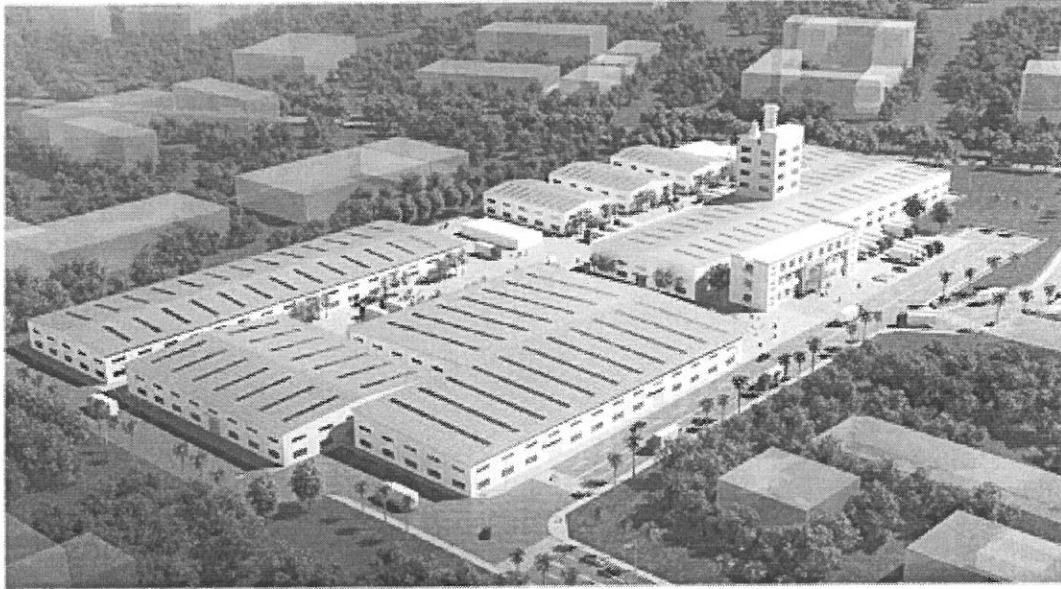


WASHING POWDER PROJECT PROGRESS REPORT

KEDS | **Keds Tanzania Co., Ltd**

November 4, 2020



November 4, 2020 P-1

Keds factory at Kibaha, Pwani

WASHING POWDER PROJECT PROGRESS REPORT

NOVEMBER 2020

KEDS Tanzania Company Limited was registered in Tanzania in the year 2016 on the 16th of March and established a factory for manufacturing of washing powder on Jan 2017. The intention was to establish a factory with a production capacity of 50,000tonnes a year, however, for the time being the factory only produce 30,000tonnes per year.

I.PLANNED ACTIVITIES

- Investment of USD 11.8Millions for establishment of washing powder factory with a capacity of 50,000tones per year.
- Direct employment of 180 local employees
- Indirect employments of 200 which include transporters, material suppliers and sales agents
- Exportation of washing powder to Zambia, Uganda, Congo DRC, Malawi, Mozambique, Rwanda and Burundi
- Increase in market share to 30% by 2020

2.ACHIEVEMENTS MADE

- Establishment of washing powder factory with a capacity of 30,000tonnes per year
- Direct employment of 163 local employees
- Indirect employments of 185 which include transporters, material suppliers and sales agents
- Exportation of washing powder to Zambia, Uganda, Congo DRC, Rwanda and Burundi
- Increased market share to 40% by Nov 2020

S/No	Information	Description	Current Project Status
1	Shareholder's information	Current shareholders names,nationality and percentage of ownership	99%,Chinese 2.Jichao Luo,share 1%,Chinese
2	Company Communication Information	Email address	danishyera@kedstz.com
		Mobile Number	0756-883-696
		Land line telephone number	
		Physical address(Plot No,Block No,Street,District and Region)	Plot 593,594,197,199,201,203,205 Block A,CBA Area. Kibaha,Pwani
3	Contact Person	Name	Denis Hyera
		Position	Public relation Manager
		Communication Details(Email,mobile and telephone)	danishyera@kedstz.com
4	Incorporation	Certificate of Incorporation No	124-754
5	TIN Information	TIN certificate No.	129-565-500
6	Project Objective	Project core activities	Manufacturing of washing powder
7	Capacity	Project capacity per year	30,000tonnes
8	Direct Employment	Foreign -Men	12
		Foreign -Women	2
		Local-Men	133
		Local-Women	70
9	Indirect employment	Estimated Total No.	200
		Type/areas of Indirect Employment	Material suppliers, Transporters,Sales agents

WASHING POWDER PROJECT PROGRESS REPORT

4. Project Financial Expenditure to date (USD)

	Foreign(USD)	Local(USD)	Total(USD)
Land and Buildings	5428000		
Plant and machinery	829000		
Vehicles/Aircraft	350000		
Furniture	80000		
Office equipment	80000		
Others	2351000		
Pre-operational expenses	80000		
Working sub total capital	689000		
GRAND TOTAL	9806000		

5. Project Financing

The Initial capital of USD 11,806,000 was provided by the shareholders as shareholders' equity.

	Amount (USD)	Source Country
Foreign Equity	9806000	China
Total Investment	9806000	

6. Problems and Solution

During construction phase we had challenges of power supply, water and access road but with collaboration with Government we managed to complete project on time. However, we still faced with challenge of access road to factory especially during rain seasons.

WASHING POWDER PROJECT PROGRESS REPORT

7.Future Plans

Having been operating for more than three years, we have experienced an increase in demand for our washing powder from local to neighboring country market. Sales agents from different areas have been running out of stock from time to time which made us noticed that the supply of washing powder is not sufficient enough for the existing demand.

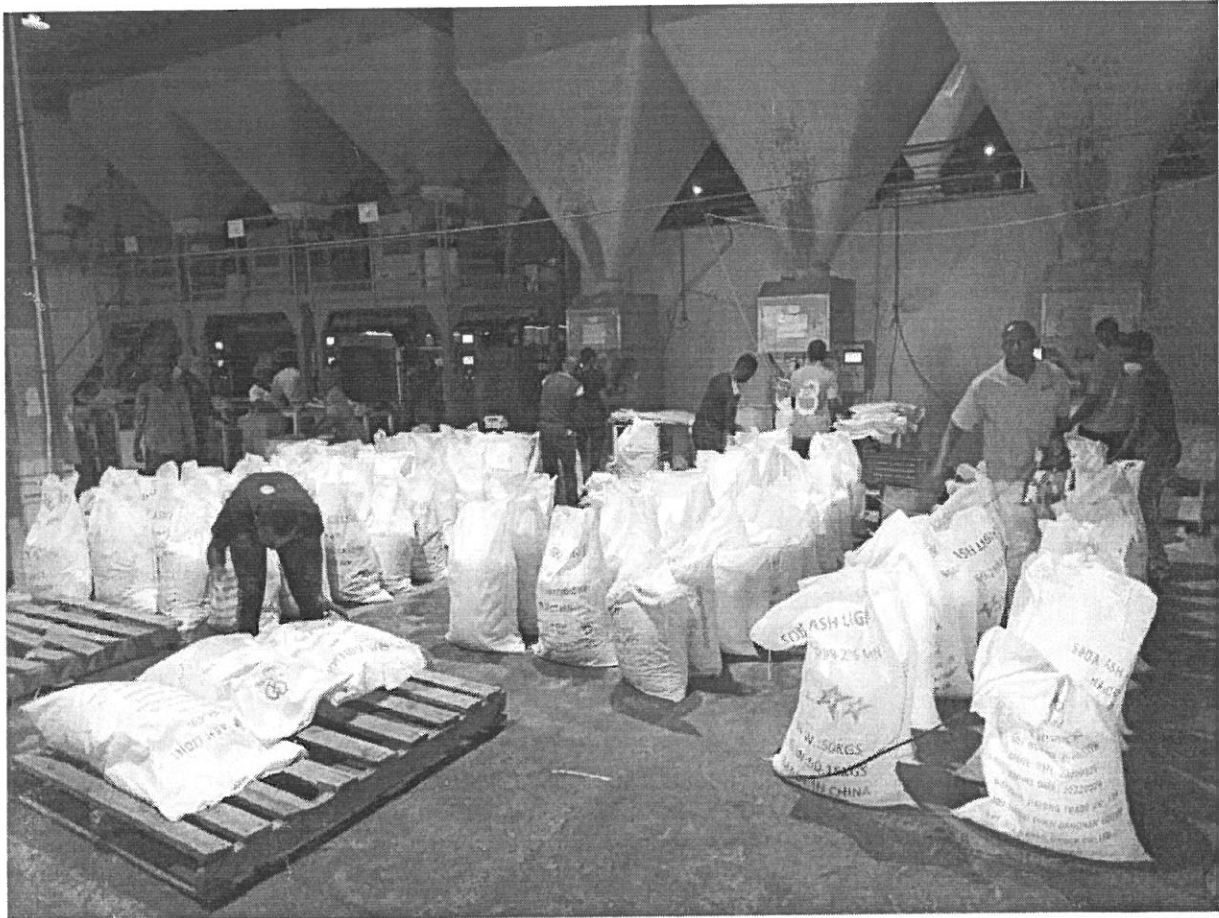
We are now looking forward to invest USD 30Millions (Including working capital) to enable completion of washing powder project by increasing additional 20,000tonnes production capacity to reach to 50,000tonnes year as per our initial business plan.

We also intend to continue to focus on product research and development to ensure that our products meet our customers preference without compromising with quality.



Additional 20,000tonnes capacity washing powder project in progress

WASHING POWDER PROJECT PROGRESS REPORT



Production of washing powder in progress

»» 2.2 Washing Powder Factory



Finished goods