

HAKIKA

BREWE

LED

MINUTE SHEET

Dokezo
No.

1.0

EXD

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

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 1.593M
- (b) Legal entity has been incorporated under certificate No. 82648 of 04/11/2014

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

31st January, 2014



2.0

EXD

In response to the TIC letter of registration dated 29th January 2014

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from Abzanu Bank Cop Ltd
- (c) Lease Agreement in Surrender of land

With the above submission EXD is requested to sign Certificate of Incentives No. 042598 herein attached.



MINUTE SHEET

Dokezo
No.



HAKIKA BREWERIES LTD

P.O.Box 62615-Dar Es Salaam

Phone: +255-(0) 784 962579

①

06th January 2014

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



Re: APPLICATION FOR CERTIFICATE OF INCENTIVE

We are referring to the above subject matter.

Hakika Breweries Limited has embarked on brewing wine, as part of its long term objectives. In order to be able to execute this project effectively, we would like to apply for the certificate of incentive from the center. Together with this application form, the following documents are attached for reference;

1. Project Business Plan/Proposal (2 copies)
2. Company Memorandum & Articles of Association
3. Copy of the Title deed/Lease agreement for the rented space, (where the office is)
4. Board Resolution
5. Bank reference letter
6. Sketch Map showing the site plan

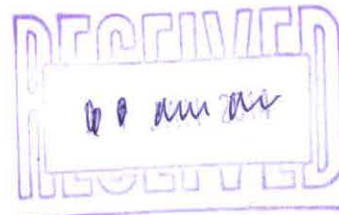


It is our sincere belief that our application will receive due consideration from you.

Thanking you in advance

Yours faithfully,


Managing Director



**SPECIAL BOARD RESOLUTION FOR THE
BOARD OF DIRECTORS MEETING OF THE COMPANY**

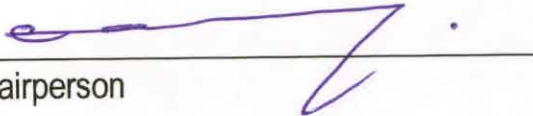
During the special meeting of the directors of the company held on the 02nd January, 2014,
the following RESOLUTIONS:

RESOLUTIONS

RESOLVED that **HARAKA BREWERIES LIMITED** apply for Certificate of Incentive from
Tanzania Investment Center (TIC)

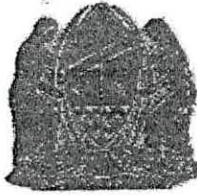
Dated: 06-01-2014

Chairperson



Company Secretary





Certificate of Incorporation

Section 15

No 82648

I HEREBY CERTIFY THAT

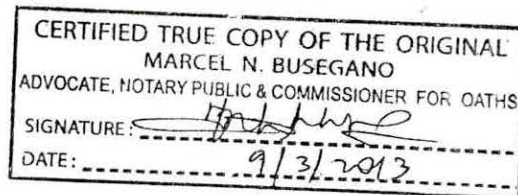
HAKIKA BREWERS LIMITED

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

Given under my hand at Dar es salaam

this 11TH day of APRIL

TWO THOUSAND AND ELEVEN.



Asst. Registrar of Companies

CTIN1658312

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

HAKIKA BREWERS LIMITED

Branch: KEREGE MATUMBI - BAGAMOYO

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

119-826-799

20-02-2013

with effect from

Certified as a True Copy of the Original
[Signature]
SALOME GONDWE
Advocate, Notary Public & Commissioner for Oath.

[Signature]
P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

NOTE: THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED ON REVERSE LEAF



THE UNITED REPUBLIC OF TANZANIA

The National Industries (Licensing and Registration) Act, 1967

(Sections 28(f))

CERTIFICATE OF REGISTRATION

License No **0002891**

ISIC Class No **1102/06/20130228**

Issued at **DAR ES SALAAM**

Name of firm and address **HAKIKA BREWERS LIMITED**
P.OBOX 62615
DAR ES SALAAM

The License permits operating a factory to manufacture for sale
WINE (out of ORANGES AND BANANA)

=====

Subject to the following conditions

- (i) that the bearer is obliged to submit annual progress reports on the project
- (ii) that the products produced shall conform to the standards Accepted by TBS
- (iii) Others: **1.THAT LOCALLY AVAILABLE INPUTS MUST BE USED**
2.THAT MUST BE APPROVED BY NATIONAL ENVIRONMENT MANAGEMENT COUNCIL
3.THAT MUST BE APPROVED BY TANZANIA FOOD AND DRUGS AUTHORITY

Location of the factory **KEREGE MATUMBI-BAGAMOYO, COAST REGION**

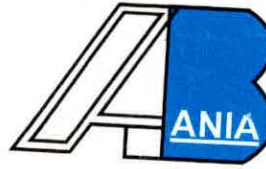
THAT THE LOCATION SHALL COMPLY WITH THE REQUIREMENT RELATING TO TOWN PLANNING

28th, FEBRUARY 2013
Date


G. L. BinaMungu

Asst. Registrar of Industries: Ministry of Industry and Trade

AZANIA BANK LIMITED



MASDO BRANCH
Samora Avenue
P.O. Box 9271
Dar es Salaam, Tanzania
Tel: 2118025 - 6, 2118010, 2118014
2113295, 2122346, 2121911
Fax: 2118011
Email: info@azaniabank.co.tz
www.azaniabank.co.tz

Date: 16th December 2013

ABL/CUSTOMERS/HBL/008/2013

Your Ref:

The Managing Director,
Tanzania Investment Centre,
Dar es salaam

Dear Sir/Madam

REF: INTRODUCTION OF HAKIKA BREWER'S LIMITED

The above mentioned company is our customer maintaining following current accounts:

- Tanzania Shillings ac No. 001001046882270001
- United Stated Dollar ac No. 001001046882270101

In the course of their operation with us, their accounts have been operated to our satisfaction and in-line with bank regulations.

Hakika Brewer's Limited intends to grant certificate of Tanzania Investment Centre Reference.

Kindly accord her with necessary assistance.

Yours Faithfully,

Ally Maliva
Branch Manager

LEASE AGREEMENT

This Lease Agreement is made and concluded this **1st JANUARY, 2014**

Between

CYRIL CASMIR MMASSY of Post Office Box 90 Bagamoyo-Tanzania (hereinafter referred to as the **Lessor** which express shall where the context so admits include his Administrators, executors, assigns and successors in title) of the one part,

And

HAKIKA BREWERS LIMITED, a limited company incorporated under the Laws of United Republic of Tanzania, of PO BOX 62615, having its registered offices at Kimara Bucha, Dar es Salaam (hereinafter referred to as the **Lessee** which expression shall where the context so admits include its successors in title of the other part.

WHEREAS the **Lessor** is the lawful owner and legal authorized person for the purpose of leasing all that area of **10,640 Sqm** comprised in **Plot No.6 and 7 Block "A" Kerege, Bagamoyo, Coast Region** (hereinafter referred to as "demised land") along with fixtures and equipment in the attached inventory of items.

AND WHEREAS the **Lessee** is desirous and willing to take on lease the whole of the said land for the construction of Brewing Plant.

AND WHEREAS the **Lessor** is willing to let the said land to the **Lessee** on the terms and conditions herein contained,

NOW WHEREFORE this Lease Agreement **WITNESSETH** as follow:

1. THE LEASED LAND AND RENT

The **Lessor** hereby demises unto the **Lessee** the demised land situated on mentioned herein above PLOT within the Region of Coast Region, Tanzania to hold the same for a term of **Fifty (50) years** commencing from **1st January, 2014**. The **Lessee** shall pay rent to the **Lessor** in respect of demised land of the sum of **Tshillings 500,000.00** Say **Tsh. Five Hundred Thousand only** per month VAT exclusive, payable for 12 (Twelve) months in advance. The rental fee shall be paid in the manner aforesaid without any delays and that the **Lessor** hereby agrees that the rent shall be escalated by maximum 6% on the current rent charges in which the same shall be imposed to the **Lessee** in case of the rent review.

2. DURATION

The Lease shall commence from the **1st January, 2014** and up to and including the 31st day of the December, 2064

3. USE OF LAND

The **Lessee** shall use the demised land to construct Wine Brewing Factory and related ancillary purposes as the **Lessee** may deem expedient, and shall be used and occupied by persons in the employment of the **Lessee** and such other persons as approved by the **Lessee**. The **Lessor** undertakes not to allow any other Wine Brewers on the land without Lessee's written consent, save as may be compelled by law.

4. MAINTENANCE

The **Lessee** shall maintain the demised land and leave the land upon expiration or termination of this Lease Agreement period in good condition.

5. FIXTURES

The **Lessee** shall be entitled to affix to the demised land appropriate sign, symbols and install necessary trade fixtures, building. Any such fixtures shall remain the exclusive property of the **Lessee**

6. TAXES

The **Lessor** shall be responsible to pay any duties payable by trader or business in relation to this Agreement. The Lessee shall withhold ten percent (10%) of the rent as required by *The Income Tax Act, 2004* as amended time to time.

7. POSSESSION

The **Lessor** shall hand over the demised land and **Lessee** shall have full possession not later than five (5) days from the date of signing of this Agreement. The **Lessor** shall ensure that the property is free from any encumbrance whatsoever.

8. TERMINATION

Under no circumstances shall either party to this agreement terminate this lease within the lease period except where the **Lessor** and the **Lessee** mutually agree that this Lease be terminated. Should that termination happen and if initiated by the Lessor, the Lessee shall be reimbursed the total investment cost for the related factory plus the sum of rent amount advanced but not expended with the interest at the Bank of Tanzania rate applicable at the time of reimbursement.

Notwithstanding anything to the contrary contained in this Agreement, either party reserves the right to terminate this Lease agreement upon serving the 90 days written Notice of intention to terminate this Agreement.

9. RENEWAL

The **Lessee** shall have the option to renew the Lease after the expiry of the agreed term in Clause 2 provided that the Lessee communicates to the Lessor in writing the intention to renew at least three (3) months prior to the date of expiry of the lease term.

The renewal of the Lease shall be subject to the consent and approval from the parties and review of the rent. The rent shall be reviewed annually during the lease period. The Lessor hereby agrees that no more than a maximum of 6% of the current rent charges shall be imposed to the Lessee in case of rent review.

10. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of The United Republic of Tanzania.

11. SETTLEMENT OF DISPUTES

Notwithstanding anything contained in this Agreement, the parties hereunto agree to mutually settle any dispute arising therefrom. If a mutual settlement is not reached within 30 days of the notification of the dispute to the other party; the dispute will be referred to and settled through arbitration. Each party shall appoint one arbitrator in accordance with the Arbitration Ordinance (Chapter 15) of the Laws of Tanzania and the two arbitrators shall appoint an umpire, Should there be no consensus on the appointment

of the umpire, then the President of Tanganyika Law Society shall appoint an umpire. The arbitration proceedings shall take place in Tanzania.

12. FORCE MAJEURE

Neither party shall be liable to the other for inability to perform or delayed performance in terms of the agreement, should such inability or delay arising from any cause beyond reasonable control of such party, provided that existence happening of such cause has been drawn to the attention of the other party within a reasonable time of occurrence of such cause.

For the purposes of this clause a force majeure event without limitation to the generality of the afore going is deemed to include strikes, lock outs, accidents, fires, explosions, war, invasion, enemies of whatever descriptions, hostilities rights, civilinsurrection, floods, earthquake, lightning, any law or regulation passed by the government including local government or any other cause beyond the control of the party affected.

13. NOTICES

Any notice for the purposes of this Agreement by one party to the other party shall be given in writing in English Language by personal delivery, or posted mail with proper postage, to the parties at the following addresses:

FOR THE LESSEE:

HAKIKA BREWERS LIMITED
PO BOX 62615
DAR ES SALAAM

FOR THE LESSOR:

CYRIL CASMIR MMASSY
PO BOX 90
BAGAMOYO

14. Either party may change its address for notice purposes by giving the other party notice of such change in accordance with this clause.

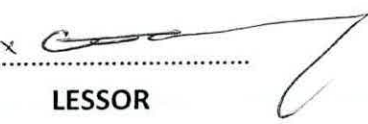
15. PEACEABLY ENJOYMENT

That the Lessee paying the rent reserved in a manner aforesaid and performing and observing all the covenants herein contained shall peaceably hold and enjoy the demised land for the term of fifty years without any let or hindrance from the Lessor or any person lawfully claiming through or in trust for the Lessor.

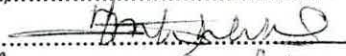
IN WITNESS WHEREOF the parties hereunto have set their hands on the day and year first above written.

SIGNED and DELIVERED at Dar es Salaam

By the said **CYRIL CASMIR MMASSY** who
Is known to me personally/ identified to
Me by..... the latter
Being known to me personally this... 18th
Day of ... Dec, 2013

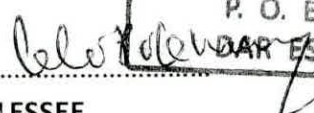
x 
.....
LESSOR

Witness:

Name... MARCEL BUSEGANO
Signature... 
Address... Box 8195 D'SALAAM
Qualification... ADVOCATE

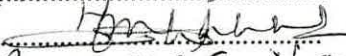


SIGNED for and on behalf of the said
HAKIKA BREWERS LIMITED by.....
.....
This..... day of..... 2013

x 
.....
LESSEE

HAKIKA BREWERS LIMITED
P. O. Box 62615
DAR ES SALAAM

Witness:

Name... MARCEL BUSEGANO
Signature... 
Address... Box 8195 D'SALAAM
Qualification... ADVOCATE



Certified as a True Copy of the Original


.....
ILDEFONCE LUNLI NDEMELA
Advocate, Notary Public & Commissioner for Oaths

22/12/2014



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
DARES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

9617

11627

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 REC013978

No.007919

Received from : HAKIKA BREWERIES LTD

Address : P.O BOX 90 BAGAMOYO

Received the sum of (In words): ONE HUNDRED ZERO CENTS ONLY
**For Executive Director
Tanzania Investment Centre**

Being payment in respect of : REGISTRATION FEE

Amount : USD 100.00

Cash / Cheque No: D/DEPOSIT 7/1/14
Date : 07-Jan-2014

B. Uisso

Receiving Officer

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 CYRIL CASMIR MMASSY
(director/directors/agent of HARAKA BREWER LIMITED
(name of business enterprise) apply for registration of TIC

under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at Plot # 627, Block
XII KERICHE BOTETAMYO

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 D SALAAM

4. The Principal Officers of the Company are CYRIL C MMASSY
HELO POLE MMASSY

5. Auditors of the Company are ANDUPH ASSOCIATES

6. The authorized share capital of the Company is Tshs./US\$ 400,000,000.00



7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 100,459,654 1,593,018
8. The month and day of the financial year end is 31st December 2

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\$

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

I, CYRIL MIMASSY of Post Office Number 62615

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

authorized agent of HARITA BREWERS LIMITED

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

Declared at Dar es Salaam }

The 08 day of JANUARY 2014 }

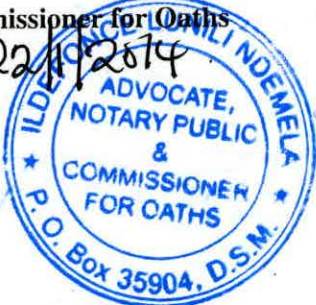

Applicant

Before me:



Commissioner for Oaths

22/1/2014



APPLICATION SUMMARY

Company Name: HAIKKA BREWERIES LIMITED

Certificate of Incorporation Number: 82648 Status: NEW

Certificate of Incorporation Date: 14 APRIL 2011

Post Box: 62615

Town: DOR ES-SALAM

Sector: MANUFACTURING Sub-Sector: WINE PRODUCTION

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
—	318,604	—	1,274,414

Project Objectives: EXPANSION OF FACTORY FOR THE PRODUCTION OF FRUIT WINE

Capacity: 50,000LITERS

Employment: Foreign: 5 Local: 45 Total: 50

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: PLOT #6 & 7, BLOCK "A"

Street: KEREETE District: BAGAWEYO Region: COAST

(Attach sketch map showing project location)

Shareholders	Nationality	%
CYRIL CASIMIR MMBASSY	TANZANIA	50
KELO POLE MMBASSY	TANZANIA	50
.....
.....
.....

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

Land/Building	82,589
Plant	1,251,450
Vehicles	151,325
Furniture & Fittings	4,290
Pre-expenses	1,658
Others	-
Working Capital	101,706
TOTAL	1,593,018

Contact Details:

Name: Cyril Mmassy

Title: Managing Director

Telephone: 0754-962579

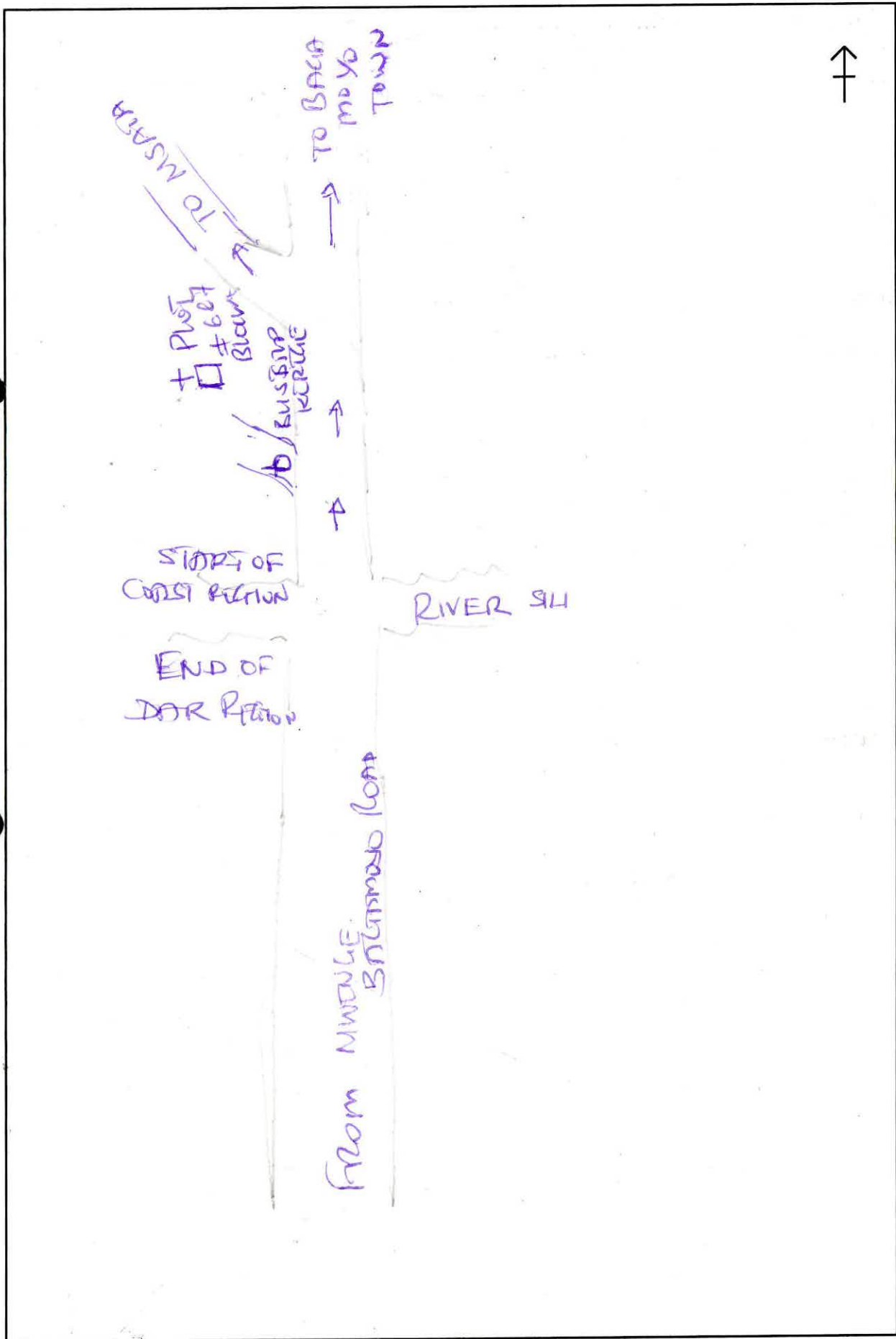
Fax:

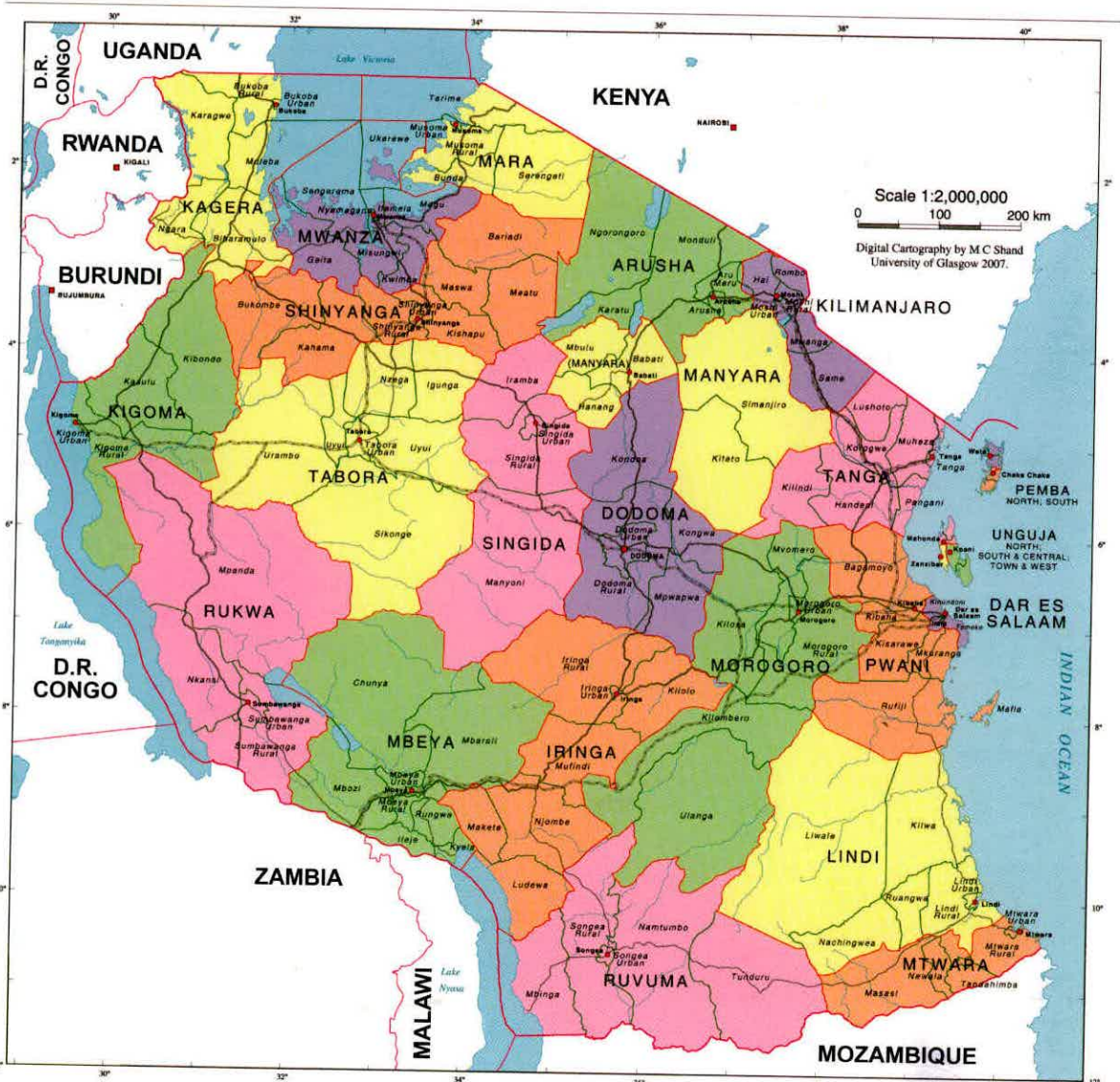
Email:

Payments to be made payable to:

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

SKETCH MAP SHOWING PROJECT LOCATION





3

TICC/PP.10/042598/3

31/01/2014

Managing Director,
Hakika Brewers Ltd,
P.O. Box 62615,
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR WINE PRODUCTION IN
COAST REGION.**

We wish to acknowledge receipt of your project proposal to establish wine production at Plot No. 6 & 7 Block A Kerege Coast Region as presented in the TIC P.A. 1 Form No. 11603 and Feasibility Study with a projected investment amounting to USD 1.593m.

We are pleased to inform you that your investment proposal is 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.

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:-

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

.../2

TICC/PP.10/042598/3

31/01/2014

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
Hakika Brewers Ltd.

Post Box	Kerege, Plot No. 6 & 7 Block A	COI Number	82648	Contact	Mr. Cyril Mmassy
Post Office	62615	COI Date	04/11/2014	Designation	Managing Director
Region	Coast Region	Application F. No	11627	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0754962579
		Sub Sector	Wine Production	Fax	0
		File No	042598	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	Plot No. 6 & 7 Block A	<table border="1"> <thead> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0.319</td> <td>0</td> <td>1.274</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.319	0	1.274			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0	0.319		0	1.274									
Street	Kerege												
District	Bagamoyo												
Region	Coast (Pwani)												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.083
Lelo Pole mmassy	Tanzanian	50	Plant	1.251
Cyril Casmir Mmassy	Tanzanian	50	Vehicles	0.151
			Furniture & Fittings	0.004
			Pre-expenses	0.002
			Others	0
			Working Capital	0.102
			Total	1.593

Employment	50	Evaluated By	wf officer4
Capacity	50000 litres pa	Drawn By	wf registry1
Project Turn Over		Project Type	Local

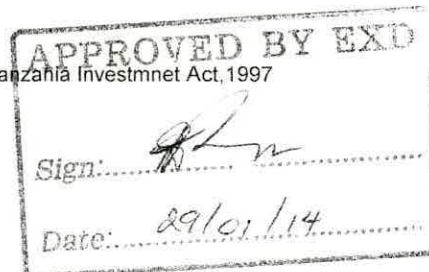
Description

To establish project for wine production

Recommendations

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

Decision



Unclaimed refund beyond three years will be forfeited

A



TANZANIA INVESTMENT CENTRE

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

RECEIPT

RCO 4347

No. 003269

Received from : HAKIKA BREWERS LTD

Address : P.O BOX 900 BAGAMOYO

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 :

10-Feb-2014

Jisso

Receiving Officer

SECRETARY OFFICE

MAJALAKA-2-24-1944
P. O. BOX 238

10 FEB 2014

RECEIVED
MALAYSIAN INVESTMENT CENTRE



MALAYSIAN INVESTMENT CENTRE



Tic

5

HAKIKA BREWERS LIMITED

P.O.BOX 62615 DAR ES SALAAM, MOB +255784962579
Email hakikabrewers@yahoo.com

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

23rd February 2015

UFS
Executive Director,
Tanzania Investment Centre,
P.O.Box 938,
DAR ES SALAAM.



Received on
23/2/2015
Mr
TIC

Dear Sir,

**RE : DUTY/VAT EXEMPTION ON THE CAPITAL/ DEEMED
CAPITAL GOODS OF CERTIFICATE OF INCENTIVES
NO. 042598**

We are TIC approved project with Certificate of incentives No: **042598** which is valid up to December 2016.

The Company has been registered with objectives of **MANUFACTURING OF WINE.**

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

Yours sincerely,

Lelo Pole Mmassy
Managing Director

TICC/PP.10/042598/6

25/02/2015

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: 042598**

M/S Hakika Brewers Limited is a TIC registered company with certificate of incentives **No. 042598** which is valid up to **December 2016**

The company has been registered with objectives of establishing and operating a project for Wine Production.

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

Signature: *[Signature]*
Date: 26/12/2014
For: Executive Director
Tanzania Investment Centre



00220646

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042598

This is to certify that

HAKIKA BREWERS LIMITED

of address P.O. BOX 62615

DAR ES SALAAM

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

HAKIKA BREWERS LIMITED

Which is located at PLOT NO. 6 & 7 BLOCK A KEREGE

BAGAMOYO

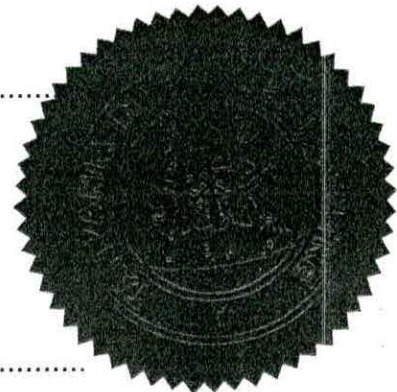
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

Executive Director

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

29TH JANUARY, 2014

Dated



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 (%)
Lelo Pole Mmassy	Tanzanian	50
Cyril Casmir Mmmassy	Tanzanian	50

2. Proposed Activities : **To establish project for wine production**

3. Sector: **Manufacturing** Subsector **Wine production**

4. Investment cost: Foreign **USD 0m.** Local **USD 1593m.** Total **USD 1.593m**

5. Project Financing:

Equity	USD 0.319m.	Loans	USD 1.274m.	Total	USD 1.593m.
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6. Source, terms and conditions of loan **—**

7. Assets to be invested:

Capital items:	Foreign	Local	Total
	USD 0m.	USD 1.593m.	USD 1.593m.

8. Technology Agreement **None**

9. Date of TIC Registration: **29th January, 2014**

10. Implementation period **January, 2014 - December, 2016**

11. Operative date **January, 2017**

12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
 - (ii) Applicable with-holding Tax **As per Income Tax Act, 2004 (as amended)**
 - (iii) Eligibility of Capital Allowances **As per Income Tax Act, 2004 (as amended)**

13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.

14. Conditions attached to this Certificate of Incentives
 - (i) Date of Commencement of investment has to be notified to the Centre.
 - (ii) Certificate not to be transferred, assigned or amended
 - (iii) Failure to commence implementation within two years invalidates Certificate
 - (iv) Failure to operate investment must be notified to the Centre
 - (v) Changes in shareholding, project activities and level of invested capital must be notified to the centre

15. Additional conditions attached to Certificate

Finished goods are not allowed under this Certificate

Signed 
Executive Director

CTIN: 1658311

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

HAKIKA BREWERS LIMITED

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

119-826-799

20-02-2013

with effect from

Pamela Daria Mugarula
Advocate, Notary Public &
Commissioner for Oaths
do hereby Certify that the foregoing
is the true copy of the original
Signature: Date: 23/02/2013

P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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

HAKIKA BREWERS LIMITED
List of capital goods/Deemed capital goods

S/NO	ITEM NAME	UNIT OF MEASUREMENT	HSCODE	QTY	ITEM GROUP	ITEM COST	TIN	EXEMPTION REFERENCE NO	EXEMPTION DATE
1	Complete P.E.T Injection Moulding System	set		10	MACHINERY		119-826-799		
2	Complete Manufacturing line for production of plastic closures	set		5	MACHINERY		119-826-799		
3	P.E.T Bottling line	Set		5	MACHINERY		119-826-799		
4	Blow Moulder	set		10	MACHINERY		119-826-799		
5	Complete wine processing & Carbonization lines	set		5	MACHINERY		119-826-799		
6	Complete wine processing and parking line (still products)	set		5	MACHINERY		119-826-799		
7	Complete blend Cooling line	Set		3	MACHINERY		119-826-799		
8	Syrup room mixing tanks & equipment	Set		3	EQUIPMENT		119-826-799		
9	Beverage water treatment plant components	Set		4	MACHINERY		119-826-799		
10	Power Generators below 1000KVA	Pcs		6	GENERATOR		119-826-799		
11	Complete Cryogenic Co2 storage tank and vapouriser	Pcs		10	EQUIPMENT		119-826-799		
12	Co2 semi-trailer tanker 15T	Pcs		4	TRUCK		119-826-799		
13	Complete Air Compressors	Set		8	MACHINERY		119-826-799		
14	Beverage water treatment plant/Complete R.O.Plant	Set		4	MACHINERY		119-826-799		
15	Stretch film wrapping machine	Set		4	MACHINERY		119-826-799		
16	Domino laser Coding Machine	set		4	MACHINERY		119-826-799		
17	Mattop belt stainless steel conveyor system	Set		8	MACHINERY		119-826-799		
18	Equipment cleaning in place (CIP) plant	Set		3	EQUIPMENT		119-826-799		
19	Voltage Stabilizers	Pcs		15	EQUIPMENT		119-826-799		
20	Cold storage room and racking system	Set		4	EQUIPMENT		119-826-799		
21	Storage shelving and racking systems	Set		10	EQUIPMENT		119-826-799		
22	Production line pallets	Pcs		10,000	EQUIPMENT		119-826-799		
23	Forklift trucks	Pcs		10	MACHINERY		119-826-799		
24	Preform grinder	Set		4	MACHINERY		119-826-799		
25	Preform Sorting boxes	Pcs		15,000	EQUIPMENT		119-826-799		
26	Complete steam boiler with water softner and Condensate recovery unit	Set		3	EQUIPMENT		119-826-799		
27	Weighing Scales	Pcs		6	EQUIPMENT		119-826-799		
28	Transformer 33/0.4Kv/2500Kva	Pcs		4	EQUIPMENT		119-826-799		
29	LV panel above 2000A	Pcs		4	EQUIPMENT		119-826-799		

30	LV Panel 2000A and below	Pcs		8	EQUIPMENT		119-826-799		
31	MV breaker 33KV	Pcs		4	EQUIPMENT		119-826-799		
32	Water feed pump	Set		10	EQUIPMENT		119-826-799		
33	Fiber glass filtration vessel	Pcs		20	EQUIPMENT		119-826-799		
34	Sand media	MTs		48	EQUIPMENT		119-826-799		
35	Chemical dosing pump	Nos		10	EQUIPMENT		119-826-799		
36	Chemical dosing pump	Nos		10	EQUIPMENT		119-826-799		
37	Micron filter housing	Pcs		6	EQUIPMENT		119-826-799		
38	High pressure pump	Set		4	EQUIPMENT		119-826-799		
39	Membrane vessels	Nos		10	EQUIPMENT		119-826-799		
40	Filter membranes	Pcs		50	EQUIPMENT		119-826-799		
41	Flow meters	Nos		10	EQUIPMENT		119-826-799		
42	Pressure gauge bar	Pcs		12	EQUIPMENT		119-826-799		
43	Pressure switch 240 volts	Pcs		12	EQUIPMENT		119-826-799		
44	Stainless steel pipes and fittings-Gas line	Lots		3	EQUIPMENT		119-826-799		
45	Stainless steel pipes and fittings-Process water line	Lots		3	EQUIPMENT		119-826-799		
46	Stainless steel pipes and fittings-chilled water line	Lots		3	EQUIPMENT		119-826-799		
47	Stainless steel pipes and fittings-steam line	Lots		3	EQUIPMENT		119-826-799		
48	Stainless steel pipes and fittings-CIP line	Lots		2	EQUIPMENT		119-826-799		
49	Stainless steel pipes and fittings-Syrup line	Lots		2	EQUIPMENT		119-826-799		
50	Seamless Flexible Pipes and Fittings	Lots		6	EQUIPMENT		119-826-799		
51	Transfer pump set (40m ³ /hour)	set		4	EQUIPMENT		119-826-799		
52	Transfer pump set (100m ³ /hour)	set		2	EQUIPMENT		119-826-799		
53	Booster pump set	Set		2	EQUIPMENT		119-826-799		
54	Chemical cleaning pump	Set		6	EQUIPMENT		119-826-799		
55	GRP bending tanks 50 m ³	Pcs		4	EQUIPMENT		119-826-799		
56	UV systems	Set		6	EQUIPMENT		119-826-799		
57	Filter Housing	Pcs		6	EQUIPMENT		119-826-799		
58	Stainless steel chemical process tank	Pcs		6	EQUIPMENT		119-826-799		
59	Pressed steel sectional tank	Pcs		6	EQUIPMENT		119-826-799		
60	Stainless steel mixing/ Blending Tank (5000-10000 Litres)	Pcs		8	EQUIPMENT		119-826-799		
61	Digital water flow meter	Pcs		6	EQUIPMENT		119-826-799		
62	Plate heat exchanger with CIP flow plate	Sets		10	EQUIPMENT		119-826-799		
63	Liquid ring pump	Pcs		5	EQUIPMENT		119-826-799		
64	Electrical panel for the pump	Set		6	EQUIPMENT		119-826-799		
65	Pressure reducing valve	Pcs		8	EQUIPMENT		119-826-799		

66	DN 50 X DN 25 APTI 14 Automatic pump with PN 16	Pcs		7	EQUIPMENT		119-826-799		
67	Plastic crates	Pcs		20,000	EQUIPMENT		119-826-799		
68	Trieveles	Set		200	EQUIPMENT		119-826-799		
69	Laboratory equipment's & testing apparatus	Lots		3	EQUIPMENT		119-826-799		
70	Motor utility Vehicles with payload up to 10tonnes	Pcs		10	TRUCK		119-826-799		
71	Motor utility Vehicles with payload more than 10tonnes	Pcs		10	TRUCK		119-826-799		
72	TRACTORS	Pcs		10	TRUCK		119-826-799		
73	trailers	Pcs		10	TRUCK		119-826-799		
74	Maintenance workshop tools & equipment's	Pcs		2	EQUIPMENT		119-826-799		
75	Caps granulator machine	Pcs		2	MACHINERY		119-826-799		
76	Light polarizer & strainer viewer	Pcs		2	EQUIPMENT		119-826-799		
77	Agro top wave magnifying glass	Pcs		2	EQUIPMENT		119-826-799		
78	Perform cutter	Pcs		3	MACHINERY		119-826-799		
79	Agro top wave preform thickness Gauge	Pcs		1	EQUIPMENT		119-826-799		
80	Agro top wave perform	Pcs		1	EQUIPMENT		119-826-799		
81	MBT 7400 Thickness gauge system	Pcs		1	MACHINERY		119-826-799		
82	Digital torque taster	Pcs		1	EQUIPMENT		119-826-799		
83	Top load tester	Pcs		1	EQUIPMENT		119-826-799		
84	Secure seal tester	Pcs		1	EQUIPMENT		119-826-799		
85	Stainless steel packing tables	Sets		20	EQUIPMENT		119-826-799		
86	Turbine air ventilator	Sets		80	EQUIPMENT		119-826-799		
87	10,000 liters blending tank	Pcs		20	EQUIPMENT		119-826-799		
88	15000 liters to 100000 liters fermentation tanks	Pcs		100	EQUIPMENT		119-826-799		



00220646

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HAKIKA BREWERS LIMITED
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~~xxxx~~ enterprise known as

..... HAKIKA BREWERS LIMITED

Which is located at PLOT NO. 6 & 7 BLOCK A KEREGE

..... BAGAMOYO

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 29TH JANUARY, 2014



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

1. Shareholders
- | Shareholders | Nationality | Shareholding (%) |
|-----------------------------|------------------|------------------|
| Lelo Pole Mmassy | Tanzanian | 50 |
| Cyril Casmir Mmmassy | Tanzanian | 50 |
2. Proposed Activities : **To establish project for wine production**
3. Sector: **Manufacturing** Subsector **Wine production**
4. Investment cost: Foreign **USD 0m.** Local **USD 1593m.** Total **USD 1.593m**
5. Project Financing: Equity **USD 0.319m.** Loans **USD 1.274m.** Total **USD 1.593m.**
6. Source, terms and conditions of loan: **-**
7. Assets to be invested:
- | Capital items: | Foreign | Local | Total |
|----------------|----------------|--------------------|--------------------|
| | USD 0m. | USD 1.593m. | USD 1.593m. |
8. Technology Agreement **None**
9. Date of TIC Registration: **29th January, 2014**
10. Implementation period **January, 2014 - December, 2016**
11. Operative date **January, 2017**
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
- (i) Applicable Import Duty **And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997**
- (ii) Applicable with-holding Tax **As per Income Tax Act, 2004 (as amended)**
- (iii) Eligibility of Capital Allowances **As per Income Tax Act, 2004 (as amended)**
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
14. Conditions attached to this Certificate of Incentives
- (i) Date of Commencement of investment has to be notified to the Centre.
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 - (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

HAKIKA BREWER SLTD

FRUITS WINE PROJECT

PROJECT PROPORSAL AND BUSINESS PLAN

*Project Proposal for consideration to support;
Hakika Brewer s Limited
P.O. Box 62615
Dar Es Salaam, Tanzania*

January, 2014

TABLE OF CONTENTS:

1.0 BASIC BACKGROUND INFORMATION:	3
1.1 Name, Citizenship and Address:.....	3
1.2 Names of stakeholders and Directors.....	3
1.3 Nominal and Paid Up Capital	3
1.4 Constitutions	3
1.5 Line of Business Activities	3
1.6 Brief history of the company:	4
2.0 Required facility.....	5
2.1 Amount.....	5
2.2 Type of Credit Facility	5
2.3 Purpose of facility	5
2.4 Tenor of facility	6
2.5 Schedule of draw-downs (where applicable).....	6
3.0 Key Industry Dynamics	6
3.1 Major Competitors and their Market Share	6
3.2 Market Share of the Company	7
3.3 Major Buyers of the Product.....	7
3.4 Major Suppliers of the Product	7
3.5 Key industry risks and borrowers mitigation.....	7
3.6 Trade cycles of the business.....	8
3.7 Seasonality of the Business Operation.....	8
4.0 Management.....	8
4.1 Organization Chart.....	8
4.2 Key Personnel	9
5.0 Management Information Systems	9
5.1 Planning, Control & Monitoring Systems.....	9
6.0 Financials	9
6.1 Audited financial statements.....	
6.2 Cash flow Projections	9
7.0 Security	11
8.0 Present Banking Relationship	

1.0 BASIC BACKGROUND INFORMATION:

1.1 *Name, Citizenship and Address:*

The project applicant is M/ s Hakika Breweries Limited of P. O. Box 62615, Kimara-Bucha Dar-Es-Salaam Tel. No. 255 784 962 579. The company has two shareholders with two Directors. The Executive Chairman Ms. Lelo Mmassy is the current Executive Chairperson of the company.

1.2 *Names of stakeholders and Directors*

Among the potential stakeholders of this company include the Department of Food Science and Technology of Sokoine University of Agriculture (SUA) Morogoro, the Chemicals processing department of the Faculty of Engineering University of Dar-ES-Salaam and the feasibility study on the project carried out by Ms. Adolph Associates

Directors of the company area:

- 1) Ms. Lelo Mmassy – Executive Chairperson
- 2) Mr. Lelo Mmassy - Director
- 3) Mr. George Kavishe – Accountant

1.3 *Nominal and Paid Up Capital*

About T-shillings 3.5 million for current operation costs involve salary and wages for 3 directors, accountant and personal secretary, administrative costs (plant maintenance and factory equipment, operational costs mainly for transport, stationery and communication expenses. Others are inputs (banana, ginger, and malt/fruits), water and electricity, containers (bottles, packaging labels and lids. The paid-up-capital as per end year closing balance is T-shillings 2.7 million that is a value of a building (rent) and equipment investment.

1.4 *Constitutions*

The company was established in 2011 and was incorporated under the companies Act (Act.2002_ with Certificate of incorporation No. 82648 issued on 11th April 2011.

1.5 *Line of Business Activities*

Within a current small scale firm with limited number of facilities, the company

- Promotes banana and fruits producers' network for a continuous availability of materials needed by the company.

- Promotes banana selling centres by giving attractive prices as a way of ensuring sufficient materials and inputs of the company.
- Production of a low priced hygienic banana wine that suitable for low and middle income earners.
- Link fruits, spices and banana producers and processors to ensure availability of company's inputs and materials
- Network with stakeholders especially University of SUA and University of Dar es Salaam (UDSM) to get company skills for quality brews, markets and research
- Mobilize resources for construction of a modern brewery premises and procurement of other related facilities.
- Searching donors to support the company for modern machinery, equipment and supplies
- Soliciting for working capital to purchase raw materials and other project inputs

During this period critical activities will include:

- Land clearing of project premises and related facilities.
- Procurement and installation of machinery.
- Purchase of transport and other equipment to support production.
- Purchase of raw materials and other production inputs.

1.6 Brief history of the company:

The project of producing and selling wine beer, popularly known as "Malaika Wine", is a developmental trade initiative by Ms. L Mmassy since 2005. The product mix of "Malaika Wine" is a palatable result of acute shortage of wine at that time which was facing the country. Dodoma Wine Ltd which had a monopoly in beer production could not only meet the high demand for the product but also, it was considered affordable to the low and medium income earners.

However, even with the liberalization of trade within Tanzania in early 1990's with its resultant effects of increased wine production locally as well as from outside the country, the problem still facing most customers particularly the low income earners as well as peasants is that of being unable to afford the prices charged on these beers.

In order to meet the ever growing demand for the low income earners as well as peasant, the production of banana and fruit wine was first carried out on trial basis in 1990 with initial production capacity of 5 litres per day.

However the potential demand for banana and fruit wine within Dar Es Salaam and the other regions would demand a production capacity of over 240,000 litres per month during the initial five years of the brewery operations and subsequently doubling to 500,000 litres per month.

As already noted above there is potentially a very high demand for this product in Dar Es Salaam as well as in the neighboring regions of Morogoro, Coast Iringa and Tanga.

Hakika Breweries Ltd is situated within Kinondoni Municipal area in Dar Es Salaam City. The factory will be installed on plot # 6 & 7, Block "A" Kerege-Bagamyo-Coast Region. Over the years, particularly due to the Industrial expansion, the town has a large reserve of labour force. The project is expected to create over 20 percent jobs as well as a number of casual labour opportunities.

2.0 Total Investment and Required facility

2.1 Amount applied

The total capital investment required by the project is estimated to be T.Shs. 2,548,360,000/= to be contributed by shareholders and any other financial institutions (to be paid in three installments) while the total recurrent/ operational budget is estimated to be T. Shs. 227,840,000/= during the five year period of 2014 to 2018; an average of T. Shs. 45,568 million annually. The main investment components include land Development, Building Construction, Machinery's, Water and Power, Factory equipment, Office Equipment and tools, Pre-operational Expenses, Research and Development, Transport

The development loan is required to facilitate procurement of machineries, bottles, labels, TBS services, TFDA required guides, labour for both machinery and farming attendance, patents, transport and additional working capital. Also a loan will be used for construction of premises, installation of machinery, commissioning of plants and execution services. TIC is requested to issue certificate of incentive to facilitate this process

2.2 Type of Credit Facility

It is anticipated that funding for the project will be in the ratio of 20% sponsor's equity contribution and 80% to be solicited from external assistance. The project sponsors contribution includes an estimated T. Shs. 16.2 million already invested in the project.

The external financing being sought could be in the form of a loan, grant a partners investment. For the purpose of financial analysis external loan is assumed to accrue bank interest rate of 18% per annum.

2.3 Purpose of facility

The project is anticipated to support the line of Business Activities 1.5 and benefit directly or indirectly various stakeholders. The direct and indirect beneficiaries shall include large and small scale beekeepers, banana sellers and fruit growers and whole

seller and owners in Dar Es Salaam city and neighboring communities. Employees of the Breweries in various capacities and the government will be able to earn revenue from operations of the brewery through various ways includes taxes

2.4 Tenor of facility

The feasibility study report on the project reveals a discounted capital opportunity cost of 15% Net Present value (NPV) and Internal Rate of Return (IRR) of 37.22% that confirm a strong viability of the project (IRR 1:2.4)

2.5 Schedule of draw-downs (where applicable)

The following is the Capita Investment Financing Plan of the project

S/No.	Component	Local contribution	External Financing	Total ('000')
1	Land Development	468	-	468
2	Brewery building and Construction of released facilities.	39,694	91,980	131,674
3	Utilities	936	-	936
4	Machinery's	299,830	1,168,170	1,468,000
5	Factory Equipment	34,320	500,000	534,320
6	Transport Equipment	-	242,120	242,120
7	Research and development	-	6,864	6,864
8	Office Equipment	101,484	-	101,484
9	Pre-Operational expenses	2,652	-	2,652
10	Contingency – 10%	60,310	-	60,310 -
	Total Project Investment costs	539,694	2,009,134	2,548,828
	Percentage contribution	20%	80%	100%

3.0 Key Industry Dynamics

3.1 Major Competitors and their Market Share

Malaika Wine is a Tanzania produce of Dar Es Salaam City with a population of about 4.5m east of Coast Region. As a starting point and highway to Rwanda and the Democratic Republic of Congo, Burundi and Zambia, the product is facing less competitive risk. The wine is brewed from the best quality banana and fermented using careful selected ginger and yeast in a medium of clean water flowing from the stream of virgin land. No chemical and preservatives are used in the brewing of honey beer.

3.2 Market Share of the Company

Commercially, banana and spices producers will require a financial loan scheme to motivate an increase of local production. A Large and Small scale banana producers, banana sellers and spices growers and seller in Dar Es Salaam and neighboring regions are the key boosters of the company market share. As a firm membership base company, employees of the company and the government will make a big value of the product market share, especially because it will be a core for revenue source.

3.3 Major Buyers of the Product

The market for Malaika wine is fast picking both in the urban and remote areas of Dar Es Salaam and nearby regions of Morogoro and Coast. Soon the product will be introduced in the city centre of Dar es Salaam. As already noted above, the project output is targeted to reach some 500,000 customers in Dar Es Salaam City as well as neighboring regions of Morogoro, Dodoma, Coast and Tanga. The project is thus likely to have a significant impact on local communities where banana and fruit wine will be sold.

3.4 Major Suppliers of the Product

The project is expected to create more than 50 permanent jobs as well as several casual labour opportunities.

The project will provide further employment opportunities for banana growers. Banana sellers, fruit growers and sellers. The project is likely to promote forward and backward linkages with agro based industrial sector particularly those dealing with food processing and production.

3.5 Key industry risks and borrowers mitigation

The product is not protected as any one may initiate the same production. So far there are no restrictions of reproduction, but it is possible to control the quality. A reasonable range of literatures produced may open possibility for hijackers.

Market segments lie from individual consumers, producers and traders, so they can be easily change attitude towards the product if other producers emerge. However, demand for this product is highly visible within the local areas – urban and town centres.

3.6 Trade cycles of the business

Given the position of the small scale banana growers and fruits, who are immediate recipient of company products, the bargaining and purchasing power is low, and would need to be promoted and protected. The idea is new in the area and one of the new initiatives in the country. The interaction of various players will remain important for the success of this business.

The project revenue will be accrued from the sale of canned as well as bottled wine to the local market in Dar Es Salaam and the neighboring regions of Morogoro, Tanga, Coast and Dodoma. In addition to the domestic market, sponsors are also exploring possibilities of exporting canned wine to the neighboring countries of Kenya, Uganda, Rwanda, Burundi, Malawi and Zambia.

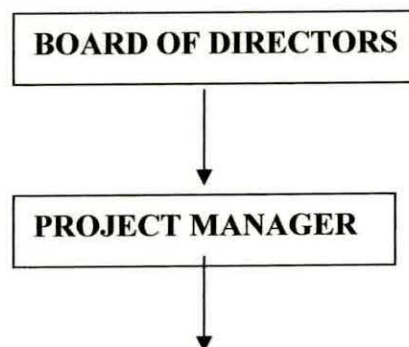
At the proposed wholesale price of T. Shs. 6000 per litre, the project should accrue not less than T. Shs. 1.44billion annually from the sale of litres 240,000planned to be produced per year. The project is likely to realize a total of T. shs.7.2 billion over the first five years period of the project operation. However with increased production after year 5 and the subsequent years the total annual revenue is likely to double this amount.

3.7 Seasonality of the Business Operation

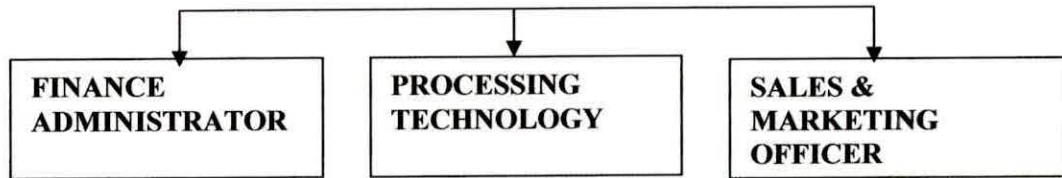
At each stage of implementation the environmental impacts of the project activities will be taken into account with a view to minimizing negative impacts if any should come up. On the overall, it is anticipated that the project benefits are likely to out weight costs.

4.0 Management

4.1 Organization Chart



Prepared by Adolph Associates
P.O. Box 19080, Dar Es Salaam,



4.2 Key Personnel

The project manager (40 – 55 years of age) with Agribusiness Degree from relevant and recognized institution and long experienced person in food production firms. The Financial Administrator (holder of diploma or experienced in certified accountancy) with experience of at least 3 years in relevant field. The processing technologist – brewer with diploma or above on relevant subjects and sales and market officer with business administration – diploma or above. The Project manager will be the head of the project, assisted by the Finance and Administrator, the processing and technology expert and sales and market officer

5.0 Management Information Systems

5.1 Planning, Control & Monitoring Systems

This project is an ongoing business. Presently the business is functioning through the use of inappropriate equipment and outdated technology what is proposed in this project is therefore the expansion and modernization of the brewery.

The capital investment period is estimated to last one year after external funds have been acquired. Monitoring and Evaluation are processes that will give information on the implementation of the Hakika Breweries Limited and fruit wine Project. Monitoring will form the basis for decision making on the various activities of the project

Monitoring and Evaluation will assist Hakika Breweries Ltd management to make improvement in the implementation of the project by answering basic questions such as:-

- Whether or not there is a need to adjust the mix of resources.
- Whether or not there is a need for more resources in a particular activity.
- Whether or not the project goals should be modified or changed.

Tentatively is planned to implement this project over 5years period initially. During this period, performance monitoring will be done annually. At the end of the fifth year an overall performance assessment and evaluation of the project will be carried out in order to prepare a new five year plan for the second phase of operation.

6.0 Financials

6.1 Financial Projections

Summary							
	2015	2016	2017	2018	2019	2020	2021
Sales	1,440.0	1,918.4	2,932.4	3,947.4	4,893.3	6,186.4	7,423.0
Raw Materials	600.0	767.4	1,173.0	1,579.0	1,957.3	2,474.6	2,969.0
Production Costs	538.4	637.8	912.8	985.2	972.1	738.0	519.7
Cost of Goods Sold	1,138.4	1,405.2	2,085.7	2,564.2	2,929.5	3,212.5	3,489.0
Add: Bank Interest Receivable	21.0	18.0	21.0	36.0	60.0	90.0	120.0
Gross Profit	322.6	531.2	867.7	1,419.2	2,023.8	3,063.8	4,054.0
Marketing and Admin. Costs	179.5	212.6	304.3	328.4	324.0	246.0	173.2
Net Operating Profit	143.1	318.6	563.4	1,090.8	1,699.8	2,817.8	3,881.0
Performance Indicators (%)							
Operating Profit Margin	44.4	60.0	64.9	76.9	84.0	92.0	95.7
Return on Average Assets	1.5	4.9	6.3	11.7	16.5	23.2	25.6
Return on Average Shareholders Funds	2.2	4.9	8.4	15.2	21.5	31.3	36.8
Marketing & Admin. Costs to Gross Income	55.6	40.0	35.1	23.1	16.0	8.0	4.3

Appendix 1

HAKIKA BREWERIES LTD.
PROJECTED INCOME STATEMENT

(TZS Million)

ITEM	2015	2016	2017	2018	2,019	2,020	2,021
Turnover							
Sales	1,440.0	1,918.4	2,932.4	3,947.4	4,893.3	6,186.4	7,423.7
Add: Bank Interest Receivable	21.0	18.0	21.0	36.0	60.0	90.0	120.0
Less: Cost of Raw Materials	600.0	767.4	1,173.0	1,579.0	1,957.3	2,474.6	2,969.5
Gross Income	861.0	1,169.1	1,780.5	2,404.4	2,996.0	3,801.8	4,574.2
EXPENSES	0.4						
Labour Costs							
Salaries and wages	23.7	47.4	71.2	94.9	97.2	99.7	102.2
Social Security	2.1	4.2	6.3	8.4	8.6	8.8	9.0
Other Labour Costs	18.0	35.9	53.9	71.9	73.7	75.5	77.4
Sub-Total	43.8	87.6	131.4	175.2	179.5	184.0	188.6
Electricity, Water & Fuels							
Electricity	47.2	94.5	141.7	189.0	198.4	208.3	213.5
Water	0.4	0.8	1.2	1.6	1.7	1.8	1.8
Fuels	9.7	19.4	29.1	38.7	40.7	42.7	43.8
Sub-Total	57.3	114.7	172.0	229.3	240.8	252.8	259.1
Industrial Services*	8.0	15.9	23.9	31.9	33.4	35.1	36.0
Non-Industrial Services*	28.0	56.1	84.1	112.1	117.7	123.6	126.7
Repayment of Bank Loan	270.0	270.0	540.0	540.0	540.0	270.0	
Payment of Bank Interest	198.3	163.7	123.2	82.7	42.2	5.9	
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	30.0	60.0	60.0	60.0	60.0	30.0	
TOTAL EXPENDITURE	635.4	767.9	1,134.5	1,231.1	1,213.7	901.5	610.5
Profit Before Tax	225.6	401.1	645.9	1,173.3	1,782.3	2,900.3	3,963.7
Taxation	67.7	167.7	311.2	569.8	933.6	1,523.6	2,255.6
Profit for the Year	157.9	233.4	334.8	603.5	848.7	1,376.7	1,708.1
Accumulated Profit	157.9	391.3	726.1	1,329.6	2,178.3	3,555.0	5,263.1

Industrial Services - Contracts, Repairs, Waste Management.

Non-Industrial Services - Postage, Rentals, Storage, Publicity, Consultancy, others.

(67.7)

Summary

Sales	1,440.0	1,918.4	2,932.4	3,947.4	4,893.3	6,186.4	7,423.7
Raw Materials	600.0	767.4	1,173.0	1,579.0	1,957.3	2,474.6	2,969.5
Production Costs	476.6	575.9	850.9	923.4	910.3	676.1	457.9
Cost of Goods Sold	1,076.6	1,343.3	2,023.9	2,502.3	2,867.6	3,150.7	3,427.3
Add: Bank Interest Receivable	21.0	18.0	21.0	36.0	60.0	90.0	120.0
Gross Profit	384.4	593.1	929.6	1,481.1	2,085.7	3,125.7	4,116.3
Marketing and Admin. Costs	158.9	192.0	283.6	307.8	303.4	225.4	152.6
Net Operating Profit	225.6	401.1	645.9	1,173.3	1,782.3	2,900.3	3,963.7
Performance Indicators (%)							
Operating Profit Margin	58.7	67.6	69.5	79.2	85.5	92.8	96.3
Return on Average Assets	9.0	23.1	19.2	26.7	30.1	35.2	34.0
Return on Average Shareholder	14.0	23.1	32.0	47.2	55.5	67.1	67.6
Marketing & Admin. Costs to G	41.3	32.4	30.5	20.8	14.5	7.2	3.7

Average Labour Costs	150.1
Profit Before Tax	113.2
Depreciation	666.9
Loan Interest	102.7
Amortization of Pre-Operating Costs	60.0
Total	1,092.9
Average Annual Sales Revenue	5,551.0

HAKIKA BREWERIES LTD.
PROJECTED BALANCE SHEET

Appendix 2

(TZS 'Million)

ITEM	2014	2015	2016	2017	2018	2019	2020	2021
Assets								
Cash and Bank Balances	2,415.4	533.0	1,100.3	1,968.6	3,354.3	5,339.1	8,337.0	12,300.7
Stocks of Raw Materials		105.7	222.0	339.3	456.7	479.1	492.1	504.5
Stocks of Finished Goods		92.3	193.8	296.2	398.7	418.2	429.6	440.4
Fixed Assets (Net)	132.1	2,380.1	1,922.8	1,556.1	1,262.0	1,025.9	836.3	683.9
Other Assets	1.0	270.0	795.0	790.0	452.0	30.0	0.0	-
Total Assets	2,548.5	3,381.1	4,233.8	4,950.1	5,923.7	7,292.3	10,095.0	13,929.5
Liabilities								
Term Loan	2,039.1	1,835.2	1,427.3	1,019.5	611.7	203.9	0.0	
Other Liabilities		800.0	1,779.0	2,495.0	3,228.0	4,132.0	5,797.0	7,996.0
Total Liabilities	2,039.1	2,635.2	3,206.3	3,514.5	3,839.7	4,335.9	5,797.0	7,996.0
Net Assets	509.4	745.9	1,027.4	1,435.6	2,084.0	2,956.4	4,298.0	5,933.5
Capital Employed								
Share Capital	509.8	509.8	509.8	509.8	509.8	509.8	509.8	509.8
Accumulated Profit		235.9	517.9	926.0	1,573.9	2,446.8	3,788.0	5,423.9
Total Capital Employed	509.8	745.6	1,027.7	1,435.8	2,083.7	2,956.6	4,297.7	5,933.6

								<i>Appendix 3</i>
HAKIKA BREWERIES LTD.								
PROJECTED CASH FLOWS								
								(TZS 'Millions)
ITEM	2014	2015	2016	2017	2018	2019	2020	2021
INFLOWS								
Capital Injection	509.8							
Bank Loan	2,039.1							
Bank Interest Receivable		21.0	18.0	21.0	36.0	60.0	90.0	120.0
Sales		1,440.0	1,918.4	2,932.4	3,947.4	4,893.3	6,186.4	7,423.7
Total Inflows	2,548.8	1,461.0	1,936.4	2,953.4	3,983.4	4,953.3	6,276.4	7,543.7
OUTFLOWS								
Acquisition of Fixed Assets	132.1	2,251.3						
Purchase of Raw Materials		600.0	767.4	1,173.0	1,579.0	1,957.3	2,474.6	2,969.5
Repayment of Bank Loan		270.0	270.0	540.0	540.0	540.0	270.0	-
Payment of Bank Interest		198.3	163.7	123.2	82.7	42.2	5.9	-
Preoperating Expenses	1.3	1.3						
Salaries and wages		23.7	47.4	71.2	94.9	97.2	99.7	102.2
Social Security		2.1	4.2	6.3	8.4	8.6	8.8	9.0
Other Labour Costs		18.0	35.9	53.9	71.9	73.7	75.5	77.4
Electricity		47.2	94.5	141.7	189.0	198.4	208.3	213.5
Water		0.4	0.8	1.2	1.6	1.7	1.8	1.8
Fuels & Lubricants		9.7	19.4	29.1	38.7	40.7	42.7	43.8
Industrial Services		8.0	15.9	23.9	31.9	33.4	35.1	36.0
Non-Industrial Services		28.0	56.1	84.1	112.1	117.7	123.6	126.7
Total Outflows	133.5	3,458.0	1,475.3	2,247.5	2,750.1	3,111.0	3,346.0	3,579.9
Net	2,415.4	(1,997.0)	461.1	705.9	1,233.3	1,842.3	2,930.3	3,963.7
Opening Balance	2,415.4	418.3	418.3	879.5	1,585.4	2,818.7	4,661.0	7,591.4
Closing balance	2,415.4	418.3	879.5	1,585.4	2,818.7	4,661.0	7,591.4	11,555.1

Exch. 1,600

USD

Cost Item	TZS' 000	
Land and Buildings	132,142	82,589
Machinery and Equipment	2,002,320	1,251,450
Transport Equipment	242,120	151,325
Database Software	6,864	4,290
Other		-
Total Investment	2,383,446	1,489,654
Pre-Operating Costs	2,652	1,658
Start-up Operations	162,730	101,706
Total Financing Required	2,548,828	1,593,018
Financed by:		
Owners' Funds (20%)	1,784,180	
Term Loan (80%)	764,648	
Total	2,548,828	

THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
HAKIKA BREWERS LIMITED

Incorporated at Dar es Salaam this day of 2011

Drawn by:

CYRIL MMASSY
(SUBSCRIBER)
P.O.BOX 62615
DAR ES SALAAM

CERTIFIED TRUE COPY OF THE ORIGINAL
MARCEL N. BUSEGANO
ADVOCATE, NOTARY PUBLIC & COMMISSIONER FOR OATHS
SIGNATURE: *Marcel N. Busegano*
DATE: 9/3/2013

THE UNITED REPUBLIC OF TANZANIA

CERTIFICATE OF INCORPORATION

NO.

I HEREBY CERTIFY THAT

HAKIKA BREWERS 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 day of two thousand and eleven

.....
REGISTRAR OF COMPANIES

TANZANIA

Stamp Duty Sbs. 2000/-
PAID ON ORIGINAL

Receipt No. 14654 of 11/04/2011

Stamp Duty Officer

COMPANY LIMITED BY SHARES
MEMORANDUM AND ARTICLES OF ASSOCIATION
OF
HAKIKA BREWERS LIMITED

TANZANIA

Stamp Duty Sbs. 2000/-

Receipt No. 14654 of 11/04/11

Agent Registrar of Companies

1. The name of the Company is **HAKIKA BREWERS LIMITED**
2. The registered office of the Company will be situated in Tanzania
3. The objects for which the Company is formed are (and it is expressly declared that the several sub-clauses of this clause and all the powers there for are to be cumulative and in no case is the generality of any one sub-clause nor is any general expression in any sub-clause to be narrowed or restricted by any particularity of expression in the same sub-clause or by the application of any rule of construction ejusdem generis or otherwise).
 - (a) To acquire and take over as a going concern, the business carried on under the name and style of HAKIKA BREWERS with all its assets and liability.
 - (b) To carry on the business of the survey, exploration, extraction, mining dealing and workings mineral of all kinds in minerals and oil refinery and transportation thereof, copper, gold, diamonds, cements, lime plasters, whiting, clay, gravel, sands, 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, query owners, builders, general contractors and carriers.
 - (c) To carry on the business and trade as common carriers, transportation by way of roads, air and water and to carry on business of garage proprietors, dealers in repairers, cleaners, stores and warehouse's of motor vans, motor lorries, motor omnibuses, forklift, pile drivers, motor cycles, tractors, trailers, road making and road repairing machinery and equipment, paint cranes and winches equipment and vehicle of all kinds, whether moved by mechanical power or not, to purchase or otherwise 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 motors and other things.

(d) To construct, establish, open, acquire, maintain and carry on factories for building materials, electric and electronic equipment, auto vehicles, and spares, warehouse, 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 any subsidiary.

(e) To carry on the business of electricians, electrical engineers, contractors and manufacturers and dealers in electrical apparatus and goods and manufacture, sale or hire apparatus or goods to which the applications of electricity or any like power or any power that can be used as a substitute therefore is or may be useful convenient or any other business of like nature

(f) To carry on trade or business of electrical contracting work, construction and civil construction. To be the general procurement agents and to be business management consultants in like areas.

(g) To engage and otherwise carry on the business as road construction, building contractors, electrical contractors, carpentry contractors, including all machinery, job titling and to undertake and execute any contracts for works involving the supply or use of any machine and to carry out any ancillary or other work comprised in such contracts.

(h) To plan, design, prepare drawings, draw specifications, call tenders, evaluate and award tenders, supervise on site, issue variations to contracts, evaluate progress payments and fluctuations to a contracts and generally acts as consultants for any electrical works projects, general and civil works.

(i) To construct, erect, lay down, alter, enlarge, remove and replace any roads, buildings, murals, walls, railways, dams, and any other works which may be convenient or necessary to connect with any business.

(j) To engage in the business and trade as manufacturers, assemblers, repairers, distributors, buyers, sellers and installers of air conditions, refrigerators, and air cooling systems both for domestics and industrial usages.

(k) To buy, sell (both to persons residing on the company's premises and to non-residents), import, produce, manufacture or otherwise deal in food and food products, meat, groceries, fruits, confectionery, wine, spirits, beer and alcoholic beverages, tobacco, druggist supplies, beverages, linen, furniture and furnishings and other articles required in the said businesses.

- (l) To carry on the business of caterers, promote, manage, organise and run hotels, lodges, restaurants, apartments, inns, motels, auto-courts, lodging, house keepers; and generally to facilitate the provisions of accommodation, entertainment facilities, provisions of guides, safe deposits, inquiry bureaux, language aids, baggage transport and arranging and operating packages tours travel agents, tourist agents and contractors.
- (m) To invest and deal with moneys of the company not immediately required upon such as securities and in the manner as company may from time to time determine.
- (n) To borrow or raise or secure the payment of money in such a manner as company shall think fit
- (o) To lend and advance money and give credit, soft loans, loan to such person persons or companies as may seem expedient and in particular to customers and others having dealings with company.
- (p) To carry out of every kind of act as financial advisors to negotiate loans of every description for the benefit of the company or for any other person or organisation to transact business as promoters, financial and monetary agents in Tanzania and elsewhere.
- (q) To carry on the business of event management, movie premiere, film screening, film distribution, film making, music recording, video and cinema, professional video shooting, distribution and preparation of magazines, newspaper and also to market fancy goods, refreshments and consumables.
- (r) To carry on the business of organising concerts, artists, music performances, fashion shows, dancing and cultural shows, ngomas, folklore, presenting stage plays, designing and display of goods.
- (s) To conduct the business of advertisement, creation and presentation of jingles on radio and television, to prepare logos and emblems, illustrations and designing, organise trade fairs and business competitions.
- (t) To conduct the business of organising conferences, seminars, symposia, workshops, meetings, debates and exchange of ideas and views on various aspects of national and international wise.

(u) To establish, manage, develop and hire premises for embankment of passengers and provide services, including warehousing for passengers, telecommunications, transit motels, food and refreshment facilities and all other ancillary services connected with the business of passenger transport.

(f) To erect and construct houses, buildings or works of every description on any land of the Company, or upon any other lands or property, and to pull down, rebuild, enlarge, alter and improve existing houses, buildings or works thereon, to convert and appropriate any such land into and for roads, streets, squares, gardens and pleasure grounds and other conveniences, and generally to deal with and improve the property of the Company.

(g) To provide public or private amusements and entertainments upon any property of the Company.

(h) To carry on the business of Safari Contractors, organisers and operators, and to equip, organise and manage hunting photographic, cinematic, game fishing, ornithological and other Safaris and expeditions of all kinds.

(f) To carry out business of travel agent and to provide for tourists provisions of, communication facilities, entertainment facilities, provisions of guides, safe deposits, inquiry bureaux, language aids, baggage transport and arranging and operating packages tours.

(g) To establish sustain and manage the following business: Air Travel Booking Domestic and International, Hotel Booking, Tour Safaris, Holiday Planners, Eco tourism, Hunting Safari's, Mountain climbing, sight seeing, charter planes and any other activities connected thereto.

(h) To fit up and furnish any property for the purpose of letting the same to visitors or guests whether in rooms, suites, chalets, cottages or otherwise.

(i) To establish, manage develop and hire premises for catering services, restaurant services, bar services, embankment of passengers and provide services, including warehousing for passengers, telecommunications, transit motels food and refreshment facilities and all other ancillary services connected with the business of passenger transport and related food industry.

(j) To acquire by purchase, lease, exchange, hire or otherwise, either for a Right of Occupancy or for any other estate, interest or tenure in land, whether in possession or in reversion, and whether vested or contingent, any lands, tenements and premises of any tenure, whether subject or not to any charges or encumbrances, and to hold or to sell, let, alienate, mortgage, charge or otherwise deal with all or any such lands, tenements or premises in the general business of Real Estates.

(k) To buy and sell immovable property, movable property, chattels, goods, stock, shares and any kind of property, whether movable or immovable and whether of a speculative nature or otherwise, and also to hire and lease any kind of property or things, movable or immovable.

(l) In the matters and for the purposes aforesaid to act solely or jointly with any other person company corporation or body as the circumstances may require.

(m) To sell, improve, manage, develop, lease, mortgage, dispose of, turn to account, or otherwise deal with all or any part of the present or future property or rights of the Company.

(n) To carry on the business as general merchants, universal providers, universal exporters and importers, universal wholesalers and retailers of all commodities and/or goods of whatever description.

(o) To carry on and to undertake any business transactions or operations commonly carried on or undertaken by promoters of companies, financiers, concessionaires, contractors for public and other works, capitalists, merchants or traders, and to carry on other business which may seem to the Company capable of being conveniently carried on in connection with any of its objects, or calculated, directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.

(p) To issue value coupons, stamps or other vouchers to be used or issued to their customers by dealers, shop keepers, merchants or others as cash discount for purchases and to redeem the same upon such terms as may be agreed upon in exchange for cash goods, merchandise or otherwise.

(q) To apply for, hold, purchase or otherwise acquire any patents, brevets, inventions, licences and the like, conferring an exclusive or non-exclusive or limited right to use any secret or any other information which may seem to the Company capable of being profitably dealt with.

(r) To purchase plant, machinery, implements, conveniences, provisions and things capable of being used in connection with the operations of or required by workmen and others employed by the Company.

(s) To enter into any arrangement for sharing profits, union of interest, amalgamation, joint venture, reciprocal concession or otherwise with any person or company carrying on or about to carry on any business or transaction capable of being conducted so as directly or indirectly to benefit this Company and to take or otherwise acquire shares, debentures, and securities of any such company, and to sell, hold, re-issue with or without guarantee or otherwise deal with the same.

(t) To sell or let the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures, or securities of any other Company.

(u) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any movable or immovable property, and any rights or privileges which the Company may think necessary or convenient for the purpose of its business and in particular any land leases, options over lands or leases, stands, buildings, servitudes, machinery, plant and also any concessions, licences, trade marks, and other rights in Africa or elsewhere, and either solely or jointly with others and to pay therefore in cash or in stock or in shares of the Company or partly in cash and partly in stock or shares or otherwise.

(v) To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.

(w) To make, accept, endorse, execute and issue promissory notes, bills of exchange and other negotiable instruments for the purpose of the Company's business.

(x) To raise money in such manner as the Company shall think fit and in

particular by the issue of debentures, perpetual or otherwise charged upon all of any of the Company's property and rights both present and future.

(y) To make any sale, mortgage, lease, sub-lease, or other disposition of the undertaking in whole or in part of the property of the Company in such manner and on such terms and conditions, at such rent, for such purpose and for such consideration whether cash, shares, bonds, debentures or securities of any other Company having objects altogether or in part similar or analogous to those of this Company or otherwise as may be deemed advantageous or desirable and to divide, by way of bonus or otherwise, any such considerations in any shares, debentures or stocks held or received by this Company amongst the members of this Company.

(z) To pay all the costs and expenses of and incidental to the formation and registration of the Company.

(aa) To do all or any part of the above things in any part of the world as principals or agents, and by or through agents either alone or in conjunction with others.

(bb) To deal with any un-appropriated shares by way of bonus compensation, sale or in any way whatsoever that may appear to be to the advantage of the Company.

(cc) 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 and interest, by publication of books and periodicals and by granting prizes, rewards and donations.

(dd) To establish and support, or aid in the establishment and support of associations, institutions, and conveniences calculated to benefit any of the employees or ex-employees of the Company, or the dependents or connections of such persons and to grant pensions and allowances, and to make payments towards insurance, and to sub-scribe, underwrite, form or guarantee money for charitable or benevolent objects or for any exhibition, or for any public, general or useful object.

(ee) To amalgamate with any other company having objects altogether or in any part similar to those of this Company.

(ff) To distribute any of the property of the Company in specie among the members.

(gg) To carry on the business of manufacturing of alcoholic beverages, distribution of the alcoholic beverages and sales of like products.

(hh) To carry on the business of manufacturing of all sort of food products.

(ii) To carry on the business of manufacturing of plastic bottles and like products.



(jj) To do all such other things as are incidental or conducive to the attainment of the above objectives.

It is hereby declared that the word "Company" save when used in reference to this Company, in this clause shall be deemed to include any partnership or other body of persons, whether domiciled in East Africa or elsewhere.

4. The liability of the members is limited.

5. The Share capital of the Company is Shillings Four Hundred Million Only (TShs. 400,000,000/=) divided into one thousand (1000) Ordinary Shares of Shillings Four hundred Thousand (TShs.400, 000/=) each with such rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

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

Names, Addresses and Description of Subscribers	Number of Shares taken by each subscriber	Signature of the subscribers
CYRIL C.MMASSY P.O.BOX 62615 DAR ES SALAAM	500	
LELO POLE MMASSY P.O.BOX 14486 DAR ES SALAAM	500	

Dated at Dar es Salaam, on this 08 day of 04 2011

Witness to the above signatures:


NAME N. Tito

POSTAL ADDRESS Box 80149, DSW

SIGNATURE [Signature]

QUALIFICATION Advocate

NOAH TITO
ADVOCATE
NOTARY PUBLIC & COMMISSIONER
FOR OATHS
Box 80149 D' SALAAM

CERTIFIED TRUE COPY OF THE ORIGINAL
MARCEL N. BUSEGANO
ADVOCATE, NOTARY PUBLIC & COMMISSIONER FOR OATHS
SIGNATURE: 
DATE: 9/3/2013

THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HAKIKA BREWERS LIMITED

52057 =
14654 11/04/11
45941

52057 =
14654 11/04/11
45941

1. The regulations contained in Table "A" in the first schedule to the Companies Act 2002 shall not apply to this Company, but the following shall be the regulations of the Company.
2. In the construction of these Articles the following words shall have the respective meanings hereby assigned to them, unless there be something in the context inconsistent therewith.
 - (a) "The Act" means the Companies Act 2002.
 - (b) "The Seal" means the Common Seal of the Company.
 - (c) Words denoting the singular number only shall include the plural number also, and vice versa,
 - (d) Words importing persons or Companies only shall include Corporations.
 - (f) "Special Resolution" and "Extraordinary Resolution" have the meaning assigned thereto respectively by the Act.
 - (g) "In writing" or "written" include printing, lithography, typewriting and all other modes of representing or reproducing words in a visible form.
 - (h) "Office" shall mean the registered office of the Company.
 - (i) "Month" shall mean a calendar month.
 - (j) "The Board" shall mean the Board of Directors of the Company.
 - (k) "Secretary" shall mean any person appointed to perform the duties of the Secretary of the Company.

Subject as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the context, bear the same meaning in these Articles.

3. The Company is a private company, and accordingly:-
 - (a) The right to transfer is restricted in the manner hereinafter provided.
 - (b) The number of members of the Company (not including persons who are

in the employment of the Company, and persons, who having been formerly in the employment of the Company were while in that employment and have continued after the termination of that 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.

(c) Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

SHARES

4. The Share capital of the Company is Company is Shillings Four Hundred Million Only (TShs. 400,000,000/=) divided into one thousand (1000) Ordinary Shares of Shillings Four hundred Thousand (TShs.400, 000/=) each with such rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

5. Subject to the provisions, if any, on behalf of the Memorandum of Association, and without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred or other special rights or such restrictions, 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 is, 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 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 meeting should mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy seventy-five percent of the issued shares of that class, and that any holder or shares of the class present in person or by proxy may demand a poll.

(3) For the purpose of this Article, 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 therewith.

7. The Directors may allot and issue shares in the capital of the Company in payment or part payment for any property sold or transferred, goods or machinery supplied, or for service rendered to the Company in the conduct of its business as fully paid-up shares, and if so issued, shall be deemed to be fully paid up.
 8. Every person whose name is registered as a member on 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 or 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.
 9. No person shall exercise any rights or privileges of a member until having paid all calls and other moneys for the time being due on every share held by him.
 10. 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 the Directors think fit.
 11. 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 proviso of the Act.
 12. 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.
- LIEN
13. The Company shall have a lien on every share for all money (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a 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 Directors 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.

14. The Company may sell, subject to the provisions on forfeiture of shares, 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, starting 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.

15. 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 not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

16. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

17. 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 on any share shall be payable at less than thirty days from the date appointment for payment of the last preceding call, and each member shall (subject to being given at least three weeks' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. If a sum called in respect of a share is not paid before or on the day appointed for payment, 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 the time of the actual payment, but the Directors shall be at liberty to waive payment of that interest wholly or in part.

20. 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 of the amount of the share, or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

21. 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 a payment in advance of call which shall extinguish, so far as the same shall extend liability upon the shares in respect of which it is advanced, and the Company may pay interest upon the money received, or so much thereof as from time to 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 sum and the Directors agree.

TRANSFER AND TRANSMISSION OF SHARES

22. 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.

23. Shares shall be transferred in the following form, or in any usual or common form which the Directors shall approve:-

"I, A.B. of, in consideration of TShs. paid to me by C.D. of (hereinafter called "the said transferee") do hereby transfer to the said transferee the share (or shares) numbered in the undertaking called to hold unto 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
aforesaid.....

.... As witness our hands set below Witness to the signatures of, etc."

24. 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 to 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-note exceeding two shillings is paid to the Company in respect thereof, and
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show 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.

25. The legal personal representatives of a deceased sole holder of a share shall be the only person recognised by the Company as having any title to the share. In the case of a share registered in the names of two or more holders, the survivors or survivor or the legal personal representatives of the deceased's survivor shall be the only persons recognised by the Company as having any title to the share.

26. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon such 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 transfer of the share by the deceased or bankrupt person before the death or bankruptcy.

27. A person becoming entitled to a 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 to were he 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.

28. 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 it to say:

- (i) Every member or other person referred to in Article 26 who intends to transfer shares (hereinafter called the Vendor) shall give notice in writing to the Board of his intention so to do. 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 willing purchaser.
- (ii) Upon the price being fixed as aforesaid the Board shall 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 members or member 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 notified 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 execute, 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 a 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 purchased 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 24) and at any price.

FORFEITURE OF SHARES

29. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

30. The notice shall name a further day (not earlier than the expiration of three weeks from the date of the notice) on 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 will be liable to be forfeited.

31. If the requirements of such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time hereafter before the payment required by the notice has been made be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares not actually paid before the forfeiture.

32. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.

33. 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 receives payment in full of the nominal amount of the shares.

34. 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 on a date stated in the declaration, shall be conclusive evidence of the facts 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.

35. The provisions 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 in account of the amount of the share, or by way of premium, as if the same had been payable by virtue of all calls duly made and notified.

CONVERSION OF SHARES INTO STOCK

36. The Company may by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.

37. The holders 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 previous 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 the minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

38. The holders of stock shall, according to the amount of 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 privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by any such a liquor part of the stock as would not if existing in shares, have conferred that privilege or advantage.

39. 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

40. 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.

41. Subject to any direction to the contrary that may be given by the Company by special resolution in general meeting, 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 circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice 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 intimation from the person to whom the offer is made that he declines to have the shares offered, the Directors may dispose of those shares 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.

42. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

43. The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
- (b) sub-divide its existing shares or any of them, into shares of a smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of Section 64 (1) of the Act;
- (c) 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.

44. 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 authorised and consent required, by law.

GENERAL MEETINGS

45. 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.

46. All such general meetings shall be called Annual General Meetings and all other general meetings shall be called Extraordinary General Meetings.

47. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists as provided by section 114 of the Companies Act. If at any time there are not within Tanzania sufficient Directors capable of acting to form a quorum, any Director or any one member of the Company convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

NOTICE OF GENERAL MEETINGS

48. Subject to the provisions of section 135 of the Act relating to special resolutions, three week's notice at the least (exclusive of the day on which the notice is served or deemed to be served by 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 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 consent of all the members entitled to receive notice of some particular meeting that meeting may be convened by such shorter notice and in such manner as those members may think fit.

PROCEEDINGS AT GENERAL MEETINGS

49. All business transacted at any general meeting shall be deemed special with the exception of the consideration of the accounts, balance sheet and the ordinary report of the Directors and Auditors.

50. No business shall be transacted at any general meeting or any adjournment thereof unless a quorum of members is present when the meeting proceeds to business. A quorum shall be constituted when two members are present in person or by proxy and hold not less than seventy-five percent of the issued share capital entitled to vote on the matters therein presented.

51. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the request of members, shall be dissolved in any other case, it shall be adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum (as defined in article 50), is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.

52. No resolution, whether special or extraordinary, shall be carried as being passed at any general meeting or any adjournment thereof, unless the said resolutions received the affirmative vote of not less than seventy-five percent of the shares of such members as, being entitled to do so, vote in person or by proxy at a general meeting of which notice specifying the intention to propose the resolution as special or extraordinary has been duly given.

53. The Chairman, if any, of the Board of Directors shall preside as Chairman at every general meeting of the Company.

54. 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 some one of their number to be Chairman.

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

days or more, notice of 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.

56. 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 particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact.

57. 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.

58. 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.

59. 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.

VOTES OF MEMBERS

60. 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 no vote. On a poll every member shall have one vote for each share of which he is the holder.

61. 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.

62. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian appointed by the court, and any such committee or other legal guardian may, on a poll, vote by proxy.

63. On a poll votes may be given either personally or by proxy, provided that

no company shall vote by proxy unless a resolution of its Directors in accordance with the provisions of section 139 and 140 of the Act is in force.

64. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or, if the appointor is a corporation, either under seal, or under the hands of an officer or attorney duly authorised. A proxy need not be a member of the Company.

65. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a naturally certified copy of that power or authority shall be deposited at the registered office of the Company not less than twenty-four 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.

66. Any 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 a hereby appoint of as my proxy, to vote for me and on my behalf at the (ordinary or extraordinary as the case may be) general meeting of the company to be held on the day of 20....., and at any adjournment thereof.

Signed this day of 20.....

67. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

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

DIRECTORS

69. The first Directors of the Company shall be:

1. CYRIL C. MMASSY
2. JACK LEONARD MGOHA

70. Any member or members shall, so long as he or they continue to hold in the aggregate twenty percent (20%) in nominal value of the issued shares of the Company, in respect of each such holding of twenty percent (20%), be entitled to appoint any person to be a Director of the Company. Every such member or members may at any time remove from office and Directors appointed or removal shall be effected by notice in writing signed by the member or members making the same or, in the case of a member being a Corporation, signed by any of its Directors or other Authorised officer on its behalf, and shall take effect upon lodgement at the registered office.

71. Any member or members holding in the aggregate more than fifty percent (50%) in nominal value of the issued shares of the Company may nominate as Chairman of the Board of Directors, one of the Directors appointed under this Article.

72. A Director may resign from office upon giving one month's notice in writing to the company of his intention so to do, and such resignation shall take effect upon the expiration of such notice or its earlier acceptance by the Board of Directors.

73. (1) The remuneration of the Directors shall from time to time be determined by the Company in General Meeting.

(2) In addition to their usual remuneration the Directors shall, subject to the approval of the whole Board of Directors, also be paid such travelling, hotel and other expenses as may reasonably be incurred by them in the exercise of their duties, including any such expenses incurred in connection with their attendance at meetings of Directors.

74. Any Director may at any time appoint any person to be an alternate Director of the Company, with powers which may be limited by the Director, and may at any time remove any alternate Director so appointed from office, and, appoint another person in his place. An alternate Director shall (subject

to his giving to the Company an address 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 Directors at any meetings at which the Director appointing him is not personally present and generally to perform all the functions of his appointor as a Director in the absence of such appointor. An alternate Director shall ipso facto cease to be an alternate Director if his appointor 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 Directors or by cable, 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 be the agent of or for the Director appointing him. The remuneration of any such alternate Director shall be payable out of 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. Any Director or alternate Director may, in addition to his position as Director or alternate Director, be appointed as an alternate to or by any number of Directors.

75. 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.

76. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall when the number of Directors exceeds three, be three, and when the number of Directors does not exceed three, be two. A resolution in writing signed by all the Directors shall be as valid and effectual as if it 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 this 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.

77. Provided a Director declared his interest therein in manner provided by the Ordinance 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.

78 The Directors may exercise all of the powers of the Company with the exception of the following, which shall require ratification by the Company in general meeting:

- (1) borrowing money in excess of TShs. 10,000,000/=;
- (2) mortgaging or charging the Company's undertaking; property and uncalled capital or any part thereof;
- (3) issuing debentures, debenture stock and other securities in excess of TShs. 10,000,000/=, whether outright or as security for any debt liability or obligation of the Company or of any third party.

79. 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 to such regulations, being not inconsistent with the aforesaid regulation or provisions, as may be prescribed by the Company in general meeting; but no regulations made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

80. The Directors may from time to time appoint one or more of their body to the office of Managing Director or may appoint any person or 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 a Director.

81. The Directors shall cause minutes to be made in books provided for the purposes:

- (a) of all appointments of officers made by the Directors;
- (b) of the names of the Directors present at each meeting of the Directors;
- (c) of all resolutions and proceedings at all meetings of the Company, and of the Directors;

and every Director present at any meeting of Directors shall sign his name in a book to be kept for that purpose.

THE SEAL

82. 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 shall 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

83. 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
- (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) ceases to be a director by virtue of any provisions of the Act or becomes prohibited by law from being a director; or
- (d) Is found lunatic or becomes of unsound mind; or
- (e) resigns his office by notice in writing to the Company; or
- (f) is punished with imprisonment for a term exceeding six months without the option of a fine.
- (g) Is directly or indirectly interested in any contract with the company and fails to declare the nature of his interest in manner required by the Act.

PROCEEDINGS OF DIRECTORS

84. The Directors may meet, together, upon adequate notice duly given for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall, except as otherwise agreed from time to time by the members, be decided by a majority of votes. A Director may, and the secretary on the requisition of a Director shall at any time summon a meeting of the Directors. Adequate notice shall in all cases be that which is reasonably calculated to advise Directors whether within or without Tanzania of the proposed meeting.

85. If at any time 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.

SECRETARY

86. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them.

87. No person shall be appointed or hold office as Secretary who is:

- (a) the sole Director of the Company, or
- (b) a corporation the sole Director of which is the sole Director of the Company; or
- (c) the sole Director of a corporation which is the sole Director of the Company.

88. 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

89. The Company in general meeting may, by special resolution declare dividends, but no dividend shall exceed the amount recommended by the Directors.

90. No dividend shall be paid otherwise than out of profits.

91. 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 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.

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

93. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

94. Any dividend 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 to 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.

95. No dividend shall bear interest against the Company.

ACCOUNTS

96. The Directors shall cause proper books of account to be kept with respect to:

All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place; All sales and purchases of goods by the Company and the assets and liabilities of the Company.

97. Books of accounts shall be kept at the registered office 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.

98. 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 inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.

99. The Directors shall from time to time in accordance with section 132 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.

100. 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 case 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 reasons why only a portion of such expenditure is charged against the income of the year.

101. 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 three weeks before the date of the meeting be sent to all persons entitled to receive notices of general meetings of the Company.

AUDIT

102. The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold the office until the next Annual General Meeting.

103. A person or corporation other than the retiring Auditor shall not be capable of being appointed Auditor at an Annual General Meeting unless notice of an intention to nominate that person or corporation to the office of Auditor has been given by a member of the Company not less than fourteen days before the Annual General Meeting and the Company shall send such notice to the retiring Auditor and shall give notice thereof to the members not less than seven days before the Annual General Meeting.

104. The remuneration of the Auditors shall be fixed by the Company in General Meeting.

105. The Auditors shall be entitled to attend any general meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and to make any statement or explanation they desire with respect to the accounts.

NOTICES

106. 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 such other address or addresses as shall be designated in writing. If he has no registered address within the Territory, it shall be by cable or radiogram with a confirming registered letter return receipt requested addressed to him at such address outside of the territory as shall have been designated by him in writing.

107. 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 the letter would be delivered in the ordinary course of post.

108. If a member has no registered address within the Territory and has not supplied to the Company an address for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood 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.

109. 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.

110. 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 has not occurred.

111. Notice of every general meeting shall be given in the same manner hereinbefore authorised to (a) every member except those members who (having no registered address within the territory) have not supplied to the Company an address for the giving of notices to them, and also to (b) 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 notices of general meetings.

CAPITALIZATION OF PROFITS

112. The Company in general meeting may upon the unanimous 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 the company's reserve accounts or to the credit of the profit or loss account or otherwise available for distribution amongst the members 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 or towards paying up any amounts for the time being unpaid on any shares by such members respectively, or paying up in full unissued shares or debentures of the Company to be allotted, distributed and credited as fully paid up 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.



113. 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 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 of 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 resolved 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 members.

WINDING UP

114. If the Company shall be wound up the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Companies Act, 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 of 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 of different classes of members. The liquidator may with like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit but so that no member shall be compelled to accept any shares or other securities, whereon there is any liability.

INDEMNITY

115. 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 unless the same occur through his own dishonesty, negligence, default, breach of duty, criminal etc, or breach of trust wherein the Director or officer shall be personally liable.

Names, Addresses and Description of Subscribers	Number of Shares taken by each subscriber	Signature of the subscribers
CYRIL C. MMASSEY P.O. BOX 62615 DAR ES SALAAM	500	
ELO POLE MMASSEY P.O. BOX 62615 DAR ES SALAAM	500	

Dated at Dar es Salaam, on this 08 day of 04 2011

Witness to the above signatures:

NAME N. Tito

POSTAL ADDRESS Box 80149, DSM

SIGNATURE [Signature]

QUALIFICATION Advocate

NOAH TITO
ADVOCATE
NOTARY PUBLIC & COMMISSIONER
FOR OATHS
Box 80149 D' SALAAM