doing so. After the LESSEE has given a notice of intent to move, the LESSEE agrees to permit the LESSOR to show the premises to prospective LESSEEs during reasonable hours. If the LESSEE moves before this agreement ends, the LESSOR may enter the premises to decorate, remodel, alter or otherwise prepare the premises for re-occupancy.
 4. The LESSEE shall not assign or sublet the said premises or any part thereof or, in his or her absence or otherwise, permit others to occupy the premises without first having obtained the written consent of the LESSOR. If the LESSEE or subLESSEE violates the provisions of this paragraph the LESSOR may immediately take possession of said premises and in event of litigation may sue and evict any person or persons occupying said premises without making the LESSEE a party to said proceedings.
- LESSEE agrees to take good care of the premises and its contents, to commit no waste on or about the premises, and at the termination of this agreement to return the premises

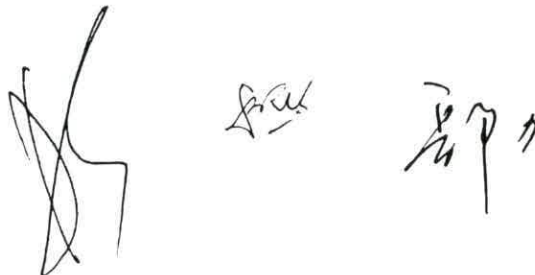


and its contents clean and free from trash and in the same condition as when received except for such ordinary wear and tear as reasonable and careful use would have caused.

IN WITNESS WHEREOF the parties have hereunto have executed these presents on the manner and on the days and year hereinafter appearing.

7. After completion of the initial term specified in the lease, this Agreement is subject to renewal rights but such rights will be effected upon by either party giving to the other, in writing, two full months prior notice of the intention to terminate. The Lease can be renewed after mutual agreement of Rent and other terms. The LESSOR shall have the right to show the premises to prospective LESSEEs after notice to vacate has been given.
8. Upon termination - (1) LESSEE shall completely vacate the premises. (2) LESSEE shall also deliver all keys, personal property, and appliances if furnished for LESSEE's use during the term of the Agreement to LESSOR in good, clean and sanitary condition, reasonable wear and tear excepted. (3) Before departure LESSEE shall leave his forwarding address and shall allow LESSOR to inspect the premises in LESSEE's presence to verify the final condition of the premises. (4) In case of any damage caused by the LESSEE against the premises leased, the LESSEE has the obligation to make repairs.
 - (a) In the event any provision or provisions of this Lease shall be deemed by a Court of Competent Jurisdiction to conflict with applicable law, such provision or provisions shall, at LESSOR's option,

either be (1) deemed modified to the extent necessary to comply with such law, or (2) severed from this lease and shall cease to be a part thereof. If such provision or provisions are so severed, the remainder of this Lease shall remain in full force and effect.
9. This Lease contains the entire Agreement and LESSOR has made no promises or representations except those stated in this Agreement and this lease and the agreements contained herein can only be changed in writing and signed by both LESSOR and LESSEEs.



10. In the first instance, any dispute, controversy, or claim relating to this contract or the breach, termination or in-validity thereof, shall be settled amicable. Where an amicable resolution is not possible, it shall be settle by arbitration according to the national jurisdic-tion governing commercial affairs in the country.

11. LESSEE hereby acknowledges that the Rent payable to LESSOR hereunder does not include the cost of guard service or other security measures belonging to him, that LESSOR shall have no obligation whatsoever to provide same to the guard service or other security measures brought by the LESSEE


12. The lessee to define their responsible person to whom the key of the main gate of the premises will be allotted. The movement register of LESSEE's notified employees will be maintained at the main gate by the LESSEE's security.

a) Any security measures provided by LESSOR shall not be treated as a guarantee against crime or a reduction in the risk of crime.that is to say, Owner will not be liable for any loss or damage to items stored in the warehouse or the garage.

b) LESSEE assumes all responsibility for the protection of LESSEE, its guests and its property from acts of third parties. LESSOR shall not be liable to LESSEE, LESSEE's guests, or other occupants for injury, damage, or loss to person or property caused by criminal conduct to their persons or property

13. Parking space will be provided in the compound only for 15-20trucks and small cars of the Lesse for the warehouse. No doorways or walkways are to be blocked at any time, and unmovable items may be left outside of the facility or on the comon driveway or parking areas.

14. cars/vehicles repair/washing will be permitted in the premises.



EXECUTED in Duplicate.

AS WITNESS the hands and seals of the parties hereto the day and year first above written

1. Name: DIONIZ MALINZI
Address: P.O. Box 10,000 Dar es Salaam
Qualification: MANAGING DIRECTOR

[Signature]
LESSOR

STARS LIMITED
P.O. BOX 10000
DAR ES SALAAM

SIGNED and DELIVERED

by the said DIONIZ MALINZI who is known to me personally
in my presence this 20th day of SEPTEMBER 2013

Name: M. D. MATUNDA
address: Box 8317 Dar
qualification: ADVOCATE

MARTIN D. MATUNDA
ADVOCATE, NOTARY PUBLIC &
COMMISSIONER FOR OATHS
P. O. Box 8317
DAR ES SALAAM

WITNESS
WANG PENG INTERNATIONAL (T) LIMITED
P. O. Box 78940
[Signature]
LESSEE
DAR - ES - SALAAM

2. Name: Li Guo
Address: P.O. Box 78940 DSA
Qualification: Managing Director

SIGNED and DELIVERED

by the said Li Guo who is known to me personally
in my presence this 8th day of October 2013

Name: M. D. MATUNDA
address: Box 8317 DSA
qualification: ADVOCATE

MARTIN D. MATUNDA
ADVOCATE, NOTARY PUBLIC &
COMMISSIONER FOR OATHS
P. O. Box 8317
DAR ES SALAAM

WITNESS

Stamp duty = $1650000 \times 2 \times 1\%$
 $= 1,020,000$

CERTIFIED TRUE COPY OF ORIGINAL
ANGREW MALI
P. O. Box 32080
DAR ES SALAAM

71 Page
STAMP DUTY
shs. 1,657,500 collected
Receipt No. 0268951 Dated 24/10/13
[Signature]
National Revenue Officer - Tembe

[Signature]

[Signature]

[Signature]

TIC

9

WAN PENG INTERNATIONAL (T) LIMITED

Plot No.346-2 Kurasini Temeke
P.O BOX: 78940, Dar es Salaam (Tanzania)
Phone 0657727315
Web: www.wanpanginternational.com

Commissioner of Customs and Excise
Tanzania Revenue Centre,
P.O.BOX 938.
Dar es Salaam

Received on
12/6/2014

M
TIC/TIC

UFS

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



Dear Sir / Madam,

RE: APPLICATION FOR ADDITIONAL DUTY / VAT EXEMPTION LIST.

As the heading states above, please consider granting us the exemption of the following capital goods of Wan Peng International (T) Ltd for the project of manufacturing cement foam blocks here in Tanzania. The company is expecting not only to make this project here in Tanzania but also to create jobs and to put a platform of knowledge exchange in the society.

Thanking you,

Yours Faithfully,

.....
GUO LI

MANAGING DIRECTOR

TIN:

WAN PENG INTERNATIONAL EXEMPTION LIST

NO	ITEM	MEASUREMENT	QTY
1	CONCRETE MIXING PLANT	SET	2
2	BATCHING MACHINERY	SET	1
3	SCREW CONVEYER	SET	1
4	CEMENT SCALE	SET	1
5	BELT CONVEYER	SET	1
6	BLOCK MAKING MACHINE	SET	1
7	PALLET FEEDER	SET	1
8	GREEN BLOCK CONVEYER	SET	1
9	PLC CONTROLLER	SET	1
10	HYDRAULIC	SET	1
11	STAKER	SET	1
12	WHEEL LODER	SET	1
13	TRUCK TRACTORS	SET	10
14	SEMI TRAILER	SET	10



00220379

Signature: [Signature]
Date: 08/11/2013
For: Executive Director
Tanzania Investment Centre

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042522

This is to certify that

WAN PENG INTERNATIONAL (T) LIMITED

of address P.O. BOX 78940

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, ~~XXXXXXXXXXXXXXXXXXXX~~
~~XXXXXXXXXXXX~~ enterprise known as

WAN PENG INTERNATIONAL (T) LIMITED

Which is located at PLOT NO. 346/2 KURASINI

TEMEKE - DAR ES SALAAM

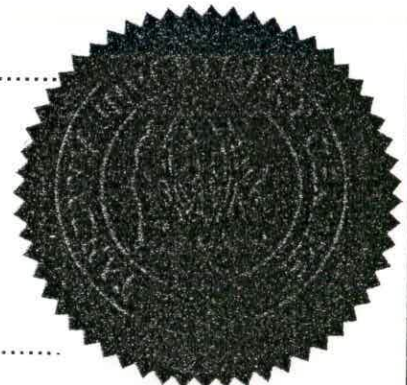
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

[Signature]

Executive Director

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

Dated 13TH SEPTEMBER 2013



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

1. Shareholders

	Nationality	Shareholding (%)
Li Guo	Chinese	1
Yunshan Lu	Chinese	99
2. Proposed Activities : **To establish project to manufacture cement foam blocks**
3. Sector: **Manufacturing** Subsector
4. Investment cost: Foreign **USD 8m.** Local **-** Total **USD 8m.**
5. Project Financing: Equity **USD 4.8m.** Loans **USD 3.2m.** Total **USD 8m.**
6. Source, terms and conditions of loan.
7. Assets to be invested:

	Foreign	Local	Total
Capital items:	USD 8m.	-	USD 8m.
8. Technology Agreement **None**
9. Date of TIC Registration: **13th September 2013**
10. Implementation period **September 2013 - August 2016**
11. Operative date **September 2016**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty **and VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
 - (ii) Applicable with-holding Tax **As per Income Tax Act, 2004 (as amended)**
 - (iii) Eligibility of Capital Allowances **As per Income Tax Act, 2004 (as amended)**
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate
Finished goods are not allowed under this Certificate

Signed 
Executive Director

CTIN: 1798927

ISO 9001 : 2008 Certified



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION

FOR

TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 133 OF THE INCOME TAX ACT NO. 11 OF 2004)

THIS IS TO CERTIFY THAT

.....
WAN PENG INTERNATIONAL (T) LIMITED
.....

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

121-552-191
.....

with effect from 02-08-2013


P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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



00220379

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042522

This is to certify that

WAN PENG INTERNATIONAL (T) LIMITED

of address P.O. BOX 78940

DAR ES SALAAM

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

WAN PENG INTERNATIONAL (T) LIMITED

Which is located at PLOT NO. 346/2 KURASINI

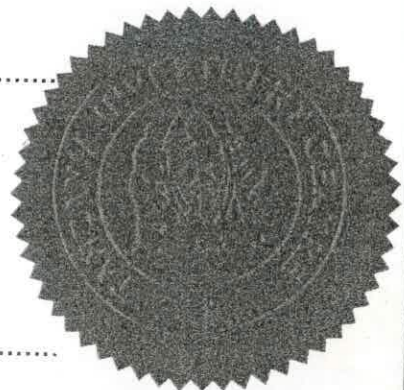
TEMEKE - DAR ES SALAAM

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

Executive Director

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

Dated 13TH SEPTEMBER 2013



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1. Shareholders

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5. Project Financing: **USD 4.8m.** Loans **USD 3.2m.** Total **USD 8m.**
6. Source, terms and conditions of loan.....
7. Assets to be invested:

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10. Implementation period **September 2013 - August 2016**
11. Operative date..... **September 2016**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty **and VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
 - (ii) Applicable with-holding Tax **As per Income Tax Act, 2004 (as amended)**
 - (iii) Eligibility of Capital Allowances **As per Income Tax Act, 2004 (as amended)**
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
15. Additional conditions attached to Certificate

Finished goods are not allowed under this Certificate

Signed  Executive Director

TICC/PP.10/042522/6

13/06/2014

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

Dear Sir,

**RE: DUTY/ VAT REMISSIONS ON CAPITAL/ DEEMED CAPITAL
GOODS – CERTIFICATE OF INCENTIVES No: 042522**

M/S Wan Peng International (T) Limited is a TIC registered company with certificate of incentives **No. 042522** which is valid up to **August 2016**

The company has been registered with objectives of establishing a project to manufacture Cement foam blocks.

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

Yours sincerely

TANZANIA INVESTMENT CENTRE


N.A. Senzia

FOR: EXECUTIVE DIRECTOR

WAN PENG INTERNATIONAL (T) LTD

P o box 78940 • Phone: +0769895054
Web: www.wanpeng.com.

Wan Peng Ltd,
P.O.BOX 78940,
Plot no 576 Mindu Street,
Upanga, Dar
22/08/2013



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

Dear Sir/Madam

RE: APPLCATON FOR TANZANIA INVESTMENT CENTRE CERTIFICATE.

Reference is made to the above heading

Wan Peng international(t) Limited would like to apply for Certificate of TIC for registering a new project. Our investment start with 8 million United States Dollars and at the same time we have committed to improve the local economic and also providing employment to the local individuals.

So, may you kindly help us to take this letter as office consideration, we are here by attach all the documents as it is concerned.

Kind regards

Director.



TANZANIA



Certificate of Incorporation

Section 15

No 101155

I HEREBY CERTIFY THAT

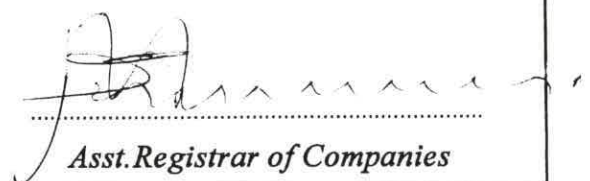
WAN PENG INTERNATIONAL (T) LIMITED

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

Given under my hand at Dar es salaam

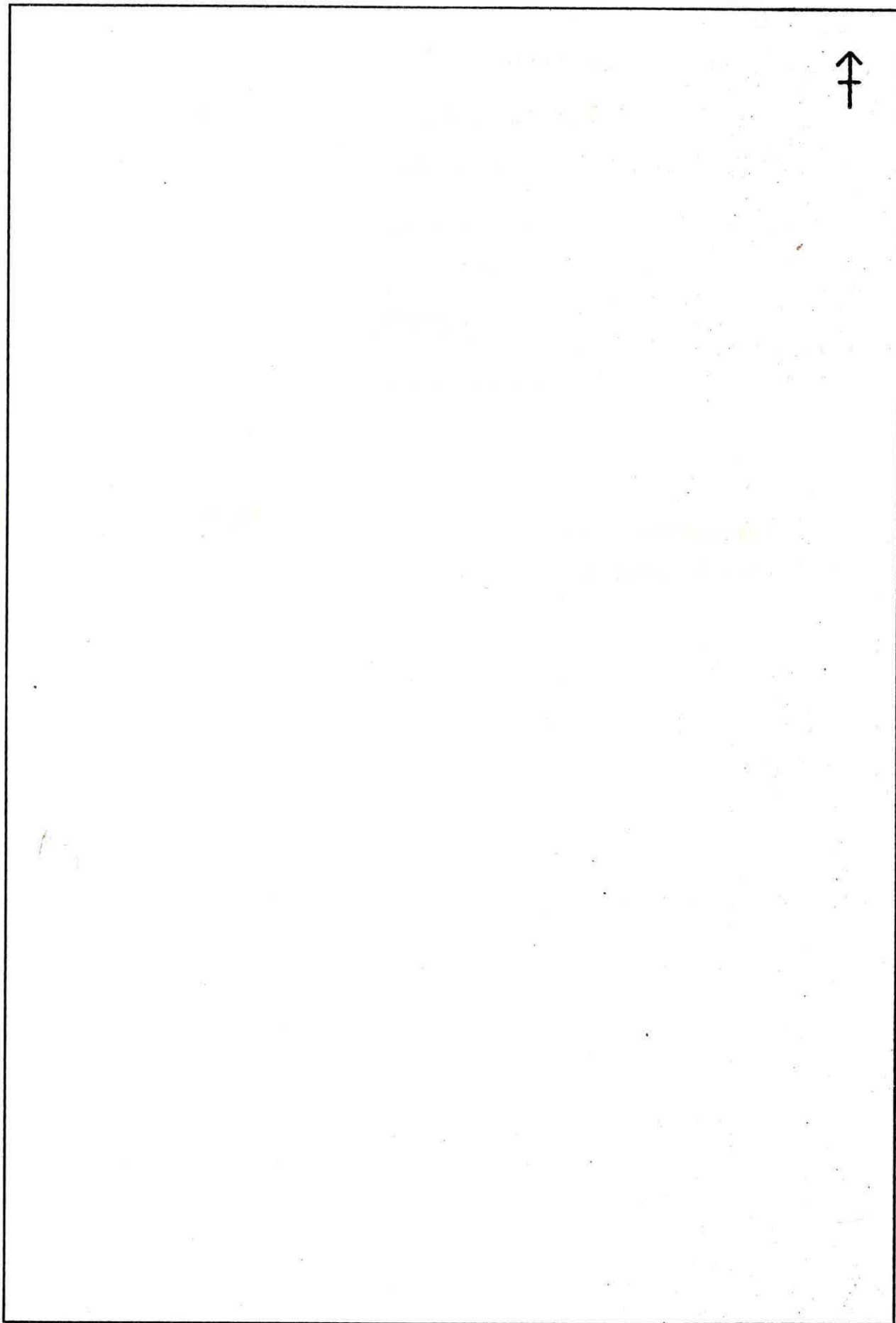
this 27TH day of JULY

TWO THOUSAND AND THIRTEEN


Asst. Registrar of Companies



SKETCH MAP SHOWING PROJECT LOCATION



7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 3,000,000/-
8. The month and day of the financial year end is 31st DECEMBER

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

I/We enclose a cheque/cash made payable to the Tanzania Investment Centre for Tshs./US\$ 10801/- Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, KUN JIAN LU of Post Office Number P-080978940

DSM do solemnly and sincerely declare that I am a director/duly authorized agent of WAN PENG INTERNATIONAL (T) 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 27 day of Aug 2011 }

Applicant


Before me:

 Commissioner for Oaths

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 XUNSHAN LU
(director/directors/agent of WAN PENG INTERNATIONAL (T) LTD
(name of business enterprise) apply for registration of TIC CERTIFICATE
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 Skymark Tower
on Plot No. 576 Mindo Street Upanga Dsm

Copies of the following documents are attached to this application:

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

3. The Head Office of the Company will be situated at SKY MARK TOWER, MINDO STREET UPANGA, DSM

4. The Principal Officers of the Company are 1) XUNSHAN LU
2) LI GUO

5. Auditors of the Company are TO BE APPOINTED LATER

6. The authorized share capital of the Company is Tshs./US\$ 200,000,000/=

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

Land/Building	..... 1,000,000
Plant	..... 5,000,000
Vehicles	..... 1,000,000
Furniture & Fittings	..... 2,000
Pre-expenses	..... 68,000
Others -
Working Capital	..... 930,000
TOTAL	..... 8,000,000

Contact Details:

Name: Y. ANSHAN LU Title: MD

Telephone: 07 69 89 5054 Fax:
Email:

Payments to be made payable to:

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

APPLICATION SUMMARY

Company Name: WAN PENG INTERNATIONAL (U) LTD

Certificate of Incorporation Number: 101155 Status: NEW

Certificate of Incorporation Date: 29th JULY 2013

Post Box: 78940

Town: DAR-ES-SALAM

Sector: Manufacturing

Sub-Sector: Building materials

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
<u>4.8 m</u>	<u>—</u>	<u>3.2</u>	<u>—</u>

Project Objectives: To establish manufacturing of cement foam blocks (Building materials)

Capacity: 600,000 unit per month

Employment: Foreign: 10 Local: 27 Total: 37

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: PWA NO 576

Street: UPANGA District: TALA Region: DAR-ES-SALAM
(Attach sketch map showing project location)

Shareholders	Nationality	%
<u>YUNSHAN 24</u>	<u>China</u>	<u>99.6</u>
<u>LI GUO</u>	<u>China</u>	<u>0.6</u>
.....
.....
.....



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938
DAR ES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

Memorandum

AND

Articles of Association

OF

WAN PENG INTERNATIONAL (T) LIMITED

Incorporated this day of , 2013

**DRAWN BY:
PATRICK RUTTA
P. O. BOX 32080
DAR ES SALAAM.**

50000/-
36412 25/7/13
A/P

25000/-
36412 25/7/13
A/P

THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
WAN PENG INTERNATIONAL (T) LIMITED

1. The name of the Company is **WAN PENG INTERNATIONAL (T) LIMITED**
2. The registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:-
 - (a) To deal in all kinds of building materials including bricks and bricks allied products, prefabricated material, lime, plaster, iron, wood, timber, glass, plastics, and steel products, metals, concrete, artificial stone and materials of all other kinds.
 - (b) To carry on the business as buyer and seller of all or any of the building material inclusive of cement, lime, lime stone, related products, ceramic products, bricks, tiles, pipes, per-fabricating paving, roofing materials, iron, coal and coal burns and also deal in stones, limes, clays, bricks and all kinds of related materials.
 - (c) To carry on the business as traders, suppliers of products and commodities and material in any form or shape manufactured, semi-manufactured, raw materials or supplied by any company, firm, association of persons, body, whether incorporated or not, individuals, government, semi-government or any local authority, as permissible under law.
 - (d) To carry on business of wholesalers, indenting agents and manufacturer's representatives, sales representatives either on commission or on commission and profit sharing basis of all kinds of goods and materials, as permissible under law.

- (e) To receive goods on consignment, from any company, firm, association of persons, body, individuals, government, semi-government or any local authority and sell the same as agents or as principal.
- (f) To produce, manufacture, prepare, treat, process, refine, and deal etc., in all kinds of cement and its allied products.
- (g) To install plants and equipments for production of cement and its allied products and to carry on all or any business concerning import, export, buy, sell, exchange, improve, manipulate, store, preserve, and deal in all kinds of cement and its allied products and to act as suppliers, distributors, brokers, agent, stockists of all kinds of cement and its allied products etc.
- (h) To establish, purchase, take on lease or otherwise acquire and run shops, showrooms, trading outlets, distributing centers or depots at any place in Tanzania and/or abroad.
- (i) To carry on the business of construction of apartments, plazas, multi-storied flats, business offices, shops, markets, warehouses, industrial and commercial buildings, roads, dams, bridges, spillways, highways, reservoirs, airports, seaports, and structures of all descriptions and to equip the same or any part thereof with all or any conveniences, drainage and sewerage facilities, water supply, electric and gas installations subject to any permission required by law
- (j) To carry on the business of estimation, drawing up of specifications, interior and exterior decoration and other similar works relating to civil mechanical, environmental and/or electrical engineering.
- (k) To prospect, process, buy, sell and deal in every kind of quarry, mining, gemstone, gold, diamond, whether natural or partly processed or otherwise and to deal in every kind of minerals and produce of the soil.
- (l) To carry on the business of manufacturer, importer, exporter and dealer in fabrics, clothing, wearing apparel, ready-made garments, leather products, leather garments, fancy clothes, textile products, gloves, embroidery goods, laces, knitted goods, tapestry, curtain cloth, sofa cloth, bed-sheets, linen,

durrees, carpets, gunny bags, cotton cloth bags, polythene and polypropylene bags, twin, hessian cloth, thread, canvas, water proof material and fabrics, and all other products of fibrous substance for personal, commercial and industrial use.

- (m) To install, textile-weaving industry and to sell such cloth manufactured by the company in or outside Tanzania.
- (n) To carry on all or any of the business of manufactures of and dealers and workers in oil refinery and transportation thereof, minerals of all kinds, cement, lime plasters whiting, clay, gravel, sand minerals, coral, shale, earth, coke, fuel, artificial stone, and builders requisites and conveniences of all kinds, and of engineers, ship, barge, lighter and truck owners, quarry owners, builders, general contractors and carriers.
- (o) To purchase, take on lease or otherwise acquire freehold and other lands, properties, mines, land and mineral properties and also grants, concessions, leases, claims, licenses of or other interests in mines, mining rights, lands, mineral properties, water rights, and either absolutely or conditionally, and either solely or jointly with others.
- (p) To commence, establish, develop and carry on the business as traders, general merchandise, suppliers, wholesalers and retailers, exporters and to buy, sell, hire, let, manufacture, prepare for market, barter trade exchange and generally deal in all types of properties whether movable or immovable, goods, agricultural products, articles and merchandise of all kinds and to transact in any and every description of mercantile, insurance and financial.
- (q) To carry on the business of building materials, electric and electronics equipment, auto vehicles and spares, warehouses, shops, shop premises and similar establishments of all kinds and to the generality of the foregoing retail shops for the sale and/or repair of any articles, goods or things from time to time manufactured and/ or dealt in by the company or of provisions, beverages, clothing, shoes, plastics/P.V.C.s and other articles for employees of the Company

or of any subsidiary.

- (r) To deal in spare parts of motor vehicles and their accessories.
- (s) To carry on the business of supplying all types of office materials, machinery, stationeries equipment and to deal in the business of manufacturing and printing of electoral materials, T-shirts, flags, placards, caps and to generally deal in all office decorations and other business pertaining thereto.
- (t) To carry on the business as importers, exporters and dealers in all types of electronic and electrical equipments industrial, printing and phototypesetting machines, industrial control systems, office machines, and sound systems and as sellers of automobile and machinery spare parts and accessories of the above.
- (u) To carry on the business of transporters, transport contractors, clearing and forwarding agents, air travel and sea travel agents, charterers 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.
- (v) To carry on the business hiring plant equipments for road construction, road construction works, garage proprietors, dealers in repairs, cleaners, storers and warehouses of motor cars, motor minibuses, motor vans, motor lorries, forklifts, pile drivers, motor cycles, air crafts, tractors, trailers, road repairing machinery and equipment, plant cranes and winches, equipment and vehicles of all kinds, whether moved by mechanical power or not; to purchase or acquire, build, construct, exchange, let on hire, alter, improve, manipulate, prepare for market, or otherwise deal in other articles used in connection with or capable of being used in connection with construction and other things.
- (w) To carry on the business of general merchants, as distributors of foodstuff, exporters, importers, agents, manufacturer's representatives, brokers, wholesalers and retailers in goods merchandise and produce of all kind.

- (x) To construct, 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, or to connect the same with other lines of communication.
- (y) To carry on the business of and dealers in ice, ice blocks, cryogen free water, distillers, aerated and mineral waters and other soft drinks, fresh juices and to deal in commodities of all kinds.
- (z) To develop, manage, extend, establish, acquire and offer consultancy services in the fields of commerce, industry and agriculture.
- (aa) To carry on the business as exporters of ocean and agricultural products and as importers of fishing gear, farm inputs and equipment required for agricultural and fishing purposes.
- (bb) To establish, manage and carry on the business of fishermen, deep sea fishing, fishing processing, fishery products and by-products produce, to provide fishing tackle and apparatus both for catching fish above and below the surface of the sea and to carry on the business of large scale sea and big river fishing, trawling, exporters of fresh fish, preserved or canned fish, prawns, lobsters and other sea products.
- (cc) To carry on the business of importers and exporters of all types of mangrove products, oyster, seashells, prawns, lobsters and all types of sea food and sea products.
- (dd) To purchase, hire, or otherwise acquire and hold ships vessels, and to carry on all or any of the business of ship owners, agents, chandlers, freight contractors, general carriers by land and water, and any other business let on hire, repair, alter and deal in machinery component parts, accessories and fitting.
- (ee) To engage in the business and trade as manufacturers, assemblers, repairers, distributors, buyers, sellers and installers of air-conditioners, refrigerators and air-cooling systems both for domestic and industrial usages.

- w) To deal in farming, poultry, and animal husbandry and provide and cater consultant services on animal husbandry and veterinary in general.
- x) To deal in the business of hoteliers, food suppliers by tender, to own hotels, cafes and restaurants, to carry on the business of catering where the contracts will be made with the company.
- y) To carry on all or any of the businesses of consultants in marketing, management and information technology, to carry out research work calculated to advance any business or activity which the Company is authorized to carry on, or in any way related to or connected with any such business or activity to institute, promote or undertake any educational work or training which may be though advantageous to the Company or conducive to the welfare of its employees, to pay or contribute to the expense or such research or education work or training as aforesaid, to employ or engage persons to conduct and carry on the same and subscribe or contribute to the funds or any institutions, society or organization (commercial or otherwise) which undertakes, promotes, conducts or carries out any such research or educational work or training as aforesaid.
- z) To develop the resources of and turn to account any lands and any rights over or connected with lands belonging to or in which the Company is interested and in particular by clearing, draining, fencing, planting, cultivating, building, improving, farming, irrigating, grazing and by the establishment of towns, villages and settlements.
- aa) To carry on, develop, extend and turn to account the said business and any other trade or business whatsoever which can in the opinion of the Company be advantageously or conveniently carried on by the Company by way of extension of in connection with any of its business or is calculated directly or indirectly to develop any branch or the Company's business or to increase the value of or turn to account any of the Company's property or rights.
- bb) To acquire and hold by itself or through a joint venture with other local or foreign investors, shares, stocks, debentures, debenture stock, scrip, bonds, notes,

securities and obligations, issued or guaranteed by any company constituted or carrying on business in any part of the world, and funds, loans, securities or obligations of or issue or guaranteed by any government, state or dominion, public body or authority, supreme, municipal, local or otherwise, whether at home or abroad.



- cc) To acquire any such shares, stocks, debentures, debenture stock, scrip, bonds, notes, securities obligations, funds, or loans by original subscription, tender, purchase, participation in syndicates, exchange or otherwise, and whether or not fully paid up, and to subscribe for the same either conditionally or otherwise, and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof, and to vary and transpose from time to time as may be considered expedient any of the Company's investments for the time being.
- dd) To purchase, take on lease, or by any other means acquire, any lands, shops, building, offices, foundries, furnaces, factories, mills, works, wharves and any real or personal property or rights whatsoever.
- ee) To build, contract, maintain, alter, enlarge, pull down, remove and replace any shops, buildings, offices, foundries, furnaces, factories, mills, works, walls, wharves, roads, railways, tramways, machinery, engines, fences, banks, dams, sluices or watercourses, and to carry out any other works which may be convenient or necessary in connection with any business or object of the Company.
- ff) To apply for, purchase, take out or otherwise acquire any patents, patent rights, licenses, concessions or inventions, copyright or secret processes which may be useful for the Company's objects, and to grant licenses to use the same or to sell the same outright or on any terms which may, in the opinion of the Directors, be to the interest of the Company, and to make, subsidize or assist in experiments, investigations and researches.

- gg) To carry on business as carriers by land, sea or air, and as railway and tramway owners, wharfingers, lighter 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 of goods.
- hh) To carry on any other business, whether financial, manufacturing or otherwise, which may seem to the Company capable of being conveniently carried on in connection with any business of the Company or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or assets
- ii) To acquire and take over the whole or any part of the business, property and liabilities of any company or person carrying on any business which the Company is authorized to carry on, or possession of any property or assets suitable for the purposes of the Company.
- jj) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, debentures or other negotiable or transferable instruments.
- kk) To adopt such means of making known the products of the company as may seem expedient and in particular by advertising in the Press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
- ll) To procure the registration or incorporation of the Company in or under the laws of any place outside the United Republic of Tanzania.
- mm) To do all or any of the above things in any part of the world, and either as principal, agent trustee or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise.
- nn) To distribute any of the Company's property or assets among members in specie.
- oo) To do all such other things as are incidental or the Company may think conducive to the attainment of the above objects or any of them.

AND it is hereby declared that the word "**Company**" in this clause, except where used in reference to this Company, shall be deemed to include any partnership a joint venture with local or foreign investors, or other body of persons, whether incorporated or not incorporated, and whether domiciled in Tanzania or elsewhere, and that the intention is that each of the objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be an independent main object and be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

4. The liability of the members is limited.
5. The share capital of the Company is Three hundred Million (Tshs. 300, 000, 000/=) divided into Three Hundred Thousand (300,000) Ordinary shares of Shillings One thousand (1,000/=) each. Subject and without prejudice to the rights attached to any class or the Company, whether part of the original or any increased capital of the Company, may be issued with any special qualified, preferred or differed rights and privileges or conditions as to capital, dividends, rights or voting or other matters, but so that any such rights, privileges or conditions shall not be altered or modified except in accordance with the Articles of Association of the Company for the time being in force.

WE, the several persons whose names addressed and occupations 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 and Occupations of Subscribers	Number of shares taken by each subscriber	Signature of Subscribers
1. MR. YUNSHAN LU P. O. BOX 78940 <u>DAR ES SALAAM.</u>	297,000 (99%)	
2. Mr. LI GUO P. O. BOX 78940 <u>DAR ES SALAAM</u>	3,000 (1%)	

Dated the 25th day of July, 2013.

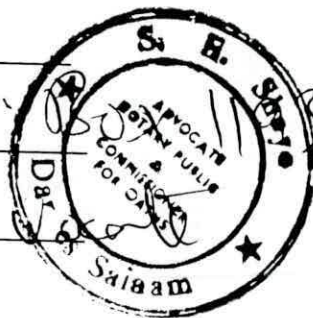
Witness to the above signatures:-

Name: SILVESTRE ERIBES, SIBAY

Signature: _____

Postal Address: _____

Qualification: _____



Dar es Salaam

5000E
36412 25/7/13
WA

2500E
36412 25/7/13
WA
Secretary of Companies

THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
WAN PENG INTERNATIONAL (T) LIMITED.
PRELIMINARY

1. In these Articles:-

"The ACT" means the Companies ACT 2002

"The Seal" means the Common Seal of the Company

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

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

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

2. The Regulations contained in Table A of the First Schedule to the Companies Act 2002 shall not apply to the Company.

3. The Company is a private Company and accordingly:-

(a) The right to transfer shares is restricted in manner hereinafter prescribed.

(b) The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and have continued after the determination of such employment to be members of the Company) is limited to fifty.

PROVIDED THAT where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Article be treated as a single member.

SHARES

4. The Share Capital of the Company is Shillings Three Hundred Million (**Tshs. 300,000,000/=**) divided into Three Hundred Thousand (**300,000**) Ordinary Shares of One thousand Shillings (**1000/=**) each.
5. Subject to the provisions, if any, in that behalf of the Memorandum of Association, and without prejudice to any special rights previously conferred on the holders of existing shares, any shares may be issued with such preferred, deferred or other special rights or such restriction, whether in regard to dividend, voting, return of share capital or otherwise, as the Company may from time to time by special resolution determine, and any preference share may, with the sanction of a special resolution, be issued on the terms that it, or at the option of the Company is liable, to be redeemed.
6.
 - (1) if at any time the share capital is divided into different Classes of shares, the rights attached to any class (unless otherwise) provided by the terms of issue of the class) may be varied with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class.
 - (2) In every such separate general meeting the provisions of these Regulations relating to general meetings should *mutatis mutandis* apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy-third of the issued shares of the class, and that any holder of shares of the class present in person or by proxy may demand a poll.
 - (3) For the purpose of these Articles, the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* herewith.
7. Every person whose name is registered as a member in the register of members shall, without payment, be entitled to a certificate under the Seal of the Company specifying the share or shares held by him and the amount paid up thereon provided that in respect of

a share of shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

8. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding one shilling, and on such terms, if any, as to evidence and indemnity, as directors think fit.
9. No part of the funds of the Company shall directly or indirectly be employed in the purchase of, or in loans upon the security of, the Company's shares, but nothing in this regulation shall prohibit transactions mentioned in the provision to section 46 (1) of the Act.
10. The Company shall be entitled to treat the person whose name appears upon the register in respect of any shares as the absolute owner thereof and shall not be under any obligation to recognize any trust or equity or equitable claim to or partial interest in such shares whether or not it shall have express or other notice thereof.
11. The Company shall have a lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have lien on all shares standing registered in the name of a single person for all moneys presently payable by him or his estate to the Company but the Director's may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien, if any, on a share shall extend to all dividends payable thereon.
12. The Company may sell, in such manner as the directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.

13. For giving effect to any such sale the directors may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall be bound to see to the application any irregularity or invalidity in the proceedings in reference to the sale.
14. The proceeds of the sale be received by the Company and applied in payment of such part of the amount in respect of which the lien exists for sums not presently payable as existed upon entitled to the shares at the date of the sale.

CALLS ON SHARES

16. The directors may, subject to any conditions of allotment from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) provided that (except as otherwise fixed by the conditions of allotment) no call any share shall be payable at less than thirty days from the date appointed for payment of the last preceding call, and each member shall (subject to being given at least fourteen days notice specifying the time and place of payment) pay to the Company at the time and place so specified the amount called on his shares.
17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. for a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of eight per centum per annum from the day appointed for the payment thereof to time of the actual payment, but the directors shall be at liberty to waive payment of the interest wholly or in part.
19. The provisions of these regulations as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account the amount of the share, or by way of premium, as if the same had become payable by virtue of a call dully made and notified.

20. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the money unpaid upon the shares held by him beyond the sums actually called upon thereon as payment in advance of calls which will extinguish, so far as the same shall extend, the liability upon the shares in respect of which it advanced, and the Company may pay interest upon the money so received, or so much thereof as from time exceeds the amount of the calls then made upon the shares in respect of which it has been received, at such rate as the member paying such and the directors agree.

TRANSFER AND TRANSMISSION OF SHARES

20. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
21. Shares shall be transferred in the following form, or in any usual or common form which the directors shall approve:-
- "I ...of.....for.....a consideration of Tshs.paid to me by, of..... (Hereinafter called "the said transferee")
- Do hereby transfer to the said transferee the share (or shares) numbered..... In the undertaking called the **WAN PENG INTERNATIONAL (T) LIMITED**". To hold onto the said transferee, subject to the several conditions on which I hold the same; and I, the said transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.
- As witness our hands the day of....., 2012

22. The Directors may in their absolute discretion decline to register any transfer of shares to a person of whom they do not approve not being already a member of the Company and may also decline to register any transfer of shares on which the Company has a lien. The directors may also suspend the registration of transfer during the fourteen days immediately preceding the ordinary general meeting in each year. The directors may decline to recognize any instrument of transfer unless:-

- (a) A fee not exceeding two shillings is paid to the Company in respect thereof; and
- (b) The instrument of transfer is accompanied by the certificates of the shares to which it relates, and such other evidence as the directors may reasonably require showing the right of the transferor to make the transfer.

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.

- 23. The Legal personal representatives of deceased sole holder of a share shall NOT be automatically recognized by the Company as having any title to the share. The decision whether such legal personal representative should be given the title to the deceased's share shall be taken by the General Meeting of the Company.
- 24. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon evidence being produced as may from time to time be properly required by the directors, have the right, either to be registered as a member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made, but the directors shall in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy.
- 25. A person becoming entitled to share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.
- 26. Save as hereinafter provided, no shares in the Company shall be transferred otherwise than to a person who is already a member of the Company until the rights of pre-emption hereby conferred shall have been exhausted that is to say:-
 - (i) Every member or other person referred to in Article 24 who intends to transfer shares (hereinafter called the vendor) shall give notice in writing to the Board of his

intention to do so. Such notice shall constitute the Board his agent for the sale of the said shares in one or more lots at the discretion of the Board to members of the Company at a price to be agreed upon by the vendor and the Board, or in default of agreement, at a price which the auditor of the Company for the time being shall certify by writing under his hand, to be in his opinion, the fair selling value thereof as between a willing vendor and a willing purchaser.

- (ii) Upon the price being fixed as aforesaid the Board shall or forthwith give notice to all the members of the Company of the number and price of the shares to be sold and invite each of them to state in writing within thirty days from the date of the said notice whether he is willing to purchase any and, if so, what maximum number of the said shares.
- (iii) At the expiration of the said thirty days the Board shall allocate the said shares to or amongst the member of members who shall have expressed his or their willingness to purchase as aforesaid, and (if more than one) so far as may be pro-rata according to the number of shares already held by them respectively **PROVIDED THAT** no member shall be obliged to take more than the said maximum number of shares so noticed by him as aforesaid.
- (iv) Upon such allocation being made the vendor shall be bound on payment of the said price to transfer the shares to the purchaser or purchasers. If he makes default in so doing the Chairman for the time being of the directors of the Company or failing him one of the directors duly nominated by resolution of the Board for that purpose shall forthwith be deemed to be duly appointed attorney of the vendor with full power to exercise, complete and deliver in the name and on behalf of the vendor a transfer of the shares to the purchasing member and the Board may receive and give good discharge for the purchase-money on behalf of the vendor and enter the name of the purchaser in the register of members as holder by transfer of the shares purchase by him.
- (v) In the event of the whole or any lot of shares offered through the Board as provided by this Article not being sold in the manner by this Article provided, the vendor may

at any time within six calendar months after the expiration of the said period of thirty days after the date of the notice given by the Board to the members, transfer the shares not so sold to any person (Subject to Article 22) and at any price.

FORFEITURE OF SHARES

27. If a member fails to pay any call or installment of a call on the day appointed for payment thereof, the directors may, at any time hereafter during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
28. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect.
30. A forfeited share may be sold or otherwise disposed off on such terms and such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be canceled on such terms as the directors think fit.
31. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture were presently payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company receive payment in full of the nominal amount of the shares.
32. A statutory declaration in writing that the declarant is a director of the Company and that a share in the Company has been duly forfeited the fact therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any given for the share on any sale or disposition thereof and may

execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

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

CONVERSION OF SHARES INTO STOCK

34. The Company may by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.
35. The holder of stock may transfer the same, or any part thereof, in the same manner, and subject to the same regulations, as, and subject to which, the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit but the directors may from time to time fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.
36. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by any such *aliquot* part of stock as would not if existing in shares, have conferred that privilege or advantage.
37. Such of the regulations of the Company as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and Stockholder.

ALTERATION OF CAPITAL

38. The Company may from time to time by special resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
39. All new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstance admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notes specifying the number of shares offered, and limiting a time, within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimating from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of those in such manner as they think most beneficial to the Company. The directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the directors, be conveniently offered under this Article.
40. The Company may by ordinary resolution:-
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:-
 - (c) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provision of section 51(1) (d) of the Act.
 - (d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
42. The Company may, by special resolution, reduce its share capital and any capital redemption reserve fund in any manner and with, and subject to, any incident authorized, and consent required, by law.
43. A General Meeting shall be held once in every calendar year at such time (not being more than fifteen months after the holding of the last preceding general meeting) and place as may be determined by the directors. In default of a general meeting so held a general meeting may be convened by any one member in the same manner as nearly

as possible as that in which meetings are to be convened by the directors.

43. All such General Meetings shall be called Annual General Meetings, and all other general meetings shall be called Extra-ordinary General Meetings.
44. The Directors may, wherever 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 requisition or as provided by Section 114 of the Act. If at any time there are not within Tanzania sufficient directors capable of acting to form a quorum, any director or any member of the Company may convene an Extraordinary General Meetings in the same manner as nearly as possible as that in which meetings may be convened by the directors.

NOTICE OF GENERAL MEETINGS

45. Subject to the provisions of the Act relating to special resolutions, seven day's notice at the least (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day for which notice is (given) specifying the place, the day and the hour of meeting and, in case of special business, the general nature of that business 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 but with the meeting, that meeting may be convened by such shorter notice and in such manner as those members may think fit.
46. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any member shall not invalidate the proceedings at any meetings.

PROCEEDINGS AT GENERAL MEETINGS

47. All business shall be deemed special that is transacted at an Extra-Ordinary General Meeting and all that is transacted at an Annual General Meeting, with the exception of sanctioning a dividend, the consideration of the accounts balance sheets and the ordinary report of the directors and auditors and the fixing of remuneration of the auditors.

48. No Business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business, save as herein provided two members present in person or by proxy shall be a quorum.
49. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved in any other case it shall be adjourned to the same day in the next week, at the same and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting it shall be dissolved.
50. The chairman, if any, of the Board of Directors shall preside as chairman at every general meeting of the Company.

If there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose someone of their number to be chairman.

he chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

When a meeting is adjourned for ten days or more, notice to the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

53. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least one member present in person or by proxy and entitled to vote. Unless a poll is so demanded a declaration by the chairman that the resolution has, on a show of hands, been carried or carried unanimously or by a books shall be conclusive evidence of the fact.

54. If a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
55. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
56. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.
57. An ordinary resolution of the Company determined on without any general meeting and evidenced by writing under the hands of all the directors or a sole director and of members of the Company holding in the aggregate three-fourths of the issued shares of the Company shall be as valid and effectual as an ordinary resolution duly passed at a general meeting of the Company.

VOTES OF MEMBERS

58. 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. On a poll every member shall have one vote for each shares of which he is the holder.
59. In case of joint holders the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
60. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction un lunacy, any vote, whether on a show of hands or on a poll, by his committee or other legal guardian may, on a poll vote by proxy.
61. No member shall be entitled to vote at any general meeting unless all class or other sums presently payable by him in respect of shares in the Company have been paid.

62. On a poll votes may be given either personally or by proxy. Provided that no Company shall vote by proxy as long as a resolution of its directors in accordance with the provisions of Section 116 of the Act is in force.
63. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing, or, if the appointer is a corporation, either under seal, or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the Company.
64. The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or a notary certified copy of that power or authority shall be deposited at the registered office of the Company not less than seventy-two hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
65. An instrument appointing a proxy may be in the following form or any other form which the directors shall approve:-
"I.....of.....being a member of **WAN PENG INTERNATIONAL (T) LIMITED**". Hereby appoint as my proxy, to vote for me and on my behalf at the (annual or extraordinary, as the case may be) general meeting of the Company to be held on day of, 2013, and at any adjournment thereof. Signed this day of2013.
66. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

CORPORATION ACTING BY REPRESENTATIVE AT MEETINGS

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

DIRECTORS

68. a) The first directors shall be not less than two in number and shall be appointed by the subscribers to the Memorandum of Association, who shall nominate one as Chairman of the Board. Such nominee shall remain Chairman until the first General Meeting when the other shall become Chairman, and at every subsequent General Meeting the Chairman shall rotate provided always there are only two directors. If there are more the directors may appoint any one of them to be the Chairman of the Company and likewise remove him such office. Unless and until otherwise determined by the Company by ordinary Resolution the number of directors (excluding alternate directors) shall not be less than two.

b) Unless and until the Company in general meeting shall otherwise determine the first Directors of the Company shall be:-

1. MR. Yunshan Lu
2. MR. Li Guo

69. The Company may by ordinary resolution remove any director and appoint another person in his stead. Any vacancy occurring in the Board of Directors may be filled up by the Company by an ordinary resolution.

70 (1) the remuneration of the directors shall from time to time be determined by the Company in general meeting. In addition to their usual remuneration the directors shall also be paid such traveling, hotel and other expenses as may reasonably be incurred by them in the exercise of their duties, including any such expenses in connection with their attendance at meetings of directors.

a) Any director may at any time appoint any person approved by the directors to be an alternate director of the Company, and may at any time remove any alternate director so appointed by him from office and subject to such approval as aforesaid, appoint another person in his place. An alternate director shall (subject) to his giving to the Company an address within Tanzania at which notices may be served on him) be entitled to receive notices of all meetings of the directors, and to attend and vote as a director at which the director appointing him is not personally present, and generally to perform all the functions of his appointer as a director in the absence of such appointer. An alternate director shall

ipso facto to cease to be an alternate director if his appointer ceases for any reason to be a director. All appointments and removals of alternate directors shall be effected by notice in writing under the hand of the director making or revoking such appointment sent to or left at the registered office.

An alternate director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to the agent of or for the director appointing him. The remuneration payable to the director appointing him, and shall consist of such part (if any) of the last mentioned remuneration as shall be agreed between the alternate director and the director appointing him.

- b) A director and alternate director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company, and at any separate meeting of the holders of any class of shares in the Company.
- c) A resolution in writing signed by all directors shall be as valid and effectual as if had been passed at a meeting of the directors duly called and constituted and may consist of several documents in the like form, each signed by one or more of the directors but so that the expression "director" in the article shall not include an alternate director other than an alternate director appointed by a director who at the date of the resolution is absent from Tanzania.
- d) Provided a director declares his interest therein in manner provided by the Act he may vote as a director in regard to any contract or arrangement in which he is interested or upon any matter arising there out, and if he shall so vote his vote shall be counted in the quorum when any such contract or arrangement is under consideration.
- e) The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property, uncalled capital, or any part thereof, and to issue debenture, debenture stock, and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party.

POWERS AND DUTIES OF DIRECTORS

- f) The business of the Company shall be managed by the directors who may pay all expenses incurred in getting up and registering the Company, and may exercise all such powers of the

Company, as are not, by the Act, or by these Articles, required to be exercised by the Company in general meeting, subject, nevertheless, to any regulation of these Articles, to the provisions of the Act and such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting; but no regulations had not been made.

- g) The Directors may from time to time appoint one or more of their body corporate to manage the Company for such term and at such remuneration (whether by way of salary or commission, or participation in profits, or partly in one way and partly in another) as they may think fit. In the case of the appointment of a Managing Director such appointment shall be subject to determination ipso facto if he ceases from any cause to be director.
- h) The directors shall cause minutes to be made in books provided for the purpose:-
 - (a) Of all appointments of officers made by the directors;
 - (b) Of the names of the directors present at each meeting of the directors and of the directors, and of committees of directors and every director present at any meeting of directors or committee of directors shall sign his name for the purpose.

THE SEAL

- i) The Board shall provide for the safe custody of the Seal. The Seal shall be used only by the authority of the Board and every instrument to which the Seal be affixed shall be signed by a director and also by the Secretary or by a second director or by some other person appointed by the Board for the purpose.

DISQUALIFICATION OF DIRECTORS

- j) The office of director shall be vacated, if the director:-
 - (a) Without the consent of the Company in general meeting holds any other office of profit under the Company except that of Managing Director or Manager; or
 - (b) Becomes bankrupt in this Territory or in any other territory which is declared to be a reciprocating territory under Section 147 of the Bankruptcy Act; or
 - (c) Becomes prohibited from being a director by reason of any order made under sections 213 or 269 of the Act; or

- (d) Is found lunatic or becomes of unsound mind; or
 - (e) Resigns his office by notice in writing to the Company; or
- (e) Is punished with imprisonment for a term exceeding six months without the option of a fine.

PROCEEDINGS OF DIRECTORS

- k) The directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings, as they think fit. 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. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors.
- l) The quorum necessary for the transaction of the business of the directors may be fixed by the Directors and unless so fixed shall be two.
- m) The continuing Directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of directors, the continuing directors may act for the purpose of summoning a general meeting of the Company, but for no other purpose.
- n) The Directors may be chairman of their meeting and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.
- o) 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.
- p) A committee may elect a chairman of its meeting; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same the members present may choose one of their number to be chairman of the meeting.

- q) A committee may meet and adjourn as it thinks 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 shall have a second or casting vote.
- r) All acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there were some defect in the appointment of any 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 and was qualified to be a director.

SECRETARY

- s) The Secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit and Secretary so appointed may be removed by them.
- t) No person shall be appointed or hold office as a Secretary who is:-
- (a) The sole director of the Company, or
 - (b) A corporation the sole director of which is the sole director or the Company; or
 - (c) The sole director of a corporation which is the sole director of the Company.
- u) A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and the Secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the Secretary.

DIVIDENDS AND RESERVE

- v) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors.
- w) The directors may from time to time pay to the members such interim dividends as appear to the directors.
- x) No dividends shall be paid otherwise than out of profits.
- y) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid up on any of the said shares in the Company dividends may

be declared and paid according to the amounts of the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purposes of this article as paid on the share.

z) The directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as reserve or reserves which shall, at the discretion of the directors, be applicable for meeting contingencies or for equalizing dividends or for any other purpose to which the profit of the Company may be properly either be employed in the business of the Company or be invested in such investments (other than shares in the Company) as the directors may from time to time think fit.

aa) If several persons are registered as joint holders of any shares, any one of them gives effectual receipts for any dividends or other moneys payable on or in respect of the shares.

bb) Any dividends may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or in the case of joint holders to any one of such joint holders at his registered address or to such person and such address as the member or person entitled or such joint holders as the case may be may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders as the case may be may direct.

cc) No dividend shall bear interest against the Company.

ACCOUNTS

dd) The directors shall cause proper books of account to be kept with respect to:-

- 1 All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- 2 All sales and purchase of goods by the Company;
- 3 The assets and liabilities of the Company.

ee) The books of account shall be kept at the registered offices of the Company, or at such other place or places as the directors think fit, and shall always be open to the inspection of the directors.

ff) 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 accounts and books of the Company or any of them shall be open to the Company or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account or books or document of the Company except as conferred by statute or authorized by the directors or by the Company in general meeting.

gg) The directors shall from time to time in accordance with Section 123 of the Act, cause to be prepared and to be laid before the company in general meeting such profit and loss accounts, balance sheets and reports as are referred to in that section.

hh) The profit and loss account shall show, arranged under the most convenient heads, the amount of gross income, (distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenses of the establishment salaries and other like matters. Every item of expenditure fairly chargeable against the year's income) shall be brought into account, so that a just balance of profit and loss may be laid before the meeting and, in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated, with the addition of the reason why only a portion of such expenditure is charged against the income of the year.

ii) 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 Auditor's report shall not less than seven days before the date of the meeting be sent to all persons entitled to receive notices of general meetings of the Company.

jj) Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act.

NOTICES

kk) A notice may be given by the Company to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address within the Territory) to the address, if any, within the Territory supplied by him to the Company for the giving of notices to him. Where a notice is sent by post, service of the notice shall be deemed to be

effected by properly addressing, prepaying and posting a letter containing the notice, and unless the contrary is proved to have been effected at the time at which letter would be delivered in the ordinary course of post.

ll) If a member has no registered address within the Territory and has not supplied to the Company an address within the Territory for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighborhood of the registered office of the Company shall be deemed to have been duly given to him at noon on the day on which the advertisement appears.

mm) A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register of members in respect of the share.

nn) A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or receiver of the bankrupt, or by any like description, at the address, if any within the Territory supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

oo) Notice of every general meeting shall be given in some manner herein before authorized to:-

e) every member except those members who (having no registered address within the Territory)have not supplied to the Company an address within the Territory for the giving of notices to them, also to

f) Every person entitled to a share in consequence of the death or bankruptcy of a member, who, but for his death or bankruptcy would be entitled to receive notice of the meeting. No other person shall be entitled to receive notice of general meetings.

CAPITALIZATION OF PROFITS

pp) The Company in general meeting may upon the recommendation of the directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit or loss

account or otherwise available for distribution amongst the member who would have been entitled thereto if 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 shares 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 to and amongst such members in the proportion aforesaid, or partly in the one way or partly in the other, and the directors shall give effect to such resolution.

qq) Whenever such a resolution as aforesaid shall have been passed the directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full powers to the directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorize any person to enter on behalf all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits received to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such member.



WINDING UP

rr) If the Company shall be wound up, the liquidator may, with sanction of an extraordinary resolution of the Company and any other sanction required by the Companies Act, if any, and having due regard to the respective rights of the holders of different classes of shares to which special rights are attached, divide amongst the members in specie or kind the whole or any part of the assets of the Company and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

The liquidator may with like sanction vest the whole or any part such assets in trustees upon such trusts for the benefit or the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares of other securities whereon there is any liability.

INDEMNITY

- ss) Subject to the provisions of the Act, every director or other officer and auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution of his office or otherwise in relation thereto.

Names, postal Address and Occupations of Subscribers	Number of shares taken by each subscriber	Signature of Subscribers
1. MR. YUNSHAN LU P. O. BOX 78940 <u>DAR ES SALAAM.</u>	297,000 (99%)	
2. Mr. LI GUO P. O. BOX 78940 <u>DAR ES SALAAM</u>	3,000 (1%)	

Dated the 25th July day of July, 2013.

Witness to the above signatures:-

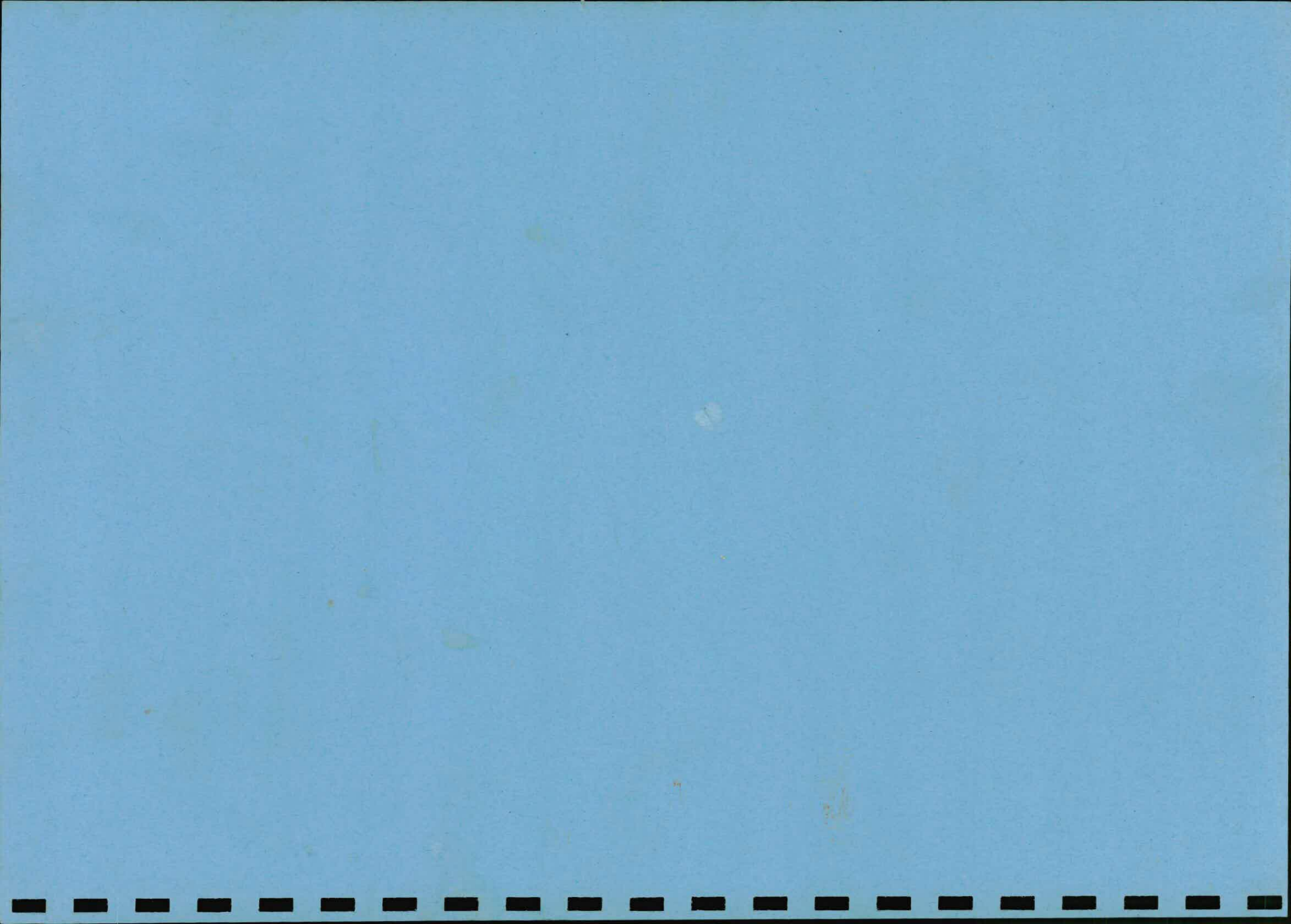
Name: Luvsan Batsagi Jbay

Signature: 

Postal Address: _____

Qualification: Advocate





WAN PENG INTERNATIONAL LIMITED

**BUSINESS PLAN
FOR
MANUFACTURING OF CEMENT FOAM BLOCKS
AND
RELATED PRODUCTS**

WAN PENG INTERNATIONAL (T) LTD registered in Tanzania under with Certificate of Incorporation **No.10115** Issued on **27th July 2013**.

The project promoters are well established business in China carrying out various businesses but majoring in manufacturing activities. Having been in the business for over 10 years the directors are now well prepared to venture into manufacturing of construction/building materials such as cement foam blocks project.

The business plan has been prepared for **WAN PENG INTERNATIONAL (T) LTD** for manufacturing of cement foam blocks materials. The implementation of this project will include following activities:

- Registration of project to TIC
- Obtaining various permit and license
- Repairing industrial building
- Ordering machines
- Recruiting
- The purchase of 2 Single Cabins Pick Up
- Purchase of 2 heavy trucks
- Purchasing 2 light trucks
- Purchasing of machines and equipments
- Equipping the company with relevant facilities

The proposed project is estimated to cost about US\$ 8M. The project sponsors will prove 60% of this investment and the remaining 40% will be sourced from financial institution.

1.1 **THE PROJECT PROMOTERS**

The shareholders of this project are all entrepreneurs with a diverse professional and business backgrounds. The company is owned by 3 shareholders, namely:-

S/N	NAME	NATIONALITY	% OF SHARE
1	YUNSHAN LU	CHINA	99
2	LI GUO	CHINA	1

1.2 **LOCATION.**

The project head office will be located Pugu Industrial Area , Dar es salaam.

1.3 **OBJECTIVE OF STUDY**

The purpose of this study is to work out the technical and commercial details and financial viability of a factory for manufacture of cement foam blocks and related products.

1.4 **MARKET AND MARKETING ASPECTS**

The market survey carried out reveals that the current demands for cement foam blocks are higher than local production. There is wide gap between supply and demand and therefore, business opportunities exist for setting up additional manufacturing facilities to satisfy the market requirement

2.0. **PROJECT DETAILS**

2.1. **INTRODUCTION**

Tanzania is geographically strategically located in relation to her neighbors. Because of the above mentioned factor, the country's manufacturing sector has a great potential in contributing in economic growth of Tanzania Economy.

Sector plays a critical role in the social and economic development of a country. There is a wide market for cement foam blocks products in Tanzania, Hence the project is not expecting to face operational problem.

Tanzania market is supplied by imported products from Asia based on the quality of products which will be supplied by **WAN PENG INTERNATIONAL (T) LTD** the company's products is expected to have a good market in Tanzania

It is quite gratifying to note that the Government of Tanzania realizes the role of manufacturing sector for its economic and social development, and as a result has developed fiscal and non fiscal incentives which are very instrumental in improving the business and investment environment in the manufacturing sector.

It is alleged that limited availability of cement foam blocks products produced within Tanzania is the major causes of high cost of commercial and residential buildings in Tanzania. It is in view of this that, **WAN PENG INTERNATIONAL (T) LTD** has resolved to assist by providing a solution to stimulate manufacturing sector by increasing supplies and productivity. **PENG INTERNATIONAL (T) LTD** has major objectives as following:-

- To promote manufacturing in Tanzania
- To bring new technology and technical know how in the country in the course of its business transactions.
- To provide extra employment to more people in the sector.

3.0 THE PROJECT

WAN PENG INTERNATIONAL (T) LTD is a company legally registered in Tanzania and it bears the Certificate of Incorporation **No.101155** Issued on **27th July 2013**.

This study is based on plastic manufacturing of building materials (cement foam blocks).

3.1 PROJECT SPONSORS

WAN PENG INTERNATIONAL (T) LTD is owned by two shareholders, all of them are Chinese. The shareholders have an adequate experience in running the business of plastic manufacturing,

3.2 PROJECT MANAGEMENT

WAN PENG INTERNATIONAL (T) LTD will be under the Management of Mr. Lu, and Mr Guo who have experience in managing various businesses.

Under this management, **WAN PENG INTERNATIONAL (T) LTD** is expected to grow steadily from small to medium company producing high quality products serving domestic to neighboring states at the same time is expecting to use raw materials from domestic market.

The company will have a team of qualified and experienced functional managers in the areas of operations/Marketing, workshop Finance and Administration. Other senior and middle level staff will be available for the start up and subsequent operations of the company, the total number of employees are expected to be 34

3.3 PROJECT MANAGEMENT POLICY

The day to day operations will be managed by the Managing Director, to be assisted by Directors of Production and Technical Director who will be the overall in charge of production, a sales & marketing Director whose major responsibility will be marketing and sales, financing and administration Director who will take care all matters related to finance resources and human resources of the company

3.4 RAW MATERIAL BASE

The plastics manufacturing project will strictly adhere to the law of the land, particularly environmental issues, and all raw materials will be sourced locally and stored in proper manner in designated warehouse.

The company will subcontract to various companied to collect raw materials and other will be purchase directly from individuals ,the company intend to put sustainable supply chain so as to maintain the quality of final products .

3.5 **MANUFACTURING SECTOR IN TANZANIA.**

Generally, Tanzania has environmental regulations governing the operation of manufacturing industries; operators are required to take environmental impacts assessment to ensure environmental impacts is minimal.

The Government of Tanzania has simplified procedures for manufacturing to encourage value addition, that is why Tanzania through TIC has in place fiscal and non fiscal incentives to enable investors to have soft landing, procedure and rules are fair and transparent.

4.0 **PROJECT'S INVESTMENT CAPITAL**

The estimated capital investment cost of the project is **US\$ 8,000,000.**

WAN PENG INTERNATIONAL (T) LTD COST STRUCTURE

PARTICULAR	US\$
Land and Buildings	1,000,000.00
Vehicles	1,000,000.00
Plant and Machinery	5,000,000.00
Furniture & Fittings	2,000.00
Pre exp	68,000.00
Working Capital	930,000.00
TOTAL	8,000,000.00

For the project to be a reality a total investment amounting to **US\$8,000,000** is needed

5.0 **FINANCING PATTERN**

The project will be financed by equity by 60%; constituting **US\$ 4,800,000** and loan 40% being **US\$3,200,000**

SCHEDULE 5.0: Financing Pattern

Source of Financing	Foreign	Local	%
Equity	4.8m	0	60
Loan	3.2	0	40
TOTAL	8	0	100

6.0 **MARKETING ASPECTS**

6.1 **The Products**

The main products of the proposed project consist of :

- Cement foam blocks,

6.2 **The Markets**

The products are for the local. As mentioned above, the promoters are well versed in the business with well established market contacts.

6.3 **Supply Position**

Apparently, there is limited production of high quality cement foam blocks of the quality targeted by the company. State of the art technology to be employed will enable the company produce very high quality plastic products

6.4 **Competition**

Due to the limited and insufficient supply as aforementioned, no stiff competition is foreseen. However, production of sub-standard products or selling at prohibitive prices will immediately shift customers to substitute products.

6.5 **Distribution**

The company expects to establish its own show rooms to facilitate distribution of its products. This will include setting up of a special unit which will be provided with resources to enable it efficiently undertakes the distribution function of the company. The company will also consider appointing wholesalers in regions and districts level and

6.6 Promotion

Appropriate promotion means will be employed after consultations with promotion experts to enable the company properly promote its products

7.0 ASPECTS OF PROJECT SUSTAINABILITY

The project sponsors having studied market conditions are convinced that the project will be able to operate undisturbed. The growing demand for quality plastic products locally gives them assurance of a steady market.

7.1 QUALITY CONTROL SYSTEM

The required quality control mechanism will be employed to control the quality of final products

7.2 ENVIRONMENT PROTECTION

The company intends to make environment friendly,.

8.0 FINANCIAL ANALYSIS

8.1 Considerations and Assumptions:

The corporate tax charged is 30% of the profits. Capital investment allowance is 50%. The capital assets are exempted from custom duty and Value Added Tax. The straight line method to depreciate the project's capital items has been applied.

It is assumed that the major raw material will be procured from local market and other will be imported. Plastic products will be manufactured at the factory. Revenues have been conservatively estimated based on experience of the promoters and trends in the plastic products industry.

8.2 Financial Statements:

8.3 Projected Sales Revenue

For projection purposes, it is assumed that the economic life of the project is five years, and that production of the different types of cement foam bricks commence from the first year of operation.

SCHEDULE 8.3: REVENUE PROJECTION

	1	2	3	4	5	6	7
Revenue	3,600,000	3,888,000	4,199,040	4,534,963	4,897,760	5,289,581	5,712,747

8.4 Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 5 years period. The position depicted is that the project earns profit throughout its life. Accumulated after tax profits grow from. US\$ 852,460.00 in first year to US \$ 8,680,529.70 in the 7 year

WAN PENG INTERNATIONAL (T) LTD PROJECTED INCOME & EXPENDITURE STATEMENT

	1	2	3	4	5	6	7
Revenue	3,600,000.00	3,888,000.00	4,199,040.00	4,534,963.20	4,897,760.26	5,289,581.08	5,712,747.56
Operating Expenses:							
Fuel and lubricants	900,000.00	954,000.00	1,011,240.00	1,071,914.40	1,136,229.26	1,204,403.02	1,276,667.20
Utility	12,000.00	12,600.00	13,230.00	13,891.50	14,586.08	15,315.38	16,081.15
Electricity	24,000.00	69,000.00	116,700.00	167,262.00	220,857.72	277,669.18	337,889.33
Donation	8,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Salary and Wages	216,000.00	226,800.00	238,140.00	250,047.00	262,549.35	275,676.82	289,460.66
Insurance	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Maintenance	288,000.00	316,800.00	348,480.00	383,328.00	421,660.80	463,826.88	510,209.57
Communication	10,000.00	10,500.00	11,025.00	11,576.25	12,155.06	12,762.82	13,400.96
Total Expenses	1,508,000.00	1,644,700.00	1,793,815.00	1,953,019.15	2,123,038.27	2,304,654.09	2,498,708.87
Profit before Interest and Depre	2,092,000.00	2,243,300.00	2,405,225.00	2,581,944.05	2,774,721.98	2,984,926.98	3,214,038.70
Bank interest	224,000.00	224,000.00	224,000.00	224,000.00	224,000.00	224,000.00	
Depreciation	650,200.00	650,200.00	650,200.00	650,200.00	650,200.00	650,200.00	650,200.00
Profit before Tax	1,217,800.00	1,369,100.00	1,531,025.00	1,707,744.05	1,900,521.98	2,110,726.98	2,563,838.70

Tax (30%)	365,340.00	410,730.00	459,307.50	512,323.22	570,156.60	633,218.09	769,151.61
Profit After Tax	852,460.00	958,370.00	1,071,717.50	1,195,420.84	1,330,365.39	1,477,508.89	1,794,687.09
Accumulated Profit	852,460.00	1,810,830.00	2,882,547.50	4,077,968.34	5,408,333.72	6,885,842.61	8,680,529.70

8.4 Projected Cash Flows

This is shown in the financial statements. The project has a positive end of year cash flow from year1, i. e US\$ 969,327.00 of operation to the 7th year i.e. US \$ 10,565,264

WAN PENG INTERNATIONAL (T) LTD PROJECTED CASH FLOW US\$

	0	1	2	3	4	5	6	7
SOURCES:								
Profit before interest and depreciation	0	2,092,000.00	2,243,300.00	2,405,225.00	2,581,944.00	2,774,721.00	2,984,926	3,214,038
Loan	3,200,000.00							
Equity	4,800,000.00	-	-	-	-	-	-	-
Total Sources	8,000,000.00	2,092,000.00	2,243,300.00	2,405,225.00	2,581,944.00	2,774,721.00	2,984,926	3,214,038
Applications:								
Capital expenditure	7,002,000.00	-	-	-	-	-	-	-
working Capital and others	998,000.00	-	-	-	-	-	-	-
Cash	0	969,327.00	1,075,237.00	1,188,585.00	1,312,288.00	1,447,232.00	2,127,708	2,444,887
Tax	-	365,340.00	410,730.00	459,307.00	512,323.00	570,156.00	633,218	769,151
Sub total	8,000,000.00	1,334,667.00	1,485,967.00	1,647,892.00	1,824,611.00	2,017,388.00	2,760,926	3,214,038
Debt service								
Interest	-	224,000.00	224,000.00	224,000.00	224,000.00	224,000.00	224,000	-
Principal	-	533,333.00	533,333.00	533,333.00	533,333.00	533,333.00		-
Total debt service	-	757,333.00	757,333.00	757,333.00	757,333.00	757,333.00	224,000	-
Total applications	8,000,000.00	2,092,000.00	2,243,300.00	2,405,225.00	2,581,944.00	2,774,721.00	2,984,926	3,214,038
Accumulated cash		969,327.00	2,044,564.00	3,233,149.00	4,545,437.00	5,992,669.00	8,120,377	10,565,264
Necessary working capital	998,000.00	998,000.00	998,000.00	998,000.00	998,000.00	998,000.00	998,000	998,000

8.5 Projected Balance Sheet

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Net worth of the project increases from US\$ **998,000** in the first year of operation to US \$ **11,568,600.00** in the 7th year.

WAN PENG INTERNATIONAL (T) LTD PROJECTED BALANCE SHEET US \$

	0	1	2	3	4	5	6	7
Fixed Assets								
Opening balance	-	7,002,000.00	6,351,800.00	5,701,600.00	5,051,400.00	4,401,200.00	3,751,000.00	3,100,800.00
Additions	-	0	0	0	0	0	0	0
Total Long-term Assets	-	7,002,000.00	6,351,800.00	5,701,600.00	5,051,400.00	4,401,200.00	3,751,000.00	3,100,800.00
Less depreciation	-	650,200.00	650,200.00	650,200.00	650,200.00	650,200.00	650,200.00	650,200.00
Closing balance	-	6,351,800.00	5,701,600.00	5,051,400.00	4,401,200.00	3,751,000.00	3,100,800.00	2,450,600.00
Debtors	-	-	-	-	-	-	-	-
Working capital	998,000.00	998,000.00	998,000.00	998,000.00	998,000.00	998,000.00	998,000.00	998,000.00
Accumulated cash	-	969,327.00	2,044,564.00	3,233,149.00	4,545,000.00	4,370,000.00	5,992,000.00	8,120,000.00
Total assets	998,000.00	8,319,127.00	8,744,164.00	9,282,549.00	9,944,200.00	9,119,000.00	10,090,800.00	11,568,600.00
Financed by								
Equity	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00
Profit	-	852,460.00	958,370.00	1,071,717.00	1,195,420.00	1,330,365.00	1,477,508.00	1,794,687.00
Total equity	4,800,000.00	5,652,460.00	5,758,370.00	5,871,717.00	5,995,420.00	6,130,365.00	6,277,508.00	6,594,687.00
Long term loan	3,200,000.00	2,666,667.00	2,133,334.00	1,600,001.00	1,066,668.00	533,335.00	-	-
Creditors	-	-	-	-	-	-	-	-
Total debts	3,200,000.00	2,666,667.00	2,133,334.00	1,600,001.00	1,066,668.00	533,335.00	-	-
Total equity and debts	8,000,000.00	8,319,127.00	7,891,704.00	7,471,718.00	7,062,088.00	6,663,700.00	6,277,508.00	6,594,687.00

8.6 Projected loan repayments

The loan borrowed from financial institution is expected to be fully paid within 5 years of projection operation,

PROJECTED LONG TERM LOAN REPAYMENT

Year	principle	Loan Interest (7%)	Total Paid	Repayments US\$	
				Amount	Loan Balance
0					3,200,000
1	533,333	224,000	757,333		2,666,667
2	533,333	224,000	757,333		2,133,334
3	533,333	224,000	757,333		1,600,001
4	533,333	224,000	757,333		1,066,668
5	533,333	224,000	757,333		533,335
6	533,333	224,000	757,333		2
TOTAL	3,199,998	1,344,000	4,543,998		

9.0

ECONOMIC ASPECTS

Implementation of this project will have the following social and economic values

- The project will boost investment in manufacturing sector which is important for the economy, contribution to research and other skills development.
- The project will involve transfer of technology in cement foam bricks manufacturing.
- The project will create employment for 34 people on permanent contract basis as well as on temporary basis.
- It will create more business opportunities to local suppliers of building materials, which will also have a trickledown effect in the environmental issues.

- Provision of a market for goods and services demanded by expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government.
- It will generate substantial revenue to the government in the form of corporate tax, value added tax and pay as you earn.

9.0 IMPLEMENTATION

Project implementation is expected to be relatively very short once project has been approved it is estimated that ordering and assembling of machines will take approximately 8 months:-

SCHEDULE 11.0: IMPLEMENTATION

	ACTIVITY	PERIOD
1	Processing TIC Certificate of Incentive	September 2013
2	Ordering of plant and machineries and Vehicles	December 2013
3	Arrival of Plant, Machinery and Vehicles	February 2014
4	Assembling and fixing machines	March-June 2014
5	Testing machines	July- 2014
6	Commercial production	August 2014

10.0 CONCLUSION AND RECOMMENDATIONS

The project is technically feasible, financially viable, and economically sound, provided the sponsors will manage it efficiently.

It is recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under the Tanzania Investment Act, 1997.

