

NINE TWO INTERNATIONAL
LIMITED

MINUTE SHEET

Kezo
No.

Ag. EXD

23/01/2014

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

(a) Minimum finance investment threshold has been exceeded, the project expects to invest USD 4.12m

(b) Legal entity has been incorporated under certificate

No. 102223 of 09/09/2013

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

Submitted for signature.



Revocatus Arbogast

IFM

22nd January, 2014

MINUTE SHEET

Dokezo
No.

TANZANIA



Certificate of Incorporation

Section 15


No 102223

I HEREBY CERTIFY THAT

NINE TWO INTERNATIONAL 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 9TH day of SEPTEMBER**TWO THOUSAND AND THIRTEEN**
Asst. Registrar of Companies



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

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

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

(Please fill the form in duplicate)

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 MSUNG HEE LEE
(director/directors/agent of NINETWO INTERNATIONAL LIMITED
(name of business enterprise) apply for registration of CERTIFICATE OF INCENTIVE
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 COAST REGION

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 COAST REGION
4. The Principal Officers of the Company are SUNG HEE LEE
JUNG SEOK LIM
5. Auditors of the Company are TO BE APPOINTED
6. The authorized share capital of the Company is Tshs./US\$ ~~10,000,000.00~~ 10,000,000.00

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 4,119,500
8. The month and day of the financial year end is 31st DECEMBER

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

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$ 100 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, SUNG HEE LEE of Post Office Number 8717

..... do solemnly and sincerely declare that I am a director/duly authorized agent of NINE TWO INTERNATIONAL LIMITED

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

Declared at Dar es Salaam }
 }
 The 6th day of January, 2014 }


 Applicant

Before me:





.....
Commissioner for Oaths

APPLICATION SUMMARY

Company Name: NINE TWO INTERNATIONAL LIMITED

Certificate of Incorporation Number: 102223 Status: New

Certificate of Incorporation Date: 9 SEPT 2013

Post Box: 2317

Town: DAR ES SALAAM

Sector: MANUFACTURING Sub-Sector: PRINTING

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity Local Equity Foreign Loan Local Loan

4.1195

Project Objectives: ESTABLISHING A PRINTING FACTORY

Capacity: 46 workers

Employment: Foreign: 6 Local: 40 Total: 46

Implementation Period: 3 YRS

Project Location

Site/Plot/Block No.:

Street: District: COAST REGION Region: COAST REGION

(Attach sketch map showing project location)

Table with 3 columns: Shareholders, Nationality, %

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

Land/Building 750,000
Plant 2,250,000
Vehicles 245,000
Furniture & Fittings 150,000
Pre-expenses 374,500
Others 50,000
Working Capital 400,000
TOTAL 4,119,500

Contact Details:

Name: GEORGE KIZENGA Title:

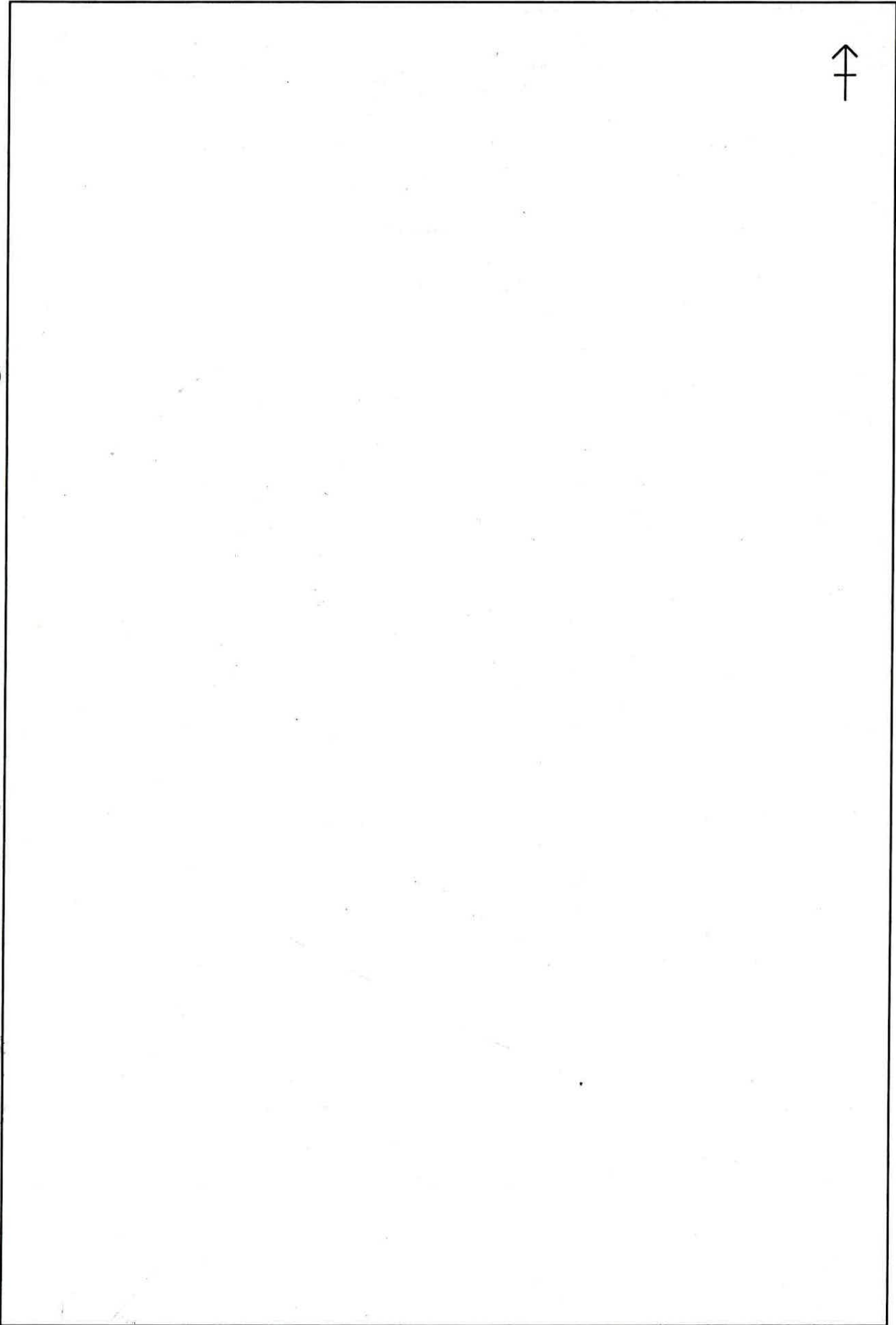
Telephone: 0787 907 796 Fax:

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



NINE TWO INTERNATIONAL LIMITED

P O Box 7793, Dar es Salaam- TANZANIA

9

Ref.No: PSCL/TIC/1/2013

23rd December 2013

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



Dear Sir,

RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES

We are a newly incorporated company created for purposes operating printing project. The Proposed project will be in Coast Region. It is due to this reasons that we hereby submit our application for TIC Certificate of Incentives to facilitate implementation of the project.

Attached herewith please find the following basic documents for you kind approval:

1. A duly completed and signed application form
2. A certified copy of our certificate of Incorporation
3. A copy of the Company's Memorandum and Articles of Association
4. A certified copy of Lease Agreement.
5. Company Board Resolution to register with TIC
6. A copy of our Feasibility study showing the implementation Period,

Thank you for your kind consideration

Yours Sincerely,

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

DIRECTOR

TICC/PP.10/042591/3

20th January, 2014

Managing Director,
Nine Two International Ltd
P.O. Box 8317
COAST REGION

RE: CERTIFICATE OF INCENTIVES FOR PRINTING FACTORY

We wish to acknowledge receipt of your project proposal to establish and operate printing factory as presented in the TIC P.A. 1 Form No. 11609 and Feasibility Study with a projected investment amounting to USD 4.12 m.

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

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

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

TICC/PP.10/042591/3

20th January, 2014

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

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

Yours sincerely,
Tanzania Investment Centre

N. A. Senzia
Ag. Executive Director

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

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

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



TIC Evaluation Report

Name of the Company
Nine Two International Ltd.

Post Box	0	COI Number	102223	Contact	Mr. George Kizenga
Post Office	8317	COI Date	09/09/2013	Designation	0
Region	Coast Region	Application F. No	11609	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0787 907 796
		Sub Sector	Printing	Fax	0
		File No	042591	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
Plot/Block	0	<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>4.12</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	4.12	0	0	0			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
4.12	0		0	0									
Street	0												
District	Bagamoyo												
Region	Coast (Pwani)												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.75
Jung Seok Kim	Korean	50	Plant	2.25
Sung Hee Lee	Korean	50	Vehicles	0.245
			Furniture & Fittings	0.05
			Pre-expenses	0.375
			Others	0.05
			Working Capital	0.4
			Total	4.12

Employment	46	Evaluated By	wf officer3
Capacity	46 workers	Drawn By	wf registry2
Project Turn Over		Project Type	Foreign

Description

To establish a printing factory

Recommendations

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

Decision

APPROVED BY EXD
 Sign: *[Signature]*
 Date: 20.01.14



TIC Evaluation Report

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Nine Two International Ltd.

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Post Office	8317	COI Date	09/09/2013	Designation	0
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Region	Coast (Pwani)												

Shareholders Detail		
Name	Nationality	(%)
Jung Seok Kim	Korean	50
Sung Hee Lee	Korean	50

Investment Breakdown (USD Million)	
Land/Building	0.75
Plant	2.25
Vehicles	0.245
Furniture & Fittings	0.05
Pre-expenses	0.375
Others	0.05
Working Capital	0.4
Total	4.12

Employment	46	Evaluated By	,wf officer3
Capacity	46 workers	Drawn By	wf registry2
Project Turn Over		Project Type	Foreign

Description

To establish a printing factory

Recommendations

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

Decision

THE COMPANIES ACT, 2002
[Cap. 212, R. E 2002]

COMPANY LIMITED BY SHARES

Memorandum

and

Articles of Association

of

NINE TWO INTERNATIONAL LIMITED

Incorporated this.....day of.....2013

Drawn by:-

J. A. Njau (Advocate)
Crest Attorneys
2nd Floor Coronation Building,
Azikiwe/Samora Avenue
P.O Box 8317
DAR ES SALAAM

THE COMPANIES ACT, 2002
[Cap. 212, R. E 2002]

COMPANY LIMITED BY SHARES

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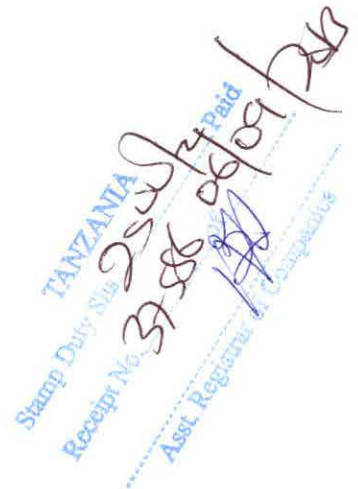
DAR ES SALAAM



THE COMPANIES ACT, 2002
[CAP. 212 R.E. 2002]

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF
NINE TWO INTERNATIONAL LIMITED



1. The name of the Company is NINE TWO INTERNATIONAL LIMITED.
2. The registered office of the company will be situated in the United Republic of Tanzania.
3. The objects for which the company is established are:-
 - a) To carry on all or any business of printing, publishing, distributing and selling of business, management, industrial, scientific, academic, communications, financial, agricultural, social and environmental information technology periodicals, brochures and books and any other reading materials.
 - b) To carry on the business of supplying of stationery, office equipment, writing materials, teaching aids and other educational establishment and as agents, school uniforms and stationers in all their business and to buy and sell stationery, office requirements and equipments, all types of books, sundry goods and to act as general merchants and commission agents of printing and binding and manufacture stationers and other requirements.
 - c) To engage in advertising, marketing, promotion, consultancy, telecommunication equipment and contractual jobs regarding cellular operations, services and survey, professional publishers, producers of newspapers, bulletins, journals, periodicals, magazines, programmers, advertisements, to be promoters and financiers of publicity and/or publications, newsagents, to offer or render communication services, transportation facilities, telephones, telex, telefax, audio visual films, to be news collectors, editors, disseminators, television, radio broadcasting, buyers, sellers, importers, distributors, suppliers of all kinds of photographic equipments, story books and or booklets, pictorial albums, to be consultants, promoters, financiers and participants in either industrial commercial projects both nationally and internationally.
 - d) To engage and or otherwise carry on the business in general dealers of computer, hardware and software, to be importers and distributors of all kinds of computer hardware and software, to provide general computer services, to be commercial computer programmers and generally to be computer acquisition consultants, to design and offer computer training services and to operate schools and training centres, to be suppliers and manufacture representatives of all kinds of computers and telecommunication systems, to be general importers, distributors,

installers and services of all kinds of photocopies, fax and telex machines, general telephone apparels and generally to be telecommunication experts and consultants, to carry on the business of repairs of computers, all kinds of computer systems, electronic items and all kinds of electrical instruments.

- e) To carry on the business as general suppliers of all sorts and types of goods and services to individuals, offices, industries, shops, schools, factories, hospitals, army, military, ministries and all government offices, universities and all other places where the services of a supplier are needed.
- f) To carry on the business of dealing in marketing, manufacturing, importing, exporting, stocking, buying, selling whether by wholesale or retail of various categories of goods and merchandise, and to act as commission agents and manufacturers, representatives in all fields. To establish business enterprises whether small scale, industries and generally deal in all kinds of general merchants and to import, export and all either by merchandise and articles of all description.
- g) To carry on the business of marketing, services, consultancy, and selling of all types of information technology, computer systems, conference systems, telecommunication systems, security systems, public addressing systems, data communication and to train, research, install and after sale services of electronic systems, voice and data networks and any other systems or components which the company may think fit, necessary or incidental to this business.
- h) To carry on the business of transportation, cargo and travel agents, commission agents, customs agents, insurance agents, tourist agents, manufacturers, representatives, clearing and forwarding agents, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motorcars, cabs, omnibus, lorries, oil tank and coach proprietors and transporters by any other means of conveyance of people and goods in Tanzania and the neighbouring countries and in such other places as may from time to time be determined by the company.
- i) To carry on business as traders, merchants, manufactures, representatives, commission agents, importers, exporters, warehouse, shipping and forwarding agents, packers, carriers and freight contractors and to import, export, buy, sell barter, exchange, store, pack, ship transport and otherwise deal with foodstuff and consumable goods and articles of every description, household goods and textiles, metals, wood, plastic, paper and paper products, timber, articles and things manufactured therefrom, clothing, footwear, electrical apparatus and equipment, machinery tools and materials, articles, merchandise, commodities, motor vehicles, spares, industrial machinery and goods of every description
- j) To acquire any such shares, stocks, debentures, debenture stock, bonds, notes, securities, obligations, funds or loan by original subscription, tender, purchase, participation in syndicates, exchange or otherwise and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof, and to carry and transport from time to time as may be considered expedient any of the company's investments for the time being.

- k) To issue and deposit any securities which the company has power to issue by way of mortgage or secure any such sum less than the nominal amount of such securities, and also by way of security for the performance of any contract or obligations of the Company or of its customers or of any other company or person having dealings with the company, or in whose business or undertakings the company is interested.
- l) To apply for, purchase, or otherwise acquire and protect and renew in any part of the world any patent rights, brevets invention, trade marks, designs, licenses, consensus, and the like, conferring any exclusive or non-exclusive or limited rights to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company; or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop, or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquire, and to expend money in experimenting upon, testing or improving any such patent, inventions or rights.
- m) To carry on the business of miners and mining in all branches and for the same purpose to peg, purchase, take on lease, or exchange or otherwise acquire concessions, grants, easements, options, claims, properties, cassettes, and effects supposed to contain minerals, diamonds, or other precious stones, and any interests therein, and to explore, mine, work, excise develop and turn to account mines and mining rights and any undertaking connected therewith.
- n) To borrow or raise or secure the payment of money by bank overdrafts, mortgage, or by the issue of debentures or debenture stock, perpetual or otherwise, or in such other manner as the company shall deem fit, and for the purposes aforesaid or for any other lawful purpose to charge all or any of the company's property or assets, present and future, including its uncalled capital, and collateral or further to secure any securities of the company by a trust deed or other assurance.
- o) To buy, sell, or otherwise dispose off, and to deal in any real or personal property and any stock, funds, shares, and securities of every description, on commission or otherwise, or to act as agent for any of the above or the like purposes;
- p) To establish and maintain branches and agencies for the purpose of the Company in any part of Tanzania or elsewhere and from time to time discontinue and regulate the same;
- q) To enter into partnership, or into any arrangements for sharing profits, union of interests, or cooperation with any person, partnership or company carrying on or about to carry on any business which this company is authorized to carry on, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company, and to take, otherwise acquire and hold stock or shares in such company;
- r) To grant pensions, allowances, gratuities and bonuses to officers, ex-officers, employees of the company or the dependents of such persons, to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any such persons as

aforsaid and their dependents and to institute and maintain any club or other establishment for the benefit of the company's employees.

- s) To purchase or otherwise acquire, erect, maintain, reconstruct and adapt any buildings, works, plant and machinery and other things found to be necessary or convenient for the purposes of the company.
- t) To sell, improve, manage, develop, turn to account, exchange, let on rent, share of profits or otherwise grant licenses, easements and other rights in respect of and in any other manner deal with or dispose of the undertaking of the company or any part thereof, or all or any of the property for the time being of the company, and for any consideration whether in cash or in shares (fully or partly paid) debentures, debenture stock or other interest in or securities of any company or otherwise.
- u) To carry on business as tour operators, tourist agents, safari contractors, organizers and operators, and to equip, organize, arrange hunting, photographic, game, fishing and other safari and expeditions of all kinds whatsoever.
- v) To amalgamate or enter into partnership of any agreement whether perpetual or terminable, for sharing profits, union of interest, joint-venture, reciprocal concessions or cooperation with any person, firm, society, association or group of persons carrying on or engaged in or about to carry on or engage in or (in the case of a company) formed to carry on or engage in any business or transaction within the objects of this company or any business transaction or course of action which may seem to the company capable of being conducted so as directly or indirectly to benefit the company or to prevent or minimize apprehended loss, damage or cost to the company or to such person, firm, society, association or group of persons, and to purchase, subscribe for or otherwise acquire and hold shares (fully or partly paid up) or stock in or securities of, or to lend money, to guarantee the contracts of, subsidies or otherwise assist any such person, firm, society, association or group of persons, and to sell hold, re-issue with or without guarantee or otherwise deal with such shares, stock or securities.
- w) To sell, exchange, let, develop, dispose of, transfer or otherwise deal with the undertaking of the company or any part thereof upon such terms and for such consideration as the company may think fit.
- x) To raise or borrow money or to secure the payment of money and of any interest thereon in such manner and on such terms as may be deemed expedient, and in particular by the issue at par or at a premium or discount of debentures or debenture stock either perpetual or terminable, or by bonds, mortgages or any other form of security over or upon all or any of the undertaking, property or rights of the company both present and future including its uncalled capital, or without any such security.
- y) To accept stock or shares in or the debentures, mortgage or other securities of any other company in payment or part payment for any services rendered or for any sale made to or debt owing from any such company.

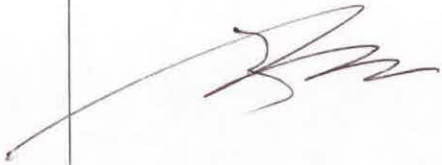

- z) To draw, accept, make, endorse, discount and negotiate bills of exchange, promissory notes and other negotiable instruments.
- aa) To acquire from any sovereign state or authority supreme, local or otherwise any concessions, grants, decrees, rights or privileges whatsoever which may seem to the company capable of being turned to account and to work, develop, carry out exercise and turn to account the same.
- bb) To carry on the business of financiers in all their branches and departments, including the borrowing raising or taking up of money, the lending or advancing of money, securities and property, the discounting, buying, selling and dealing in bills of exchange, promissory notes, coupons, drafts, bills of lading, warrants, debentures, certificates, underwriting and dealing with stocks, funds, shares, debenture stock, bonds, obligations, securities and investments of all kinds.
- cc) To carry on the business of running supermarkets, department stores, shopping malls, provision stores, groceries and shops of all kinds and description and generally to deal with such activities.
- dd) To capitalize if and when deemed advisable the whole or part of the undivided profits of the company and/or monies standing to the credit of the company's reserve funds and to distribute such sum either as bonus or in any other manner and either by way of shares credited as fully paid up or in such other manner as may seem expedient and whether amongst holders of shares in the company or others.
- ee) To establish, as a holding company, subsidiary company, which will either do one or more of the objectives stipulated herein before or with a different objectives from the objectives of this company, in the United Republic of Tanzania, Africa or elsewhere as it deem fit and advisable to do so.
- ff) To do all or any of the above things in any part of the world and either as principals, agents, trustees, contractors, or otherwise, and either alone or in conjunction with other, and either by or through agents, sub-contractors, trustees or otherwise.
- gg) Generally, to do all such other things as may appear to be incidental or conducive to the attainment of the above objects or any of them.
- hh) The word "company" in this clause, except where used in reference to this company, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporated, and whether unincorporated, registered, resident or domiciled in the United Republic of Tanzania or elsewhere.

ii) And it is hereby declared that in the interpretation of this clause the powers conferred upon the company by any paragraph shall not be restricted by reference to any other paragraph or to the name of the company or by the juxtaposition of two or more objects, nor shall any of the aforesaid objects or powers be deemed subsidiary or auxiliary merely to the objects mentioned in the first or any other paragraph, save as is expressly provided, that the company shall have full power to exercise all or any of the power conferred by any part of this clause in any part of the world, and in the event of any ambiguity this clause and every paragraph hereof shall be construed in such a way as to widen and not to restrict the powers of the company.

4. The liability of the Members is Limited.

5. The authorized share capital of the company is TShs.10,000,000,000/= (Ten billion Tanzania Shillings) divided into 1 million ordinary shares of TShs. 10,000 (Ten Thousand) each with power for the company to increase or reduce such capital and to divide the shares in the capital for the time being, whether original or increased, in different classes, and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares, whether preference or otherwise, or any such rights, privileges or conditions shall not be altered or modified except in accordance with the Articles of Association registered herewith.

We, the several persons whose names addresses and description 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.

Name, Address and Description of the subscribers	Number of shares taken by each subscriber	Signature of the subscriber
SUNG HEE, LEE 405 NABIGA ARBONO PALACE 707 TANBANG - DONG SEO - GV DAEJEON, METROPOLITAN CITY SOUTH KOREA	500,000	
JUNG SEOK, KIM 112-133 SANGGOK - RI YUMCHI - EUP ASAN - SIN CHUNG NAM-DO SOUTH KOREA	500,000	

Dated this 6th day of September 2013

Witness to the above signatures:

Name: Jonathan A. Yin

Signature: 

Postal Address: P.O. Box 83

Qualification: Advocate



TANZANIA
Stamp Duty Paid
Receipt No. 37588
ORIGINAL
of
Stamp Duty Officer

THE COMPANIES ACT
[CAP. 212 R. E. 2002]

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF
NINE TWO INTERNATIONAL LIMITED

APPLICATION OF TABLE "A"

TANZANIA
Stamp Duty Paid
Receipt No. 37588
ORIGINAL
of
Asst. Registrar of Companies

1. Subject as hereinafter provided, the regulations contained in Part 1 of Table "A" in the **Companies Act, Act No. 12 of 2002** which shall be referred hereinafter as the ((Act) shall apply to the company same for Regulation 22.

INTERPRETATION

2. In these Articles unless the context otherwise requires:

- (a) "Articles" Means these Articles of Association of **NINE TWO INTERNATIONAL LIMITED**
- (b) "Board" Means the Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum has been attained
- (c) "Company" Shall mean **NINE TWO INTERNATIONAL LIMITED**
- (d) "Clear days" In relation to the period of a notice means that a period excluding the day when the notice is given or deemed to be and the day for which is given or which it is to take effect.
- (e) "Directors" Shall mean the Directors for the time being of the Company.
- (f) "Member" Shall mean a registered shareholder in the Company.
- (g) "Month " Shall mean a calendar month.
- (h) "Office" Shall mean the registered office of the Company.
- (i) "The Act" Shall mean the **COMPANIES ACT (ACT NO. 12 OF 2002)** or any statutory enactment or modification thereof for the time being in force, and

reference to any section or provisions of the Act shall include reference to any statutory re-enactment or modification of such section or provision for the time being in force;

- (j) **"The Seal"** Shall mean the Common Seal of the Company;
- (k) **"The Board"** Shall mean the Board of Directors of the Company
- (l) **"Secretary"** Shall mean any person appointed to perform the duties of Secretary of the Company.
- (m) **"In writing" or "written"** Shall include printing and lithography and any other mode or modes of representing or producing words in a visible form.
- (n) **"Office"** Shall mean the registered office of the Company
- (o) Words importing any gender include other genders and words in the singular include the plural, and vice versa, and words importing a person shall include a body corporate.

PRIVATE COMPANY

3. The Company has been formed as a private company, and accordingly:-

- (a) 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 such employment and have continued after the determination of such employment to be members of the Company) is limited to fifty; provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Article be treated as a single member;
- (b) Any invitation to the public to subscribe for any shares or debentures of the company is prohibited;

4. The right to transfer shares is restricted in the manner hereinafter provided in these articles.

SHARES

5. The Share capital of the Company is Tshs. 10,000,000,000/= (Tanzania Shillings Ten Billion Only) divided into 1,000,000 (One Million) shares of Tshs. 10,000/= (Tanzania Shillings Ten Thousand 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.

6. Subject to the provisions, if any, in that behalf of the Memorandum of Association, and without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred or other special rights or such restriction, whether in regard to dividend, voting, return of share capital or otherwise, as the Company may from time to time by special resolution determine, and any preference share may, with the sanction of a special resolution, be issued on the terms that it is, or at the option of the Company is liable to be redeemed.
7. 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.
8. Subject to such restriction in these regulations as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common or any other form which the Directors may approve, provided that the members of the company then present shall have the right of pre-emption in transfer by purchase.
9. The Directors may decline to register the transfer of a share to a person of whom they shall not approve, and they may also decline to register the transfer of a share on which the company has a lien.
10. If the Directors refuse to register a transfer they shall within two months after the date of which the transfer was lodged with the Company send to the transferee notice of the refusal.

TRANSMISSION OF SHARES

11. In the case of death of a member the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognized by the Company as having title to his interest in the shares but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which he has been jointly held by him with other persons.
12. Any persons becoming entitled to a share in the consequence of death or bankruptcy of a member may upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as a transferee thereof, but the Directors will, in either case, have the same right to decline or suspend registration as they would have in the case of a transfer of the share by that member before his death or bankruptcy.

ALTERATION OF CAPITAL

13. The Company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount, as the resolution shall prescribe but such increase in value of the shares shall not affect the number of shares initially taken up by the subscribers to the Memorandum of the Company.

14. The Company may by ordinary resolution:

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) Sub-divide existing shares, or any of them into shares of smaller amount than is fixed by the Memorandum of Association

GENERAL MEETINGS

15. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year, and shall specify the meeting as such in the notice calling it and not more than fifteen months shall elapse between the date of one annual general meeting and that of the next. Provided that so long as the company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of incorporation or in the following year. The annual general meeting shall be held at such time and place, as the Directors shall appoint.
16. All general meetings other than annual general meetings shall be called extraordinary general meetings.
17. The Directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall be convened on such requisition, as provided for in the Act.
18. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty one days' notice in writing at the least, and a meeting or a meeting for the passing of an ordinary resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day for which it is given, and shall be given, in a manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in a general meeting, to such other persons as are, under the regulations of the company, entitled to receive such notices from the company.

PROCEEDINGS AT GENERAL MEETINGS

19. All business shall be deemed special that is transacted at an annual general meeting and also that is transacted at any general meeting, with the exception of declaring a dividend, the consideration of accounts, balance sheets and the reports of the Directors and auditors, the election of Directors in the place of those retiring and the appointment of, and fixing, the remuneration of the auditors.
20. Two members, either present in person or by proxy shall constitute a quorum.
21. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon requisition of members shall be dissolved, in any case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine.

22. The Chairman, if any, of the board of Directors shall preside as chairman of every general meeting of the company, or if there is no such chairman or if he shall not be present within fifteen minutes after the time appointed for the holding of the general meeting or is unwilling to act the Directors present shall elect one of their member to be chairman of the meeting.

DIRECTORS

23. Unless determined by the Company in general meeting the Directors shall not be less than two and not more than ten in number.
24. The following persons shall be first Directors to the Company:-
1. **SUNG HEE, LEE**
 2. **JUNG SEOK, KIM**
 3. **GEORGE KIZENGA**
25. The shareholding qualifications for Directors may be fixed by the Company in general meeting and unless and until so fixed no qualification shall be required.
26. The quorum of Directors, for transacting business shall unless otherwise fixed, by Directors, be two.
27. A resolution in writing signed by all Directors then in Tanzania shall be valid and effectual as if it had been passed at a meeting of Directors duly called and constituted.
28. The Directors may from time to time borrow; raise moneys for the purpose of the Company which may exceed the issued share capital of the Company.

BORROWING POWERS

29. The Directors may exercise all powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital or part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

POWERS AND DUTIES OF DIRECTORS

30. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not by the Act, or by these regulations, required to be exercised by the Company in general meeting; subject nevertheless, to any of these regulations, to the provisions of the Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting, but no regulation 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.
31. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purpose and with such powers, authorities and discretion (not exceeding, those vested in or exercisable by the Directors under these regulations) and for such period and subject to such conditions as they may think fit.

DISQUALIFICATION OF DIRECTORS

32. The office of director shall be vacated if the director:
 - (a) resigns;
 - (b) becomes of unsound mind
 - (c) becomes prohibited from being a director by reason of any Court Order;
 - (d) dies;
 - (e) in case of a life director, ceases to be a member of the Company;
 - (f) is voted out of office by an ordinary resolution in General Meeting;
 - (g) is prohibited from acting as a director by the provisions of the Act.

MANAGING DIRECTOR

33. The Directors may from time to time appoint a Managing Director who may not necessarily be out of their body for such a period and on such terms as they think fit, and subject to the terms of agreement entered into any such particular case, may revoke such an appointment.
34. A Managing Director shall receive such remuneration as the Directors may determine.

SECRETARY

35. The Directors shall appoint a Secretary of the Company on such terms, at such remuneration and upon such conditions, as they may think fit; and the Secretary appointed may be removed by them.

THE SEAL

36. The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every

instrument shall be countersigned by the Secretary or by a second director or by some other person appointed by the Directors for the purpose.

ACCOUNTS

37. The Directors shall cause true accounts to be kept:
- (a) of the assets and liabilities of the Company;
 - (b) all sums of money received and expended by the Company and the manner in respect of which receipts and expenditures take place. The books of accounts shall be always open for the inspection of the Directors and shall be kept at a place decided by the Directors.
38. The Directors shall from time to time determine whether in any particular case or cases or generally and to what extent and at what time and place and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of the members and no member (not being a director) shall have any right of inspecting any book or documents of the Company except as conferred by statute or authorised by the Directors.

AUDIT

39. Once at least in every year the accounts of the Company shall be examined and the correctness of the balance sheet ascertained by an auditor.
40. The Directors shall appoint the first auditor who will hold office until the first annual general meeting.
41. The Directors may fill up any casual vacancy in the office of auditor.
42. The remuneration of the auditor shall be fixed by the Company in general meeting; except that the remuneration of any auditor appointed by the Directors may be fixed by the Directors.

CAPITALIZATION OF PROFITS

43. The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions on condition that the same shall not be paid in cash but be applied either in or toward paying up any amounts for the time being unpaid or any shares held by such members respectively.

NOTICES

44. A notice may be given by the Company to any member either personally or by sending it by post to him at his registered address, and/or if he has no registered address, to his last known address, if any, supplied by him or her to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to have been effective if the notice was posted.
45. Notice of every general meeting shall be given in any manner herein before authorized to every member at his or her registered address or last known address.
46. Every person upon whom the ownership of a share devolves by reason of his being a legal personal representative of a trustee or a trustee in bankruptcy of a member where the member but for his death or bankruptcy would be entitled to receive notice of the meeting; and the auditor for the time being of the Company.

WINDING UP

47. 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 Act, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purposes set such value as he may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefits of the contributors 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 where there is any liability.

INDEMNITY

48. Every Director, Managing Director, Agent, Auditor, Secretary, and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with an application under the COMPANIES ACT in which relief is granted to him by the Court.



ALTERATIONS OR ADDITIONS

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

ARBITRATION


50. If and whenever any dispute or difference shall arise between the Company and any of the members of their respective representative touching upon the construction or meaning of any of the Articles herein contained or any act, matter or thing made or done or omitted to be done or with regard to the rights or liabilities arising there under or arising out of the relation existing between the parties by reason of these Articles or the Act such differences shall (unless a sole arbitrator be agreed upon) forthwith be referred to the arbitration of three (3) arbitrators, one to be appointed by each party and the third to be appointed by the first two or, in the event of failure to agree within thirty (30) days the procedure laid down in the Arbitration Act Cap 15 or any enactment replacing the Arbitration Act.

We, the several persons whose names, addresses and descriptions are subscribed, are desirous of being formed into a company in pursuance of these Articles of Association, and we respectively agree to take the number of shares in the capital of the company opposite our respective names.

Name, Address and Description of the subscribers	Number of shares taken by each subscriber	Signature of the subscriber
SUNG HEE, LEE 405 NABIGA ARBONO PALACE 707 TANBANG – DONG SEO – GV DAEJEON, METROPOLITAN CITY SOUTH KOREA	500,000	
JUNG SEOK, KIM 112-133 SANGGOK – RI YUMCHI – EUP ASAN – SIN CHUNG NAM-DO SOUTH KOREA	500,000	

Dated at Dar Es Salaam this 6th day of September 2013

Witness to the above Signatures:-

Name Jonathan A. Jain
 Signature 
 Postal Address P.O. Box 8317, Dar es Salaam
 Qualification Advocate



DECEMBER 2013

**NINE TWO
INTERNATIONAL
LIMITED
BUSINESS PLAN FOR
PRINTING FACILITY**

INTRODUCTION

1.1 FOREWORD

This Project Feasibility Study Report sets out proposals by **M/S NINE TWO INTERNATIONAL LIMITED** of starting printing facilities in Dar es salaam.

1.2 OBJECTIVES OF THE STUDY

The purpose of this Feasibility Study is to work out the technical and commercial details and financial viability for the the above mentioned project.

1.3 PROJECT PROMOTERS

The following sponsors are promoting the proposed new printing facilities. Directors (shareholders) are namely:

NAMES, ADDRESS AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	% SHAREHOLDING
SUNG HEE LEE METROPOLITIAN SOUTH KOREA	500,000	50%
JUNG SEOK, KIM SIN CHUNG NAM DO SOUTH KOREA	500,000	50%

1.4 STUDY LAYOUT

This study is presented in one document comprising the following major chapters.

- Chapter One -Introduction
- Chapter Two -Executive Summary
- Chapter Three -Manufacturing Sector in Tanzania
- Chapter Four -Production Process and Technology
- Chapter Five -Machinery, Equipment and Civil Works
- Chapter Six -Production Input Requirement & Availability
- Chapter Seven -Manpower and Plant Organisation
- Chapter Eight -Investment and Financing
- Chapter Nine -Costs of Operation
- Chapter Ten -Financial Analysis
- Chapter Eleven -Economic Analysis
- Chapter Twelve -Recommendations

2 EXECUTIVE SUMMARY

2.1 INTRODUCTION

The study examines the possibility of starting facilities for printing. A techno-economic evaluation has been carried out to determine the feasibility of establishment of this project.

2.2 PRINTING

Printing is a process in which an image is reproduced on a surface, such as paper. There are five general classes of printing process: relief printing, which includes letterpress and flexography; planographic printing, which includes offset lithography, screenless lithography, collotype and waterless printing; intaglio, which includes gravure, steel-die, and copper-plate engraving; stencil and screen printing; and electronic printing, which includes electrostatic, magnetographic, ion or electron deposition, and ink-jet printing.

In relief printing, the printing element consists of a raised surface of type, lines and dots that are inked. Printing is done by transferring the ink directly from the image surface to the paper. The nonprinting areas are below the printing surface.

In planographic printing, the printing areas of the plate are on the same plane as the nonprinting areas. Lithographic printing is accomplished by using the principle that grease and water do not mix. Early lithography was done by using grease crayon or greasy ink to draw letters, symbols and pictures in reverse on a porous stone. The surface of the stone was then sponged with a solution of gum arabic in water to render the nonprinting portions receptive to moisture but repellent to moist ink, and the printing portions receptive to grease and repellent to moisture. The process is still used as a fine-arts medium for making lithographic prints from drawings or lettering done manually on the stone and printed on the handset.

Commercial lithography uses thin metal plates made photomechanically or digitally and mounted on a press that has means of inking and dampening the plates and prints indirectly by a method commonly known as offset. The inked

image on the plate is first transferred to an intermediate rubber-covered blanket cylinder, which then transfers the image to the paper. Relief and intaglio can also be printed by the offset principle. Because almost all lithography is printed by offset principle, the term offset has become synonymous with lithography. Another planographic process is waterless printing, which uses temperature-controlled offset lithographic presses and special silicone-coated plates that can be printed without dampening. Collotype and screenless printing are planographic processes that print illustrations without the need of halftone images.

Intaglio printing, also known as gravure printing, is accomplished by cutting or engraving and etching various sizes or depths of minute cells (or wells) below the surface of the a plate or cylinder to form the imade. The cells are flooded and looded with ink, the excess ink is scraped off the surface by a plate by a doctor blade, and the ink left in the cells is transferred to the substrate. The depth and size of each cell determine the amount of ink that is transferred to the printed surface. The nature of the process permits a heavy laydown of ink, which accounts for the rich, saturated colours typical of the gravure process.

In stencil and screen printing, also known as porous printing, ink is brushed or squeezed through a stencil image on a fine screen onto paper or other surface such as meta, glass, or textile. The screen holds the image area, which may carry either pictorial or typographic material. Although this process accounts for a comparatively small part of the total volume of printing, mechanization has made it more useful commercially. Because of the heavy laydown of ink, strong colours can be obtained by this process, making it suitable for posters and signs as well as fine art.

Conventional printing processes use printing plates and press to produce quantities of the same image. Electronic printing processes use digital imaging systems that produce an image in each cycle of the imaging device. The images can be the same or can be changed from cycle to cycle. Electronic printing is especially suited to printed products requiring variable information such as utility bills, personalized mail, insurance policies, and customized books.

Electrostatic or electrophotographic printing is similar to photocopying. The processes use a photoconductor that is charged, exposed by lasers, and imaged with dry powder or liquid toners. They are used extensively for on-demand printing. Colour electrophotographic printing systems are used for short-run variable and on-demand printing. Magnetographic printing is similar

to electrophotographic printing except that magnetic toners are used. It is used for single- and spot-colour short-run and on- demand printing.

In ion or electron deposition printing, a latent image is formed by ions or electrons on a heated dielectric coated cylinder, toned with a magnetic toner, and transferred and fixed to paper under pressure. The system is used for on-demand variable short-run single- or spot-colour printing.

Ink-jet printing uses jets of ink droplets controlled by computer signals to print variable information. It is used extensively in packaging, and in mailing and distribution of magazines and catalogs. Colour ink-jet is used for colour proofing and short-run printed displays and billboards.

2.3 MARKET AND MARKETING ASPECTS

The market survey carried out reveals that there is a huge demand for printing facilities. There is wide gap between supply and demand and therefore, business opportunity exists for setting up additional printing facilities to satisfy the market requirement with increased local printing facilities, the country will save foreign exchange lost each year through import of printed materials.

2.4 PROCESS AND TECHNOLOGY

All the individual printing processes use a sequence of procedures. There are two types of processes in use: plate and plateless. The plate processes are the conventional printing processes-letterpress, flexography, lithography, gravure, screen printing, and others-which use a plate or other type of image carrier such as a cylinder or screen, and a printing press on which the image carrier is mounted, ink is applied, and the image is transferred to paper or other substrate. The plateless processes are the electronic or digital printing processes-electrophotographic, magnetographic, ion or electron deposition, and ink-jet-in which the images are produced digitally by lasers or other devices using special toners or inks.

The sequence of steps in both processes is prepress, press or print, and postpress. The prepress and postpress operations are similar for both processes: that is, the design, preparation, and assembly of images for reproduction, the finishing operations to give the final product such as a leaflet book, or package, and their distribution, are essentially the same. The two differ in the means used to convert the imaging information into the imaged

page, sheet, or board that must be converted to the final printed product for distribution.

The prepress operations for the conventional plate processes have consisted of typesetting, layout and design/process photography, image assembly, and platemaking. These were traditionally manual, labour-intensive operations, but electronics and computers have gradually replaced many manual operations. Phototypesetting and electronic scanning were the first computerized systems to replace manual operations. These were followed by other digital systems. The phototypesetter became the imagesetter. Page layout was accomplished by computer software programs. The scanner was enhanced by colour electronic prepress systems. Personal computers developed into desktop publishing systems that emulated colour electronic prepress systems, and imagesetters produced films for platemaking.

The conventional printing systems require plates. These plates are traditionally made from photographic negatives or positives. The availability of imagesetters that could produce the films for plates spurred the development of high-speed printing plates that could be exposed by lasers directly in the imagesetter. Also, the introduction of high-speed imagesetters with large memory capacity encouraged the development of digital printing systems that give printed products directly without the use of printing plates or presses.

Each conventional printing process has specific requirements for its printing plates or image carriers. The printing press unit has a cylinder for mounting the plate; an inking system to feed ink to the plate; and on an offset lithographic press, a cylinder covered with a rubber blanket to which the image is transferred from the plate and which transfers the image to the paper feeding over an impression cylinder. The press has a means for feeding paper or other substrate into the printing units, and a delivery device for collecting the printed sheets. The press has as many printing units as the number of colours that it can print (a four-color press has four printing units).

Digital printing uses different printing engines, depending on the process. Electrophotographic printing systems are like high-speed copiers, with a photoconductor-coated cylinder, means for charging the photoconductor, a device for laser exposure of the image on the photoconductor, and means for toning and fixing the image on the substrate. Ink-jet printing systems use an engine for ejecting selected droplets of dyed inks through small orifices in glass or stainless steel nozzles onto paper or other substrate.

After the sheets are printed, most must be put through some finishing operations to make a functional product. Sheets for books or booklets must be folded, collated, bound into covers, and stacked. They must also be prepared for distribution to the customer

2.5 LOCATION

The printing facility will be located a. The sponsors are considering hiring premises for five years contract renewable.

2.6 MANPOWER REQUIREMENTS

The whole project will comprise of a total permanent work force of 57 people and several other to be employed on temporary basis. Initially there will be a few technical expatriates who will give training to the local staff. Maximum employment will be given to the local work force. The factory will be organized into three major areas namely: Production, Marketing, Finance and administration

2.7 IMPLEMENTATION

The project is planned to undergo two phases:

Phase I: Major activities to be involved include registration of the project and approvals by the Tanzania Investment Centre (TIC), and mobilization of funds from sponsors. Other activities include identification of appropriate printing technology, sourcing of machinery and equipment, renting and renovation of buildings, staff recruitment and training of core personnel.' Printing operations under this expansion phase will commence during this stage.

Phase II: Will involve further expansion of printing facilities including acquisition of advanced printing technology.

2.8 PROJECT ECONOMICS

2.8.1 Capital Investment Requirements

COST STRUCTURE	
PARTICULAR	AMOUNT USD
Land and Buildings	750,000
Machinery & Equipments	2,250,000
Motor Vehicles	245,000
Furniture & Fixtrues	50,000
Pre expenses	374,500
Others	50,000
Working Capital	400,000
TOTAL	4,119,500

US\$ 1 = 1,600

2.9.2 Expenditure on basic materials and Profitability

The major expenditure item is the purchase of various materials used in printing process. Project revenue will accrue from provision of printing services. Based on projected revenue at sustainable levels of production the project is quite profitable.

2.9 RECOMMENDATIONS

The study shows investing of facilities for printing is both technically and financially feasible undertaking. Furthermore, it will create local employment for the national benefit. In view of the findings, the project is recommended for implementation.

3. INDUSTRIAL SECTORS IN TANZANIA

In the end of the 20th century, manufacturing activities in Tanzania have exemplified a steady growth, registering average annual growth of over 4 percent. Nevertheless, manufacturing activities in Tanzania are relatively small and at an infancy stage. Their contribution to GDP has averaged 8% over the last decade, with most activities concentrated on manufacture of simple consumer goods - food, beverages, tobacco, textiles and furniture and wood allied products. Most of the present industries were established in the light of import substitution strategy, whereas production focused in substituting previously imported goods in view of saving the country's meager foreign exchange.

The government decision to liberalize trade and investment policies, effected since 1986, witnessed a number of firms even those believed to be as strong, clumping down as they could hardly withstand competition from imported manufactures. A number of measures were taken in view of revamping competitiveness of the local industries and enhancing their penetration into export markets.

The government starting in the early 1990s launched a deliberate programme to restructure and privatize publicly owned enterprises. Out of this programme some sheds of hope are now emerging. The overall utilization of installed industrial capacities is improving, rising from an average of 20% in 1990 to around 50% at the turn of the 21st Century. Some of the recently privatized industries have undergone intensive rehabilitations - improving their capital structure, production

technologies and management and marketing system as well as retrenched workers to match with production levels and improved quality and lower costs of production. The manufacturing sector is of significant importance in the Tanzania's economy. Up to 1999, the sector employed about 140,000 people or about 48% of total monthly wage earners, making it the largest urban employer. It remains to be the most reliable source of government revenue in terms of import sales, corporate and income taxes. It accounts for over half of government annual revenue collection. Though manufacturing export has been in a declining trend, yet it earns the country a fifth of total foreign exchange earnings to become a third important sector coming after agriculture and tourism. Moreover, it is the industrial sector that provides reliable field to practice invention, innovation and nurturing modern technologies for production and service provision.

3.1 SECTOR GROWTH

The growth rate of manufacturing activities was 9.9 percent in 2008 compared to 8.7 percent in 2007. The growth was attributed to increase in industrial production of food and milk; chemical and printing; and increased production of goods for export. The contribution of manufacturing activities to the Gross Domestic Product (GDP) increased to 9.4 percent in 2008 from 9.2 percent in 2007.

3.2 SMALL ENTERPRISES

In 2008, sensitization and dissemination of 19 new technologies to small enterprises was carried out, and lead to manufacturing of 118 machines and 1,780 spare parts. The technologies disseminated to owners of small enterprises among others included: food processing; reduction of consumption trees and woods products for energy; packaging of processed foods; production of construction materials particularly bricks; manufacturing of lime and chalk; grinding of cooking oil from palm tree and manufacturing of soap and skin and hide processing.

In 2008, advisory services related to business development and production activities were provided to a total of 6,139 entrepreneurs. Likewise, 770 entrepreneurs were provided training in the following areas: processing of skin, chalk, cashew nuts, animal foods, bamboo, pottery and processing and preservation of foods. Out of those, 373 entrepreneurs were trained on food processing and 178 skin processing. Training on skin processing was

undertaken in regions of: Mara, Mwanza, Shinyanga, Tabora, Singida, Manyara, Arusha, Kagera and Morogoro: In addition, a total of six entrepreneurs' exhibitions were undertaken in 2008 whereby 1,269 entrepreneurs displayed and sell products worth shs. 528 million. Likewise, 1,854 entrepreneurs obtained loans worth shs. 1.2 billion providing a total of 3,669 new employment opportunities.

3.3 PRODUCTION COST

The cost of manufacturing production increased to shs. 1,747,229 million in 2008 from shs. 1,712,247 million in 2007. This is equivalent to an increase of 2.0 percent. The increase was due to rise in the cost of production particularly fuel.

3.4 PRODUCTION IN SELECTED INDUSTRIES

Generally, production in selected industries declined in 2008. The decline was due to rise in production cost, and suspension of production in steel; textile; and skin and hide industries.

In 2008, production of corrugated iron sheets decreased from 36,492 tons to 31,743 tons in 2007, equivalent to a decrease of 13 percent. Production of steel and steel products decreased from 52,163 tons in 2007 to 39,969 tons in 2008, equivalent to a decrease of 23.4 percent. Production of sisal ropes declined from 7,783 tons in 2007 to 7,012 in 2008, equivalent to a decrease of 11 percent. However, production of cement increased from 1,630 million tons in 2007 to 1,756 million tons in 2008, equivalent to an increase of 7.7 percent.

Production of wheat flour decreased from 406,336 tons in 2007 to 287,925 tons in 2008, equivalent to a decline of 29.1 percent. However, production of biscuits and spaghetti increased from 11,273 tons in 2007 to 15,435 tons in 2008, equivalent to an increase of 36.9 percent.

Production of beer declined from 310,194 million Liters in 2007 to 291,175 million Liters in 2008, equivalent to a decrease of 34.6 percent. Production of Kibuku brew declined from 10,320 million litres in 2007 to 10,235 million Liters in 2008, equivalent to a decrease of 0.8 percent. Production of Konyagi declined from 5,622 million litres in 2007 to 4,049 million litres in 2008, equivalent to a decrease of 28 percent. However, production of

Cigarette increased from 5,821 million in 2007 to 6,101 million in 2008, equivalent to an increase of 4.5 percent.

3.5 INTERNAL TRADE

In 2008, trade economic activities which comprise wholesale, retail and repair grew by 10.0 percent from 9.5 percent in 2007. The share of this sub activity to GDP was 14.1 percent in 2008 compared to 13.5 percent in 2007.

3.6 DAR ES SALAAM INTERNATIONAL TRADE FAIR (DITF)

In 2008, a total of 1,930 exhibitors participated at the Dar es Salaam International Trade Fair- Mwalimu Nyerere Trade Fair Ground compared to 1,566 in 2007, equivalent to an increase of 3.4 percent. Sale of goods was shs.24.5 billion in 2008 compared to shs. 27.2 billion in 2007, equivalent to a decrease of 9.7 percent. The decline was due to many participants opted to promote their products instead of selling and forming joint venture with local traders. Exhibitor participated in 2008 trade fair include; 27 countries; 325 foreign companies; 1,602 local participants; and 15 Government representatives from foreign countries.

Export inquiries valued USD 199.5 were received in 2008 compared to USD 197.3 in 2007, equivalent to an increase of 1.3 percent. The increase was attributed to improved products manufactured by participating companies. Purchase of goods decreased to USD 135.1 million in 2008 from USD 140 million in 2007, equivalent to a decrease of 3.5 percent. The decline was caused by increase in cost of domestic raw materials and technology used in production.

4 PRODUCTION PROCESS AND TECHNOLOGY

4.1 BASIC PROCESS

As mentioned earlier, printing processes use a sequence of procedures. There are two types of processes in use: plate and plateless. The plate processes are the conventional printing processes-letterpress, flexography, lithography, gravure, screen printing, and others-which use a plate or other type of image carrier such as a cylinder or screen, and a printing press on which the image carrier is mounted, ink is applied, and the image is transferred to paper or other substrate. The plateless processes are the electronic or digital printing processes-electrophotographic, magnetographic,

ion or electron deposition, and ink-jet-in which the images are produced digitally by lasers or other devices using special toners or inks.

The sequence of steps in both processes is prepress, press or print, and postpress. The prepress and postpress operations are similar for both processes: that is, the design, preparation, and assembly of images for reproduction, the finishing operations to give the final product such as a leaflet, book, or package, and their distribution, are essentially the same. The two differ in the means used to convert the imaging information into the imaged page, sheet, or board that must be converted to the final printed product for distribution.

The prepress operations for the conventional plate processes have consisted of typesetting, layout and design, process photography, image assembly, and platemaking. These were traditionally" manual, labour-intensive operations, but electronics and computers have gradually replaced many manual operations. Phototypesetting and electronic scanning were the first computerized systems to replace manual operations. These were followed by other digital systems. The phototypesetter became the imagesetter. Page layout was accomplished by computer software programs. The scanner was enhanced by colour electronic prepress systems. Personal computers developed into desktop publishing systems that emulated colour electronic prepress systems, and imagesetters produced films for platemaking.

The conventional printing systems require plates. These plates are traditionally made from photographic negatives or positives. The availability of imagesetters that could produce the films for plates spurred the development of high-speed printing plates that could be exposed by lasers directly in the imagesetter. Also, the introduction of high-speed imagesetters with large memory capacity encouraged the development of digital printing systems that give printed products directly without the use of printing plates or presses.

Each conventional printing process has specific requirements for its printing plates or image carriers. The printing press unit has a cylinder for mounting the plate; an inking system to feed ink to the plate; and on an offset lithographic press, a cylinder covered with a rubber blanket to which the image is transferred from the plate and which transfers the image to the paper feeding over an impression cylinder. The press has a means for

feeding paper or other substrate into the printing units, and a delivery device for collecting the printed sheets. The press has as many printing units as the number of colours that it can print. For example, a four-color press has four printing units.

Digital printing uses different printing engines, depending on the process. Electrophotographic printing systems are like high-speed copiers, with a photoconductor-coated cylinder, means for charging the photoconductor, a device for laser exposure of the image on the photoconductor, and means for toning and fixing the image on the substrate. Ink-jet printing systems use an engine for ejecting selected droplets of dyed inks through small orifices in glass or stainless steel nozzles onto paper or other substrate.

After the sheets are printed, most must be put through some finishing operations to make a functional product. Sheets for books or booklets must be folded, collated, bound into covers, and stacked.

4.2 QUALITY CONTROL SYSTEM

Quality will be the nucleus of our enterprise and we will make sure that it is not compromised at any cost. We expect to incorporate a strict quality management system, which will be responsible for keeping the entire business proceeding under a strict vigil. Our range of products will undergo strict quality check at each level. A variety of measures will be taken to ensure that the finished products meet specifications based on international standards.

4.3 ENVIRONMENT PROTECTION

With a conscious mind, we expect to undertake eco-friendly manufacturing processes and make sure that less effluent and smoke are released. We will take the following three concerns seriously as defined by some of the well-known regulatory bodies.

- Reduction In hazardous environmental release
- Recycling of waste products
- Use of environmental preferable products

For this, we will source some of the latest and high performing machines for

our factory.

5 MACHINERY EQUIPMENT AND CIVIL WORKS

5.1 MACHINERY & EQUIPMENT

The company will acquire state of the art printing machinery and equipment. The technology to be used will be modern to achieve high quality printing. The company is already negotiating with suppliers of required machinery and equipment for supply of the same once all necessary preparations are completed.

5.2 PLANT LOCATION AND CIVIL WORKS

5.2.1 Site and Location

The plant shall be located Tanzania.

The location taken into consideration such important factors like availability of reliable power.

5.2.2 Production Building Required

The built up area required for production will be medium sized taking into consideration the kind of operations to be undertaken.

5.2.3 Office Building

An office block to accommodate the administrative and clerical staff will also be required.

5.3 UTILITY SERVICES

5.3.1 Water

A three-inch diameter pipeline to the premises from the main pipeline is adequate. Due to frequent water shortage in Dar es Salaam a water reservoir of capacity 20,000 liters is recommended to be constructed.

5.3.2 Electricity

The Tanzania Electric Supply Company Ltd. (TANESCO) has no problem in providing the required amount of electricity from the national grid.

6 PRODUCTION INPUT REQUIREMENTS AND AVAILABILITY

6.1 INPUTS

As explained earlier, the major expenditure item will be purchase of various materials used in printing process. This will include paper, fabrics, colours and other inputs necessary for this kind of project.

6.2 UTILITIES

6.2.1 Water

We have explained that water will be supplied to the premises from the main pipeline.

Due to frequent water shortage in Dar es salaam, a water reservoir of capacity 20,000 has been planned for construction

6.2.2 Power

As said earlier in this report, the source of energy for the proposed project will be electric power.

A standby power generator has also been budgeted for to avoid inconveniences caused by frequent power cuts by TANESCO.

7 MANPOWER AND PLANT ORGANIZATION

The proposed project will have three independent departments, namely:

- Production
- Sales and Marketing
- Administration and Finance

7.1 ORGANIZATION

The Board of Directors of **M/S NINE TWO INTERNATIONAL LIMITED** shall manage the project at policy level. The top most person in the day to day running of the company will be the Managing Director. Under the Managing Director's office will be the three Departments mentioned above. Each will be under a Manager and will comprise a number of Sections each headed by a Section Head as follows.

PRODUCTION DEPARTMENT

Sections:

- Operations
- Maintenance

SALES AND MARKETING DEPARTMENT

Sections:

- Research & Promotion
- Sales

ADMINISTRATION AND FINANCE DEPARTMENT

Sections:

- Human Resources & Administration
- Finance & Accounts

Each Department will be manned by a number of personnel with varying education levels and work experiences.

The management team of **M/S NINE TWO INTERNATIONAL LIMITED** will comprise the Managing Director, Production Manager, Finance & Administration Manager and Marketing Manager.

7.2 RESPONSIBILITIES

Responsibilities will be as follows:

i. Production Department

The Manager will be responsible for printing operations planning and overseeing daily printing activities being carried out. He will further be responsible for repair and maintenance of company assets and research and development activities. The Department will comprise Sections, namely:

- The Production Section which would be responsible for overseeing printing operations. An expatriate will be employed to train the local technicians in this aspect of operations.
- Maintenance Section which will manage printing plant and machinery maintenance

ii. Finance and Administration Department

An Administration and Finance Manager will head the Department. He will be responsible for the administration of the company as well as overseeing the financial aspects of the company. An Accountant will manage the finance function while a Human Resources Section Head will oversee company human resource issues. The following important units will be under the Department.

- The personnel and administration unit which will be responsible for the general administrative matters of the company as well as personnel issues.
- The finance unit, which will be responsible for financial issues. It will also be responsible for the proper maintenance of books of accounts and financial planning;
- The purchasing unit which will be responsible for the purchase of raw materials, spare parts and equipment. This section will also be responsible for the receipt, storage and issue of purchased materials.

iii. Marketing Department

This Department will be headed by the Marketing Manager who will be responsible for the development of a sustainable sales and distribution

network. This will involve developing distribution network and recruitment and training of qualified and well motivated marketing and sales personnel.

There will be two Section Heads under the Department. One Section will be responsible for Research & Promotion and another will handle Sales function.

7.3 MANPOWER REQUIREMENT

The permanent manpower requirement for running the proposed factory is 57, with the breakdown mentioned as shown in attached schedules. Several other employees will be contracted on temporary basis.

7.4 SOURCE OF MANPOWER AND WAGE BILL

Manpower for proposed project will be employed from local sources, except for a few expatriates who would basically be engaged in the training of local staff. The workers will be given on-the-job training for familiarize them with the proposed machinery and equipment.

SALARIES & WAGES

NO.	EMPLOYEE DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY
1	Managing Director	1	3000	3000	36,000
2	Finance and Administrative Manager	1	2000	2000	24,000
3	Operations Manager	1	200	2000	24,000
4	Marketing Executive	2	800	1600	19,200
5	Assistant Accountant	2	800	1600	19,200
6	Operations Supervisor	2	600	1200	14,400
7	Machine Operators & Technicians	20	400	8000	96,000
8	Other technical officer	15	300	4500	54,000
9	Stores officer	2	800	1600	19,200
10	Drivers	4	400	1600	18,200
11	secretary	2	500	1000	12,000
12	Office Attendants	2	200	400	4,800
13	Security Guards	3	200	600	7,200
	TOTAL USD \$	57	12,000	29,100	329,200

After the initial 2 years, depending on the results of the training local counter parts will replace the expatriates.

The total wage bill per annum will be US\$ 329,200 as shown in schedule showing wages and salaries.

8. INVESTMENT AND FINANCING

8.1 ASSUMPTIONS

The financial projections to determine the viability of the project by **M/S NINE TWO INTERNATIONAL LIMITED** are based on the following key assumptions:

- Installation of printing facilities will start immediately. Thereafter printing services will commence.
- The company market will be local initially with expectation of acquisition of export market in the near future
- Financial calculations are based on current market prices and costs are assumed constant throughout the operating period under review on the assumption that if operation costs change, selling prices will change proportionally to preserve the profit margins.
- The project has adopted the currency exchange rate of United States Dollar 1 = Tanzania Shilling 1,600.00 as prevailing during August 2011.

8.2 SUMMARY OF CAPITAL COSTS

On completion of project implementation, the total investment will reach to US\$ 4.119 million as shown in attached schedules.

8.3 BUILDING AND CIVIL WORKS COSTS

The main civil works required will be factory construction, renovations, partitioning, electrification and water supply, overhead tank installation, etc. The estimated cost is US\$. 750,000

8.4 PLANT MACHINERY AND EQUIPMENT COSTS

The main plant and machinery for the envisaged project will be for printing operations. Other supporting equipment, tools, accessories, etc. will be required as explained earlier. The total investment on machinery and

equipment is based on a quotation received from major suppliers for main production machinery and amount to US\$ 2,250,000 approximately.

8.5 MOTOR VEHICLES

For company work, the promoters intend to procure various vehicles at total cost of US\$ 245,000.

8.6 PRE-PRODUCTION CAPITAL EXPENDITURES

These include project development cost for feasibility study and start-up expenses. A budget of US\$ 50,000 is considered adequate for this item

8.7 INITIAL WORKING CAPITAL

8.8 FINANCING PATTERN

The financing of the project will be from shareholder's equity as well as bank loans.

The financing of the project will take the following form

	EQUITY (US\$)	LOAN (US\$)
FOREIGN	-	-
LOCAL	1,647,800	2,471,700

9 COSTS OF OPERATIONS

Some of the anticipated costs for operating the project are detailed in the following sections and summarized in attached schedules. The summarized costs are based on the fifth year of operation.

9.1 UTILITIES

A total of US\$ 72,930 will be required as water bills and for the purchase of electric power at sustainable production level.

9.2 VEHICLE RUNNING EXPENSES

Vehicle running expenses include fuel, lubricants, road licenses, etc. The cost has been estimated at US\$ 87,516

9.3 SALARIES AND WAGES

The number of employees, along with, their incomes, is shown in attached schedules.

The total annual wage package is estimated at US \$ 424,455 including fringe benefits and related taxes

9.4 MARKETING

The marketing costs are estimated at US\$ 53,239 per annum as per attached schedules

9.5 DEPRECIATION

The following is depreciation schedule, for major assets to be employed in the project for printing.

DEPRECIATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Land and Building	250,00	218,750	191,406	167,480	146,545
Machinery, tools & Equipment	50,000	47,500	45,125	42,869	40,725
Motor Vehicle	30625	26,797	23,447	20,516	17,952
Furniture & Fixtures	10,000	10,000	10,000	10,000	2,000
ANNUAL DEPRECIATION	340,625	303,047	269,979	240,866	207,223

10 FINANCIAL ANALYSIS

10.1 INCOME AND EXPENDITURE

10.1.1 Income

The proposed project **M/S NINE TWO INTERNATIONAL LIMITED** expects to earn its income through revenue generated from printing operations. During the fifth year of operation, the total sales are expected to stand at US\$ 2,661,959

10.1.2 Expenditure

Some project costs have been discussed in Chapter 9 and are summarized in detail in attached schedule.

10.2 NET INCOME STATEMENT HIGHLIGHTS

The project's annual after tax net income during the fifth year of production is estimated to reach US\$ 307,694 as presented in the Income Statement of the financial statements appendix.

10.3 CASH FLOW HIGHLIGHTS

This is shown in the financial statements. The project has a positive end of the year cash flow from year 1 of operation to the 5th year as shown hereunder.

1 st Year	979,868.00
2 nd Year	1,570,636.00
3 rd Year	2,060,042.00
4th Year	2,577,490.00
5 th Year	3,114,895.00

10.4 BALANCE SHEET

The projected Balance Sheet of the project is shown in the financial statements under same heading. Net worth of the project increases from US\$ 1,759,534.00 in the first year of operation to US\$ 2,722,405.00 in the 5th year.

1 st Year	1,759,534.00
2 nd Year	1,934,209.00
3 rd Year	2,153,173.00
4 th Year	2,414,710.00
5 th Year	2,722,405.00

11. ECONOMIC ANALYSIS:

11.1 ASSUMPTIONS AND CONSIDERATIONS

The basic assumptions underlying economic benefits and costs are:

11.1.1 Taxes on capital costs have not been considered.

11.1.2 Conversion factors have been used to determine economic costs and benefits.

11.1.3 Economic life of the project is assumed to be 5 years.

11.2 ECONOMIC BENEFITS OF THE PROJECT

The successful operation of the Project will contribute significant economic benefits to Tanzania. In summary the benefits which will be realized are as follows:-

- This project will boost investment in manufacturing sector which is important for the economy, contributing to research and other skills development. It will provide vital support to the manufacturing sector.
- Employment opportunities for at least 57 permanent staff when the project is fully operational.

- The direct income for 26,000 workers; combined with Other social benefits that the Management of **Ms. NINE TWO INTERNATIONAL LIMITED** will provide, will help in overall efforts of alleviation of poverty in the Region.
- Provision of a market for goods and services demanded by expanded tax base to the Treasury and local Government authorities and generation of substantial income to the Government.

12 RECOMMENDATIONS

The project is technically feasible, financially and economically viable and environmental friendly. A fast implementation of the project is highly recommended to avoid cost overruns and for the project to be able to realize the benefits outlined above; especially at this juncture when the Government is making effort to boost investment in various sectors in the economy.

In view of the above it is further strongly recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under Tanzania Investment Act, 1997 to facilitate smooth implementation.

Ms. NINE TWO INTERNATIONAL LIMITED

PROJECTED INCOME STATEMENT						
		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
		USD	USD	USD	USD	USD
Sales Revenue		2,190,000	2,299,500	2,414,475	2,535,199	2661959
Cost of Sales		876,000	919,800	965,790	1,014,080	1,064,783
Gross Profit		1,314,000	1,379,700	1,448,685	1,521,119	1,597,175
<i>Operating Expenses:</i>						
Administrative Overhead costs		197,100	206,955	217,303	228,168	239,576
Motor Vehicle		72,000	75,600	79,380	83,349	87,516
Salaries and wages		349,200	366,660	384,993	404,243	424,455
Depreciation		340,625	303,047	269,979	240,866	207,223
Marketing Costs		43,800	45,990	48,290	50,704	53,239
Utility costs		60,000	63,000	66,150	69,458	72,930
Insurance		20,598	20,598	20,598	20,598	20,598
Communication		16,680	17,514	18,390	19,309	21,275
Interest Expense		54,377	30,800	30,800	30,800	30,800
Total Expenses		1,154,380	1,130,163	1,135,881	1,147,493	1,157,612
Profit before Tax		159,620	249,537	312,804	373,626	439,563
Tax (30%)		47,886	74,861	93,841	112,088	131,869
Profit After Tax		111,734	174,676	218,963	261,538	307,694

Ms. NINE TWO INTERNATIONAL LIMITED

PROJECTED INCOME STATEMENT						
		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
		USD	USD	USD	USD	USD
Sales Revenue		2,190,000	2,299,500	2,414,475	2,535,199	2,661,959
Cost of Sales		876,000	919,800	965,790	1,014,080	1,064,783
Gross Profit		1,314,000	1,379,700	1,448,685	1,521,119	1,597,175
<i>Operating Expenses:</i>						
Administrative Overhead costs		197,100	206,955	217,303	228,168	239,576
Motor Vehicle running expenses		72,000	75,600	79,380	83,349	87,516
Salaries and wages		349,200	366,660	384,993	404,243	424,455
Depreciation		340,625	303,047	269,979	240,866	207,223
Marketing Costs		43,800	45,990	48,290	50,704	53,239
Utility costs		60,000	63,000	66,150	69,458	72,930
Insurance		20,598	20,598	20,598	20,598	20,598
Communication		16,680	17,514	18,390	19,309	21,275
Interest Expense		54,377	30,800	30,800	30,800	30,800
Total Expenses		1,154,380	1,130,163	1,135,881	1,147,493	1,157,612
Profit before Tax		159,620	249,537	312,804	373,626	439,563
Tax (30%)		47,886	74,861	93,841	112,088	131,869
Profit After Tax		111,734	174,676	218,963	261,538	307,694

Ms. NINE TWO INTERNATIONAL LIMITED

PROJECTED CASHFLOW

		YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
CASHFLOW FROM OPERATIONS						
Cash Sales		1861,500	1954,575	1 979870	2078,863	2182806
VAT Receipt		438000	459900	482895	507,040	532,392
Subtotal Cash Received		2,299,500	2,414,475	2,462,765	2,585,903	2,715,198
Expenditures from Operations:						
Purchases		744600	781,830	820922	861,968	905066
Additional Cash Spent		813 755	827117	928479	972,871	1028,970
VAT payments		131400	183960	193,158	202816	212957
Interest Expense		54,377	30800	30800	30800	30,800
Subtotal Cash payment		1 744,132	1,823,707	1,973359	2068454	2,177,793
CASH FROM OPERATIONS		555,368	590,769	489,406	517,449	537,405
CASH FLOW FROM INVESTMENTS:						
Purchase of Assets		- 3,295,000				
working capital requirement		400,000				
CASH FLOW FROM INVESTMENTS:						
CASH FLOW FROM FINANCING:						
Bank loan		2,471 700				
Owners Contribution		1,647800				
CASH FLOW FROM FINANCING		4,119,500				
NET CASHFLOW FOR PERIOD		979,868	590,769	489,406	517,449	537,405
CASH FLOW AT START OF YEAR			979868	1 570636	2,060042	2,577,490
CASHFLOW AT THE END OF YEAR		979,868	1,570,636	2,060,042	2,577,490	3,114,895

Ms. NINE TWO INTERNATIONAL LIMITED

SCHEDULES AND TABLES

SCHEDULE 1

REVENUE PROJECTION					
PRODUCTS	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
SALES	2,190,000	2,299,500	2,414,475	2,535,199	2,661,959

SCHEDULE 2

OTHER OPERATING COST					
OTHER OPERATING COST	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Motor vehicle running expenses	72,000	75,600	79,380	83,349	87,516
Salaries and wages	349,200	366,660	384,993	404,243	424,455
Depreciation	340,625	303,047	269,979	240,866	207,223
Administrative overhead costs	197,100	206,955	217,303	228,168	239,576
Marketing costs	43,800	45,990	48,290	50,704	53,239
Utility costs	60,000	63,000	66,150	69,458	72,930
Insurance	20,598	20,598	20,598	20,598	20,598
Communication	16,680	17,514	18,390	19,309	20,275
Interest Expense	54,377	30,800	30,800	30,800	30,800
Total costs	1,154,380	1,130,163	1,135,881	1,147,493	1,156,612

Ms. NINE TWO INTERNATIONAL LIMITED

COST STRUCTURE	
PARTICULAR	AMOUNT USD
Land and Buildings	750,000
Machinery & Equipments	2,250,000
Motor Vehicles	245,000
Furniture & Fixtrues	50,000
Pre expenses	374,500
Others	50,000
Working Capital	400,000
TOTAL	4,119,500

Ms. NINE TWO INTERNATIONAL LIMITED

FIXED ASSETS SCHEDULE					
NAME OF ASSETS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Land and Building	1,500,000	1,450,000	1,331,250	1,309,844	1,172,363
Machinery, Tool and Equipment	2,000,000	1,950,000	1,802,500	1,657,375	814,506
Motor Vehicles	245,000	214,375	187,578	164,131	143,615
Furniture & Fixtures	50,000	40,000	30,000	20,000	10,000
TOTAL	3,295,000	2,954,375	2,651,328	2,381,350	2,140,484
DEPRECIATION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Land and Buildings	250,000	218,750	191,406	167,480	146,545
Machinery, Tool and Equipment	50,000	47,500	45,125	42,869	40,725
Motor Vehicles	30,625	26,797	23,447	20,516	17,952
Furniture & Fixtures	10,000	10,000	10,000	10,000	2,000
ANNUAL DEPRECIATION	340,625	303,047	269,979	240,866	207,223
CLOSING FIXED ASSETS	2,954,375	1,651,328	2,381,350	2,140,484	1,933,261

Ms. NINE TWO INTERNATIONAL LIMITED

SALARIES & WAGES					
NO.	EMPLOYEE DESIGNATION	NO.	SALARY PER MONTH	SUBTOTAL MONTHLY SALARY	ANNUAL GROSS SALARY
1	Managing Director	1	3000	3000	36,000
2	Finance and Administrative Manager	1	2000	2000	24,000
3	Operations Manager	1	2000	2000	24,000
4	Marketing Executive	2	800	1600	19,200
5	Assistant Accountant	2	800	1600	19,200
6	Operations Supervisor	2	600	1200	14,400
7	Machine Operators & Technicians	20	400	8000	96,000
8	Other technical officer	15	300	4500	54,000
8	Stores officer	2	800	1600	19,200
10	Drivers	4	400	1600	19,200
	secretary	2	500	1000	12,000
	Office Attendants	2	200	400	4,800
	Security Guards	3	200	600	7,200
	TOTAL US\$	57	12,000	29,100	349,200

Ms. NINE TWO INTERNATIONAL LIMITED

REVENUE PROJECTION					
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Sales Revenue	2,190,000	2,299,500	2,414,475	2,535,199	2,661,959

Ms. NINE TWO INTERNATIONAL LIMITED

PROFIT PROJECTION						
		YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Profit	After	111,734	174,676	218,963	261,538	307,694
Tax						

Ms. NINE TWO INTERNATIONAL LIMITED

CASH FLOW PROJECTION					
	YEAR 1 USD	YEAR 2 USD	YEAR 3 USD	YEAR 4 USD	YEAR 5 USD
Cash Flow at the end of the year	979,868	1,570,636	2,060,042	2,577,490	3,114,895