



JATU PUBLIC LIMITED COMPANY

PROSPECTUS

In respect of an Initial Public Offer of 15,000,000
New Ordinary Shares at TZS 500 each



Offer opens: 1st June 2021
Offers closes: 15th July 2021
Expected listing date: 29th July 2021

28th May 2021

Jenga Afya Tokomeza Umasikini

CAUTION STATEMENT

Enterprise Growth Market (EGM) is designed primarily for small and medium size companies, startups or companies with no track record to which a higher investment risk tends to be attached than to more established companies or companies with good track record. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest after careful consideration and consultation with an independent financial adviser.



IMPORTANT INFORMATION

The information given in this Prospectus is in compliance with the requirements of the Capital Markets and Securities Act No. 5 of 1994, as amended in 2010, the Regulations of the Capital Markets and Securities Authority (CMSA), Capital Markets and Securities (Prospectus Requirements) - Amended (Second schedule) and the rules of the Dar es Salaam Stock Exchange (DSE) and Companies Act Cap. 212 (Revised Laws 2002) of the Laws of Tanzania.

This Prospectus has been prepared in respect of the issue of and subscription for the offered shares and the subsequent listing of the shares on the EGM window following the resolution of the Board passed on 6th May 2017 and shareholders' approval passed on 30th November 2019.

The Directors whose profiles are provided in Section 6.10 of this Prospectus, have taken all reasonable care to ensure that opinions stated and expressed herein are true and accurate in all material aspects.

The Prospectus also contains the Reporting Accountants' opinion from Diamond Financial Services, which constitutes a statement made by an expert. Diamond Financial Services have given and not withdrawn their consent to the issue of the said statement in the form and context in which it is included in Section 9 of this Prospectus.

Mafuru & Company Advocates, the Legal Advisors to the transaction have given and not withdrawn their written consent to have their legal opinion included as part of this Prospectus in Section 10. The offer shares applied for pursuant to the public offer shall rank pari passu in all respects with the existing issued shares.

The Company's promoters will still be locked in for a period of 3 years from 23rd of November 2020 which is the date of first listing of JATU PLC shares.

FORWARD LOOKING STATEMENTS

This Prospectus includes “forward-looking statements” that express or imply expectations of future events or results. They are defined as statements that do not have historical facts and they include, but not limited to, financial projections, financial estimates, their respective underlying assumptions, statements regarding plans, objectives and expectations with respect to future production, operations, costs, products or services, or statements regarding future performance.

Despite the fact that forward-looking statements have inherent risks, uncertainties and other factors, JATU PLC believes that the expectations that have been reflected in all their forward-looking statements are reasonable.

However, in view of the risks and uncertainties involved, it is important for Prospective Investors to know that it is difficult to predict precisely and therefore it is generally beyond the control of the Company. Actual results and developments may differ materially from those expressed in, or implied or projected by, the forward-looking information and statements contained in this document.

Some of the factors that may cause differences between the predicted or expected performance or achievement and actual results include among others, competition, changes in laws, political, economic and business conditions, industry trends, and fluctuations in exchange rates, local and foreign inflation. In case of any doubt as to the meaning of the contents in this Prospectus or what action to take, please consult your Stock Broker, Lawyer, Banker, Accountant, Lead Transaction Advisors or Licensed Investment Advisors for advice.

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DIRECTORS' DECLARATION

As Directors of the Company, we have made all our reasonable inquiries. We accept the responsibility for and confirm that this Prospectus contains all information with regard to the Company's Listing of additional shares and that the information contained herein is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions misleading in any material respect.

We hereby declare that we will comply with the Company law on the age of retirement of the Directors, and in compliance with the good corporate governance requirements of the CMSA.

We further declare, that the Company will have adequate working capital for the current and future needs of the Company.

We also confirm that none of us has ever been involved in bankruptcy, liquidation or other regulatory prohibitions and that we are not aware of any material litigation or proceedings that may have material impact on the Company.



BOARD CHAIRMAN



SECRETARY

DECLARATION OF THE NOMINATED ADVISOR



NIC life house, 2nd Floor, Wing C,
P.O Box 38694, Dar es Salaam, Tanzania,
Tel: +255 22 2112844,
Email: info@archco.co.tz
Website: www.archco.co.tz

We hereby confirm that:

SECTION A;

To the best of our knowledge and belief having made due and careful enquiry and considered all relevant matters under the Capital Markets and Securities (Nominated Advisers') Regulations, 2008 and the DSE rules for EGM Companies and in relation to this application for admission, all applicable requirements have been complied with and, in particular

a. The listing document complies with DSE Rules for EGM Companies

b. The requirements of First Schedule to the capital Markets and Securities (Nominated Advisers') Regulations, 2008 have been complied with; and

SECTION B;

a. We are satisfied that the applicant and its securities are appropriate to be listed on the EGM having made due and careful enquiry and considered all relevant matters set out in the DSE Rules for EGM Companies and the CMS Nominated Advisers Regulations 2008.

b. The directors of the applicant have received advice and guidance (from this Nominated Adviser and other appropriate professional advisers) as to the applicant's responsibilities and obligations under the law in order to facilitate due compliance by the applicant on an ongoing basis; and

c. We will comply with the law as applicable to it in its role as a Nominated Adviser to this applicant.





IYEN J.A. NSEMWA - MANAGING DIRECTOR

TERMS AND ABBREVIATIONS

Accountants' Report	The report of the Reporting Accountants
AGM	Annual General Meeting
Application Form	The Share Application Form set out in Appendix III of this Prospectus
ASDS	Agricultural Sector Development Strategy
Authorized receiving agents	Authorized licensed dealing members in Tanzania whose details are set out in Appendix 1 of this Prospectus
Business Day	A day on which JATU PLC is open for business in Tanzania
Closing Date	The last date and time for submission of Application Forms for this offer for subscription, which is 1600 hours on 15th July 2021
CMSA or Authority	Shall mean the Capital Markets and Securities Authority established under the Capital Markets and Securities Act, Cap 79;
CMS Act	Shall mean the Capital Markets and Securities Act, Cap 79;
Companies Act	Shall mean the Companies Act, Cap. 212;
Company	JATU Public Limited Company
Company Directors	The Directors of the Company whose names are given on page v.
CSD	Central Security Depository
CSDR	CSD & Registry Company Ltd
DPS	Dividend Per Share
DSE	Dar es Salaam Stock Exchange PLC
EGM	Enterprise Growth Market
EPS	Earnings Per Share
GDP	Gross Domestic Product
IPO	Initial Public Offer
NGO	Non-Governmental Organization
Offer Price	TZS 500 per share
Official Listing	The date, in this case 29 th July 2021 when shares on Offer in an IPO can be listed for sale at the DSE
Opening Date	The first date for acceptance of applications for the offer of shares which is 1 st June 2021
Ordinary Shares	Ordinary shares of TZS 500 each in the share capital of the Company
Oversubscription	Money collected in an IPO that is more than the value of shares issued on offer
PE	Price Earnings ratio
Promoters	Shall mean the Directors of the Company whose names are given on Section 3.4
Prospectus	This Prospectus, dated 28 th May 2021
Rules	Rules of the Dar es Salaam Stock Exchange
SACCOS	Savings & Credit Co-operative Society
SMEs	Small & Medium Enterprises
TZS	Tanzanian Shillings
USD	United States Dollar
VAT	Value Added Tax

CORPORATE DIRECTORY

Certificate of Incorporation No: 130452 issued on 20th Oct 2016.

Registered Office of the Issuer:	Main Bankers:
 <p>PSSSF HOUSE 11th & 6th FLOOR, Samora Avenue, Morogoro Road, Ilala CBD, P.O.Box 42155, Dar es Salaam, Tanzania; Mobile: +255744599972; Email: info@jatu.co.tz; Website: www.jatu.co.tz, www.jatukilimo.com.</p>	 <p>NMB BANK PLC. Head Office: Ali Hassan Mwinyi Road Ohio street, P.O. Box 9213, Dar es Salaam Tel. +255(0)222322037 Website: www.nmbbank.co.tz</p>





External Auditor
 <p>Urafiki Flats, Block 306, Ground Floor, Morogoro Road, Ubungu, Urafiki, P.O.Box 72861, Dar es Salaam, Tanzania, Mobile: +255 784 354 766/+255 767 354 766 Email: hekimaas@gmail.com Website: www.hekimaassociates.co.tz</p>

MEMBERS OF THE BOARD OF DIRECTORS

The Board of Directors consists of the following individuals.

S/n	NAME	NATIONALITY	TITLE
1	Eng. Dr Zaipuna O. Yonah	Tanzanian	Chairperson
2	Mwajuma Hamza	Tanzanian	Vice Chairperson
3	Emmanuela Mtatifikolo Kaganda	Tanzanian	Member
4	Abdallah Gonzi	Tanzanian	Member
5	Phinias Opanga	Tanzanian	Member
6	Ian Samakande	Zimbabwean	Member
7	Peter Isare Gasaya	Tanzanian	Ex-Officio Member

TRANSACTION ADVISORS

NOMINATED & LEAD TRANSACTION ADVISOR	LEGAL ADVISORS
 <p>ARCHCO LTD NIC Life House, 2nd Floor, Wing C, P. O. Box 38694, Dar es Salaam, Tanzania Tel: +255 22 2112844 Email: info@archco.co.tz Website: www.archco.co.tz</p>	<p>MAFURU & CO. ADVOCATES NOTARIES PUBLIC AND COMMISSIONER FOR OATHS (TRADE MARK, SERVICE MARKS AND PATENT AGENTS) IPS Bldg, 5th Floor Samora Avenue / Azikiwe Street P.O. Box 7416 Dar es Salaam, Tanzania Tel: +255 22 - 2129542 Fax: +255 22 - 2129543 Cell: +255 754 - 286 476 Cell: +255 715 - 286 476</p> <p>P. O. Box 7416, Dar es Salaam Tel; +255 222116657 Fax; +255 222138371 Cell; +255 754 286476</p>
REPORTING ACCOUNTANTS	SHARE REGISTRAR
 <p>DIAMOND FINANCIAL SERVICES <i>Certified Public Accountants</i></p> <p>Diamond Financial Services P. O. Box 12482 Dar es Salaam Tel; +255 22 21 24339 Fax; 2124339</p>	 <p>NMB BANK PLC. Head Office: Ali Hassan Mwinyi Road Ohio street, P.O. Box 9213, Dar es Salaam Tel. +255(0)222322037 Website: www.nmbbank.co.tz</p>
RECEIVING BANK	
<p>NMB BANK PLC. Head Office: Ali Hassan Mwinyi Road Ohio street, P.O. Box 9213, Dar es Salaam Tel. +255(0)222322037 Website: www.nmbbank.co.tz</p> 	

STATEMENT OF THE CHAIRMAN



Dear Investor,

On behalf of the Board of Directors of JATU PLC, it is my pleasure to present this Prospectus in respect of the JATU PLC Initial Public Offer (IPO) of ordinary shares.

The IPO follows the transformational event of listing of 2,164,349 ordinary shares, valued at TZS 1,082,174,500/= on the Enterprise Growth Market (EGM) window of the DSE, which took place by ringing the bell at the DSE on the 23rd November 2020. Since then, the value of JATU PLC share has increased from TZS 420/= currently trading at an average of TZS 1,160/=

This demonstrates that there is a public/market appetite to invest in JATU PLC.

Given that JATU PLC has formally gone public, the Board and Management seek to raise enough capital in order to build a strong business in Tanzania and build a capacity for delivering sustainable returns for the shareholders, employees and customers. The desire is to cover 185 Districts in Tanzania with agri-business activities, and hence the decision to going public with the IPO – where JATU PLC will float some TZS 7.5 billion worth of shares.

The IPO is in line with global best practices for capital markets and is aimed at achieving good corporate governance practices, enhancing the efficiency and effectiveness of JATU PLC, and further strengthening its strategic and operational practices. Also, the capital raising through this offer is in line with the country's industrialization policy; and is intended to enable JATU to profitably participate in transforming the agriculture sector in Tanzania to play a key role as an engine of socio-economic development. Further, the offer also aims to widen the application of modern agricultural technology across the country, dedicated to empower youths and small farm holders to participate in agro-activities as empowered investor-farmers.

Understandably, a capable stock market is critical to the growth and development of any country. For this reason, we believe that, following the listing of JATU PLC shares on 23rd Nov 2020, the IPO is positioned to enable JATU PLC play a significant role in attracting global and foreign capital to the country as well as continue to facilitate and nurture the saving and investment culture among Tanzanians, with the focus of financing agro activities for economic emancipation of Tanzanians and to reduce economic poverty.

JATU has been in existence for over three years, and has provided exceptional agricultural and marketing services to farmers and customers who are members or/and shareholders. They continue to farm collectively through JATU PLC, purchase products (produced from JATU's milling factories) through our digital platform, which is implemented with a marketing strategy that ensures customers' satisfaction on the type and quality of services offered and the profit sharing on every purchase customer makes through the digital platform. Strategically, farmers are provided with soft loans, equipment and technical support by JATU PLC in different arena of agricultural activities in (administrative) regions, now covering Tanga, Morogoro, Manyara, Njombe, Ruvuma, Singida and Dodoma regions.

We continue to be a significant contributor to the Government revenue through the taxes that we pay both directly and indirectly. We seek to empower Tanzanians on a daily basis, by giving them easy means of participating in agriculture (group or centered farming), enabling availability of food products that we produce in our industries and easy purchases and earning income through their daily consumptions. Through our investment and services, we are committed to making a significant contribution in supporting the Government of Tanzania to implement the industrialization policy. Additionally, the IPO is a further endorsement of JATU's long-term growth potential and its unwavering commitment to our members, shareholders and the general public.

On behalf of the Board, we would like to express our gratitude to our shareholders, customers, and business partners, for their continued support. For the existing shareholders, I thank you for your support and confidence and look forward to keeping you apprised of our progress. For the new prospect, I look forward to welcoming you as a potential shareholder of JATU PLC.

Yours faithfully,



Eng. Dr. Zaipuna O. Yonah
Board Chairman

STATEMENT OF THE CHIEF EXECUTIVE OFFICER



Dear Investor,

On behalf of the management and staff of JATU PLC, I welcome you as a potential shareholder and I am delighted that you are considering an investment in JATU PLC.

I am pleased and delighted to be part of the success stories of JATU PLC, a growing public listed Company pioneered by the youth and mostly owned by small-scale farmers in Tanzania. I feel honoured and privileged to lead this growing Company that has attained remarkable and historic performance

in 2020, following a successful listing on the Dar es Salaam Stock Exchange, after meeting regulatory requirements and obtaining approval of the Capital Markets and Securities Authority (CMSA). Listing of JATU PLC on the DSE is a strong foundation towards attaining our vision of becoming a leading Company by providing excellent customer service both domestic and overseas in agri-business while providing good benefits and rewards to our investors to grow JATU's business to greater heights.

While in university with Mr. Mohamed Issa Simbano as law students at the University of Dar es Salaam, with the goal, intention and vision to take JATU PLC to the stock market, had a privilege to participated in all Capital Markets and Securities Authority (CMSA) university challenges for students of Universities and Institutions of Higher Education in the country. The competition, organized annually by the Capital Markets and Securities Authority (CMSA), aims to enable participants to become real investors in capital markets and investing in various sectors, especially in Agri-business, Industry and Digital Technology in order to provide employment to graduates and ultimately boosting the economy of our country. The participation of JATU PLC Leaders in this competition gave them great insight into capital markets issues and realized the importance on how to use capital markets to achieve JATU PLC goals.

Strong Performance, Coupled by Successful Listing on the Stock Exchange, Despite COVID - 19 Pandemic.

Global and local markets have been experiencing the challenges of COVID 19 Pandemic. Despite the challenges, our business performance improved significantly following successful listing and improved management efficiency in implementing business plan in 2020. Total Assets grew by 204% while Sales Income grew by 161% when compared to prior year delivering a net profit of TZS 97.4 million on net sales of TZS 1.472 billion, equivalent to a 6.6% return on net sales. Overall profit for the year increased from TZS 40.01 million in 2019 to TZS 97.4 million in 2020, an increase of 243%, driven by improved performance on the point-of-sale market, strategic pricing, consumer focused service, significant operational costs efficiencies. All these factors have helped delivering short-term commitments while investing in the long-term.

With the strong and positive results in year 2020, dividend of 30% was proposed payable to our investors, to appreciate their continued support in growing the Company; and with the view to maximize shareholders value.

Business Growth Strategic Plans

In an effort and endeavour to continue attaining positive results in year 2021 and beyond, the Company will roll-out the following business growth strategic plans:

a) **Agricultural Investment Policy for 2021/2022.**

The Company looks forward to bringing more positive results to our investors and the entire Tanzanian society through implementation of the following;

- The Company will be sharing profit with the farmers after taking into account the cost of farming. The Company will receive 25% of the net profit as payment for farm management which is expected to cater for management costs hence adding income to the Company. This policy will enable the Company to grow faster as a means of increasing efficiency by implementing and improving many new agricultural projects and will led to tremendous increase of the profit to shareholders.
- Crops which will be farmed include; maize, rice, beans, sunflower, wheat, bananas, avocados, oranges, fleshed sweet potatoes and horticulture. This will sum up to at least 25,000 acres for 2021-2022 adding up to 100,000 acres in 3 years from 2021.
- JATU is undertaking maize and sunflower farming project in Kiteto Manyara where about 5,000 acres are farmed and we are looking forward to install irrigation system in that project. This will give an assurance to harvest at least three times per year. JATU will also invest in modern flour milling machine that will have the capacity of producing 50 tons of flour per day.
- JATU has initiated Orange Trees Farming in Handeni Tanga where around 500 acres of orange trees are farmed. This is a pilot project for quality orange farming and is used as study farm for orange tree farmers around Handeni. The Company will install a modern industry for juice production and fruit processing and packaging facility in that area thus increasing the Company's income.
- JATU plans to roll out irrigation scheme for beans farming at Kilindi district, we will start with 500 acres this season as all necessary preparations is in progress and members are willing to cooperate.
- JATU has started Avocado farming at Njombe region where 500 acres are already planted. The project will execute about 5 ,000 acres and is expected to give its first product to the market after three years. The product which will be part of JATU products and will also be exported to international markets.
- JATU has initiated banana farming and processing project in Mara region. Starting with Tarime District, prior processes of farm preparations are in progress. Bananas to be harvested will be processed, packed and exported through banana processing plant whose construction is in early stage at Nyanungu ward in Tarime district.
- JATU has ongoing horticulture project at Kimbiji, Kigamboni District where a variety of vegetables are farmed. The harvested fresh vegetables are supplied to JATU customers in Dar es Salaam city and used in Kula Ulipwe Restaurants as well. This project will produce more horticultural products that will be exported, both fresh and dried.

b) Marketing Oriented Strategies

Our Vision is to be the leading Company in providing best customer service to the society whilst eradicating poverty. This is so far being attained through the Kula Ulipwe strategy whereby when a member purchases JATU products through the JATU Market App, he gets a commission every end of the month based on the kilograms purchased by him or his customers' network.

The Kula Ulipwe Strategy is extended by establishing Kula Ulipwe restaurants whereby members are offered an opportunity to use cooked JATU products and earn commission as well. This is another way of increasing Company's revenue as well as members profit. The use of JATU Market App will be enhanced by allowing non JATU members to sell their crops through the App and make it a commodity market.

We plan to expand and reach out customers in every corner within the country as we currently have over 40 million customer members throughout the country demanding for our products. The demand is higher comparing to the number of consumers reached so far. We already have supermarkets in 5 different regions which are Dar es salaam; Arusha; Mwanza; Mtwara and Dodoma and they are used as sales and marketing points by JATU agents. We are looking forward to adding more in different regions as well as recruiting more agents throughout the country.

Furthermore, we plan to keep reaching out to more people providing them with knowledge about investment opportunities and services provided by JATU through JATU TALK Program. We recently launched officially JATU UniTalk program special for university students. Through this program we will be reaching many youths and exposing them to self-employment opportunities found within the Company.

Strategies of Financing JATU Projects

Recognizing the importance and size of the projects the Company has prepared this Prospectus to raise 7.5 billion through capital markets by way of Initial Public Offer (IPO). The amount raised will be used to ensure JATU projects at Kiteto are implemented on time to the extent intended for the future to generate significant benefits for investors.

Appreciation

We would like to recognize and appreciate the support from the Government, the CMSA, DSE, Board members, key partners and stakeholders, as the Company is increasingly successful in securing customers and promoting its market as well as being the best choice in communities in investment and distribution of agricultural products for daily use hence poverty reduction. This vision takes a significant step which will bring significant benefits to our current and future investors, our employees and our customers. We are confident that the dare and innovation that built JATU into an excellent agricultural Company will continue to build its goals to become not only a public Company but also the best and preferable Company in the world.

Our commitment to you is this: we will listen to you; we will ensure we treat our customers, employees and business partners with respect; and we will spearhead JATU PLC with integrity, humility and passion. We look forward to a long and prosperous relationship with you, our new potential shareholder.

Yours faithfully



Peter Isare

Chief Executive Officer

1.0 FEATURES OF THE OFFER

1.1 Offer Key Statistics

Offer price per ordinary share	TZS	500
Number of shares offered for sale		15,000,000
Gross proceeds of the offer	TZS	7,500,000,000

1.3 Estimated IPO Cost

Items	TZS
Lead Advisor & Sponsoring Brokers' fees	45,000,000
Legal Adviser fees	6,372,000
Reporting Accountants fees	13,452,000
Receiving Banker, Collecting Agents success fees	150,000,000
DSE Listing	10,000,000
CMSA Prospectus Evaluation Fees	17,500,000
CSD Processing fees	5,000,000
Printing of CSD Receipt TZS 1,000 per CSD (est.)	10,000,000
Printing of Prospectus, brochure and Share Application form	30,000,000
Marketing & Adverts	65,000,000
Estimated Total IPO Costs	352,324,000

1.2 Table of Key Events

Event	Date
Opening date	1 st June 2021
Closing date	15 th July 2021
Allotment	19 th July 2021
Announcement of Results of the offer	22 nd July 2021
Submission of approved Register to CSDR	23 rd July 2021
Electronic Credit/deposit of CSD Accounts	27 th July 2021
Processing of Refunds	28 th July 2021
Delivery of Depository Receipts to Receiving Agent	29 th July 2021
Listing date and commencement of trading of shares on the DSE	29 th July 2021

Note 1: CSD fees might increase depending on CSD fee which is chargeable when uploading the shares into CSD after allotment results

1.4 Authorized and issued share capital:

Currently, JATU PLC has a total authorized share capital of TZS 125,000,000,000 consisting of 250 million ordinary shares at a nominal value of TZS 500 per share. Total issued and paid-up number of ordinary shares before the IPO are 2,164,349 which amounts to a total issued and paid-up capital of TZS 1,082,174,500.

A further Share split of 2,164,349 ordinary shares at a ratio of 2:1 with a cut-off date set as at 31st May 2021, which is 1 working day before the IPO opening date of 1st June 2021 was authorised by the Board of Directors on 7th of November 2020 to arrive at the current 4,328,698 ordinary shares which are valued at TZS 500 per share, a price which is in proportion of 2:1 to the current market price.

The shares split will be credited electronically to the holder's respective CSD account together with the new shares subscribed during the IPO as per the timetable of principal events.

1.5 Trading of Shares during IPO Period.

During the IPO period, trading of shares on the secondary market (DSE) will be frozen until the end of trading day on 28th July 2021 which is 1 day before the listing date of new shares on 29th July 2021.

2.0 OFFER DETAILS

2.1 The Basis and Offer Price

The Board has set the Offer Price at a value of TZS 500 for each new Ordinary Share based on the current market price of the shares in the Dar es Salaam Stock Exchange, which was arrived at after a share split of existing shares of 2,164,349 at a ratio of 2:1, considering the average market price of JATU shares of TZS 1,160 per share.

2.2 Offer for Subscription

A total of 15,000,000 new ordinary shares are hereby offered to the public by JATU PLC at a price of TZS 500 per share payable in full in accordance with the eligibility criteria outlined in section 2.5 below.

2.3 The Purpose of the Offer

The Company is operational and therefore the main purpose of the offer is to raise money for expanding the existing business.

2.4. Use of Net Proceeds

The project specifically is divided into four parts namely Kilimo, Industry, Irrigation, and Administration to which costs have been projected and accordingly allocated as follows;

A: Kilimo Project

S/N	Name of machine	Qty	Description		Function
1	Land Preparation				
	50 Hp tractor	4	<ul style="list-style-type: none"> • 50 Hp Engine • Power Steering • 4 Wheel Drive 	@38,000,000 × 4 = 152,000,000	<ul style="list-style-type: none"> • For handling spraying equipment's for herbicides and pesticides in orchards • Handling tree seedlings • Transporting manure
	75 Hp tractor	5	<ul style="list-style-type: none"> • 75 Hp Engine • 4 Wheel Drive • Turbo charged 	@58,405,000 × 5 = 292,025,000	<ul style="list-style-type: none"> • For planting • Land preparation • Crop care • Haulage • Pulling earth moving equipment's
	90Hp EH high crop tractor	2	<ul style="list-style-type: none"> • Cab • 90 HP 	@111,000,000 × 2 = 222,000,000	<ul style="list-style-type: none"> • For handling spraying equipment's for herbicides and pesticides in maize and beans farm
	95 Hp tractor	3	<ul style="list-style-type: none"> • Open station • 95 hp 	@117,340,000 × 3 = 352,020,000	<ul style="list-style-type: none"> • For land preparation • Handling some earth moving equipment's • Haulage
	135 Hp tractor	3	<ul style="list-style-type: none"> • Cab • 135 Hp 	@172,650,000 × 3 = 517,950,000	<ul style="list-style-type: none"> • For land preparation • Handling some earth moving equipment's • Haulage

S/N	Name of machine	Qty	Description		Function
2	Crop Care				
	Mounted type field type boom sprayer	3	<ul style="list-style-type: none"> • 15 meters' full Hydraulic boom • 1000 lt • Washing tank • Hand washing tank • With mixer • Triple nozzle lechler 	@16,029,000 × 3 = 48,087,000	For spraying herbicides and pesticides in maize, beans, and sunflower crops
	Mounted orchard sprayer	4	<ul style="list-style-type: none"> • 2000 lt • 90 cm w type wheel with brake as option • 90cm pyramid type fan 	@22,464,000 × 4 = 89,856,000	For spraying herbicides and pesticides in orchards
	Mounted type fertilizer spreader	4	<ul style="list-style-type: none"> • 1500 kg • Double disc hydraulically 	7,020,000 × 4 = 28,080,000	For spreading fertilizer
	Rotary cultivator	3	6 Rows	@19,656,000 × 3 = 58,968,000	For cultivation in between rows
3	Land Preparation Equipment				
	Ripper DLB 12	3	<ul style="list-style-type: none"> • Maximum working depth 18 inches 	@16,500,000 × 3 = 49,500,000	Land Preparation
	Hydraulic harrow	2	28 discs	@28,080,000 × 2 = 28,080,000	Land Preparation
	Disc plough	2	4 bottom discs	@7,600,000 × 2 = 15,200,000	Land Preparation
	Land leveller	1	Planner Laser	42,000,000	Land Preparation
4	Planting				
	Pneumatic Plater	2	8 Rows	40,000,000	Planting Maize, beans, sunflower
	Seed drill	2	33 Rows	@19,188,000 × 2 = 19,188,000	Planting wheat, rice
5	Earth Moving Equipment				
	Road grader	3	Grader	@14,500,000 × 3 = 43,500,000	Farm roads
	Post hole digger	2	Digger	@9,200,000 × 2 = 18,400,000	Land preparation
	Backhoe	2	Digger	@23,000,000 × 2 = 46,000,000	Land Preparation
	Front loader	3	Loader	@14,000,000 × 3 = 42,000,000	Trucker
	PTO Pumps	2	Pumps	@8,500,000 × 2 = 17,000,000	Trucker

S/N	Name of machine	Qty	Description		Function
6	Harvesting & Crop Handling				
	9560 STS combine	1	Combine	230,000,000	Harvesting
	Tipping Trailers	8	Trailers	@16,000,000 × 8 = 128,000,000	Transport
	Gators	1	Gators	@37,000,000	Transport
Total A				2,516,854,000	

B: Industry Costs

No	Item		Amount (USD)	Exchange Rate	Amount (TZS)
1	Maize Milling Machine-50T/24H	USD	166,000	2309.99	383,458,340
2	1000T*2 Silos	USD	140,000	2309.99	323,398,600
3	80 Tons Weighbridge	USD	21,000	2309.99	48,509,790
4	Shipping fee for 21 containers	USD	40,000	2309.99	92,399,600
5	Workshop building	TZS			120,000,000
6	Warehouse for Maize flours	TZS			55,000,000
7	Taxes (Import Duty, CPF, RDL, VAT etc)	TZS			284,880,300
8	Clearance Charges	TZS			15,750,000
9	Acquisition of 10 acres of Land for building workshop, Silos and Warehouse of Maize Flours	TZS			93,078,700
10	Contract for Design, Build, and Implementation of Warehouse	TZS			10,000,000
11	Contract for Design, Build, and Implementation of 2 Steel Silos for safe keeping of goods	TZS			25,000,000
12	Contract for Design, Build, and Implementation of workshop	TZS			12,000,000
13	Purchase of 5 Trucks for Transportation of raw materials and delivery of products	TZS			265,000,000
14	Purchase of one Unit of Scania	TZS			250,000,000
15	Administrative Office Block	TZS			204,998,670
Total B					2,183,474,000

Source: Proforma Invoice No: **HDF210522TGTZ** from **SHIJIAZHUANG HONGDEFA MACHINERY CO., LTD**

C: Irrigation Costs

No	Item		Amount (USD)	Exchange Rate	Amount (TZS)
1	Establishment of water resources	TZS			154,118,757
2	Deployment of water resources	TZS			46,000,000
3	Drilling machines and water measuring machines	USD	306,064	2309.99	707,004,779
4	Irrigation Equipment and Installation	USD	382,609	2309.99	883,822,964
Total C			778,673		1,790,946,500

D: Working Capital

The administrative project component is estimated to cost TZS 1,008,725,500 covering working capital and general administration duties that includes cost for staffing, buying of raw materials to the industry, compliances and others of the like.

Use of Working Capital	TZS
Purchase of 3 months materials	504,900,000
Fuelling agricultural machineries	280,000,000
Roads grading	223,825,500
Total D	1,008,725,500

Expenditure Budget Summary	TZS
Total A: Kilimo Project	2,516,854,000
Total B: Industry Project	2,183,474,000
Total C: Irrigation Project	1,790,946,500
Total D: Working Capital	1,008,725,500
Grand Total	7,500,000,000

2.5 Eligibility

The offer to subscribe for shares is open to all Tanzanians and non-Tanzanians.

2.6 Minimum number of shares per application

- The minimum number of shares that may be applied for is 10 shares.
- Subject to the foregoing, investors may apply for any number of shares.
- Subject to the eligibility requirements in section 2.5 above, there is no maximum restriction on the total number of offer shares that may be applied for.

2.7 Allotment Policy

Subject to CMSA approval, in case of oversubscription, subscribers will be allotted in full for the number of shares applied for and there will be a Green Shoe option to retain proceeds up to 50% of the IPO size.

2.8 Rights and Transferability

2.8.1 Rights

The shares to be offered and listed will rank pari pasu with existing shares in respect of the voting rights, dividends and capital.

2.8.2 Transferability of Shares

The transferor of a share shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register as the holder of that share, in line with the Company's Articles of Association and DSE Rules.

2.9 Dividend Policy

The declaration of dividends will be recommended by the Board of Directors and approved by the shareholders, at their discretion, and will depend on a number of factors, including but not limited to the profits, capital requirements and overall financial position of the Company. The Dividend Policy is to pay out not less than 30% of profit after tax.

2.10 Tax Implications

Applicants should consult their own professional tax advisors in regard to the tax implications of subscribing for, holding and disposing of the shares under the offer. The Company, its staff and advisors do not accept any responsibility or liability for any tax consequences to applicants subscribing for, holding and disposing of offer shares as a result of the offer. Holders of shares in companies listed at the DSE are subject to a 5% withholding tax on dividends as opposed to 10% for unlisted companies. There is no stamp duty payable on transactions in shares listed on the DSE compared to transactions outside the DSE which are charged at 6%. Capital gains tax is also zero for DSE transactions compared to 10% outside the Exchange.

2.11 Depositing of Shares to the CSD

The approved shareholding register will be submitted to the CSD account of the CSDR for uploading/ depositing of shares into the CSD system to enable future tradability of shares. Every shareholder will have to have a CSD Account for the purpose of maintaining and trading of their shares. The subscribed shares will be credited electronically to the holder's respective CSD account as per the timetable of principal events. All transfers of shares will be effected through the CSD account. It is the responsibility of the applicant to ensure that their CSD account details are correct.

2.12 Time Table & Application procedure

2.12.1 Time Table

Event	Date
Opening date	1 st June 2021
Closing date	15 th July 2021
Allotment	19 th July 2021
Announcement of Results of the offer	22 nd July 2021
Submission of approved Register to CSDR	23 rd July 2021
Electronic Credit/deposit of CSD Accounts	27 th July 2021
Processing of Refunds	28 th July 2021
Delivery of Depository Receipts to Receiving Agent	29 th July 2021
Listing date and commencement of trading of shares on the DSE	29 th July 2021

2.12.2 Application Procedure

The summarized procedures below should be read in conjunction with the detailed instruction for applying for Offer Shares as contained in this Prospectus, as well as the instructions on the Application Form.

Copies of this Prospectus and Application Forms are available to prospective investors during normal working hours on Business Days until 4:00 pm on the Closing Date from all collecting agents.

- An applicant wishing to apply for offer shares must duly complete and sign the accompanying application form and return the same accompanied by proof of payment in TZS, by way of electronic funds transfer, cash or a banker's or authorized selling agent's cheque (as may be applicable) (an "authorized cheque") so that it is received by the receiving Company before the Closing Date. All such application forms must be accompanied by proof of payment by way of electronic funds transfer and/or mobile money payment, cash or an authorized cheque for the full amount due for the offer shares applied for by that applicant.

Late Application will not be considered. Acceptance of Application will only be considered if received by the receiving Company or any of the collecting agents by the Closing Date and Time. Accordingly, neither the Lead Transaction Advisor nor the Company will accept any responsibility for any Applications that are, or may be misdirected.

- Application by/for minors**

Minors are permitted to apply for offer shares with the assistance of their parents or a legal guardian who shall be obliged to sign the application form on their behalf.

2.13 Payment Procedures

- **Banker's cheque:**

Payment for the shares shall be in the form of banker's cheques for values below TZS 10million. Banker's cheques must be drawn by a licensed Company which is a member of the BOT Clearing House.

- **TISS:**

Payment for shares shall be made through TISS for values above TZS 10million.

- **Authorised cheque or cash should be made payable through:**

JATU PLC Collection Account No.10110000732; NMB Bank PLC.

- **Cash Payment:**

Cash payments may also be made through Authorized Collecting Agents or may be deposited by the applicant to the dedicated collection account.

- All payments must be made in TZS.
- No interest will be payable by the receiving Company or the collecting agents on money paid for the Offer Shares.

- **IPO application guidelines for DSE Mobile Trading Platform (MTP):**

Part A: General Information

1. An application must be a holder of a CSD Account. To open a new CSD Account or enhance existing CDS Account please refer to part D, E, F and G below.
2. Applicants are required to observe terms and conditions contained in the Prospectus.

Part B: Access to DSE Mobile Trading Platform

1. Dial USSD *152*00# >>>>> Government Payment >>>>> DSE
2. Download "DSE Hisa Kiganjani" app from Play Store
3. Click to " <https://onlinetrading.dse.co.tz/guest/welcome>"

Part C: Payment

1. Payment can be made through the following payment mobile money channels: M-Pesa; Tigo Pesa; Airtel Money, Halopesa, Ezy Pesa and T-Pesa.
2. Payment can also be made by dialling USSD Short Codes of CRDB, NMB, Azania, Akiba, Mkombozi etc. and select an option to pay through a GePG control number to be issued by MTP.

Part D: Registration Confirmation

1. Registration is electronic so the investor will be asked for his/her National Identification Number (NIN) and he/she will verify the electronic information by responding correctly to at least two of five random questions.
2. On successful verification of NIN, the investor will choose between opening a new CSD Accounts or enhancing existing CDS Account.

Part E: Activation of a new CDS Account

1. For new CSD Account, the investor will be given a CSD Account No and a start-up code.
2. Investor will be asked to enter the start-up code to activate the CSD Account.
3. Investor will be asked to enter a new PIN and then will be required to confirm the PIN.
4. The CSD Account will be activated and ready to use

Part F: Enhancement of Existing CSD Account,

1. To enhance existing CSD Account the investor will enter his/her NIN, a CSD Account No, and a PIN to be given by CSDR if not known or forgotten.

Part G: Opening CSD Account for a child

1. Parent/Guardian can open a new CSD Account for a child - with a maximum limit of five children.

2.14 Applicant's agreements

Signing an application form implies that each applicant:

☐ Has agreed that neither JATU PLC, its advisors nor any of the authorized collecting agents shall be liable for delay should an application form not be received by the closing date; and that having had the opportunity to read this Prospectus, they shall be deemed to have had notice of all information and representations concerning JATU PLC contained herein.

☐ Confirms that in making such application they are not relying on any information or representation in relation to JATU PLC other than that contained in this Prospectus and accordingly agrees that no person responsible solely or jointly for this Prospectus or any part thereof shall have any liability for any other information or representation;

2.15 Acceptance and Settlement

Archco Limited who are the Nominated & Lead Transaction Advisor and JATU PLC reserve the right to reject any application not complying in all respects with the terms and conditions spelt out in this Prospectus or if any Application Form is not completed as required subject to CMSA approval.

Upon acceptance of any application, the Company and the Lead Advisors will as soon as possible allot and thereafter the Registrar will transfer the ordinary shares concerned into the name of the applicant. Applicants will receive allotted offer shares in electronic form by way of crediting their CSD Accounts with the allocated number of offer shares. If the applicant has indicated in the appropriate block on the Application Form that he wishes to collect the CSD Receipt or any refund cheque, the CSD Receipt and refund cheques will be forwarded to the Authorized Receiving Agent through whom his Application Form was submitted. No CSD Receipt or refund cheques will be released by the Authorized Receiving Agents at which the application was lodged unless the receipted and numbered original receipt/counterfoil of the Application Form is produced. Otherwise share certificates and refund cheques will be dispatched by ordinary mail to the postal addresses set out in the Application Forms at the applicant's risk. Interest will not be paid on any amounts refunded or indeed deposited at the time of application. By signing the Application Form, an applicant agrees to accept transfer of such number of shares (not exceeding the number applied for) as shall be allotted to the applicant upon the terms and conditions of the Prospectus and subject to the Company Memorandum and Articles of Association and agrees that the Company may enter the applicant's name in the register of members of the Company as the holder of such shares.

In the event of a discrepancy between the number of shares applied for and the value thereof, the Lead Advisors and the Company may, in their discretion, adjust the number of shares to correspond with the value received for their application.

2.16 Rejection Policy

JATU PLC, in consultation with the Lead Transaction Advisors and CMSA, may reject any Applications in the following cases, including but not limited to:

- Missing information in the application forms;
- Inaccurate Application forms;
- Offers applied are not in multiples set out in this Prospectus;
- Application form together with the application money paid in accordance with the sections above is not received by any authorized collecting agent within the dates and times stipulated in this Prospectus.

2.17 Refund Policy

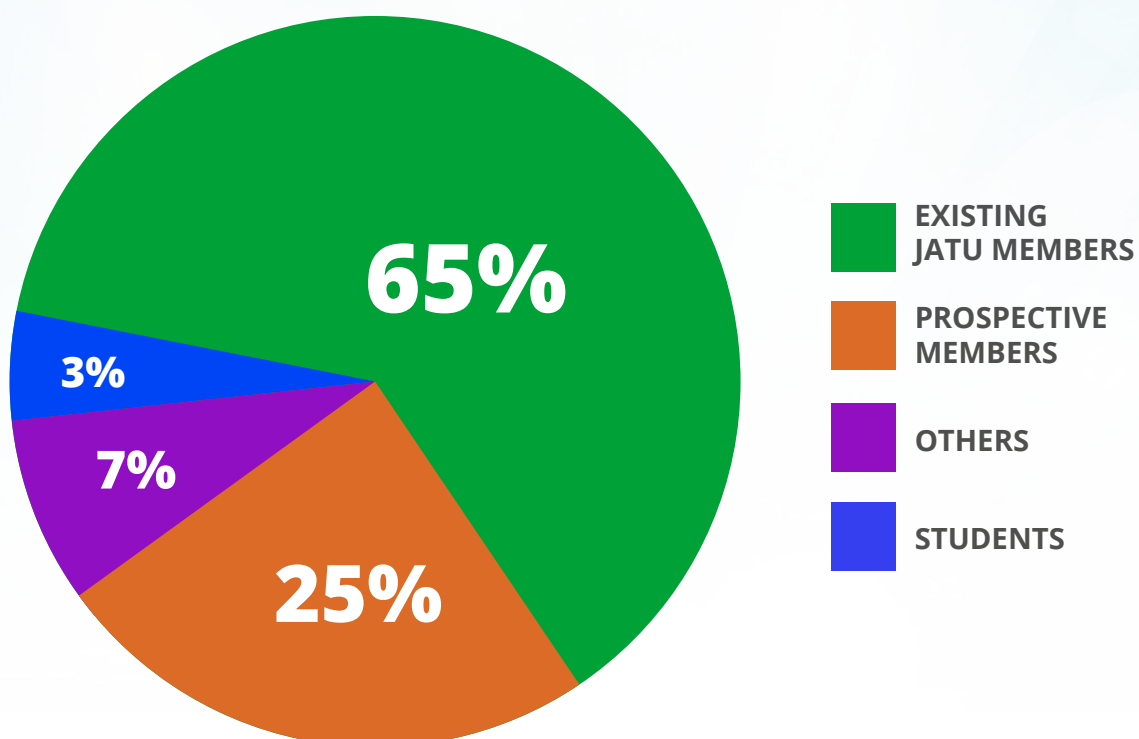
All refunds shall be by way of electronic funds transfer to the subscribers' bank account provided in the application form or banker's cheque or Company draft in case the electronic transfer fails. No interest will be paid on any application monies refunded as a result of the oversubscription of the Offer.

2.18 IPO Winning Strategies

JATU PLC is engaged in agri-business with 69,978 customers'; it operates supermarkets in five (5) regions of Dar es Salaam, Arusha, Mwanza, Mtwara, Dodoma; owns 40,678 hectares of land cultivating beans, maize, rice, sunflower and provides 10,264 direct and indirect employment opportunities to people of all calibres, male, female, youth, people with disabilities; and has agents across the country.

The investment policy of JATU prescribes ownership of 500 shares as a qualification for participation in agri-business projects, marketing or sales agent. Given that the vision of the Company is to operate in every district of Tanzania and considering the investment policy and competitive advantage of the Company, it is clear that the IPO will be successful as main targeted subscribers are people of all calibres within and outside the country.

Five (5) IPO Winning Teams have been composed to monitor and evaluate the progress of the IPO transaction on a real time basis. The team has conducted book-building for the subscription and will roll-out massive online, physical roadshows, crowd pulling events, bonanza and media campaigns to achieve the set goals. The result of book building indicates that the IPO will be successful with subscription composed 65% from Existing Members of JATU, 25% from Prospective Members, 7% from Diaspora, Corporates, Small Scale Farmers and 3% from Students in Universities and Other Higher Learning Institutions.

TARGET**2.19 Governing Laws**

Any contract resulting from acceptance of any application to purchase shares of JATU PLC shall be governed by and construed in accordance with Tanzania Laws.

3.0 SUMMARY OF TRANSACTION

3.1 Legal Status of the Company

JATU PLC is registered by BRELA and is incorporated under the Companies' Act 2002 vide a certificate of incorporation number 130452 issued on 20th October, 2016. The Company is also registered as tax payers with TIN 132-718-008 and is licensed to carry on the business of Entrepreneurship and Training ("Ujasiriamali na Mafunzo") and was issued with a business license number 2357184 by Temeke Municipality. JATU PLC is further approved by TBS as a manufacturer of food items and was issued with a certificate of registration numbers No.2534, Tanzania Standard(s) according to which the Goods are to be produced.

3.2 Legal Basis of the Offer

The shareholders through its extra ordinary Annual General Meeting held on 14th November 2020 passed a resolution to raise a total of TZS 7.5bn through an Initial Public Offer (IPO) of 15,000,000 new ordinary shares at a price of TZS 500 per share and subsequently list these shares on the Dar es Salaam Stock Exchange (DSE).

3.3. Background of JATU PLC

Founders of JATU PLC, Mr. Peter Isare Gasaya and Mr. Mohamed Issa Simbano while pursuing undergraduate studies, as law students at the University of Dar es Salaam, with the goal, intention and vision to take JATU PLC to the capital market, had a privilege to participate in all Capital Markets Universities and Other Higher Learning Institutions Challenges (CMUHLIC) organized by the Capital Markets and Securities Authority (CMSA). The primary objective of the challenge is to build capacity of participants to apply their theoretical knowledge to real life situations. The ultimate goal is to enable participants to become actual issuers and investors in in Agri-business value chain and Digital Technology thus provide employment opportunities to graduates and ultimately fuel economic development of Tanzania.

The participation of JATU PLC founders in the challenge provided great insights of capital markets issues and realized its importance in achieving JATU PLC goals for their former Legal Protection and Life Improvement Organization (LPLIO) members. The members grasped the opportunities and benefits of using capital markets to become official investors in the Company by purchasing shares and being recognised legally as shareholders of the Company. This milestone provided a strong foundation for JATU PLC founders to begin the process of raising capital by way of Initial Public Offer (IPO) and ultimately listing its shares on the Dar es Salaam Stock Exchange (DSE).



JATU PLC was listed on the Dar es Salaam Stock Exchange through the EGM Segment on 23rd of November 2020. The principal activity of the Company is to engage in marketing business applying Marketing services, industrial activities undertakings and agriculture undertakings in different goods and services. JATU PLC has chosen agricultural and industrial activities as a niche by connecting peasants and farmers in a network marketing methodology that enables them to farm collectively in groups by using modern and scientific technologies that goes with geographical and climate changes in the targeted areas. The listing of JATU PLC in the stock market is a positive result of the knowledge and understanding of capital markets acquired by its young Tanzanian founders, implementing the policy of building an industrial economy based on raw materials from the country.

JATU PLC started as a small economical project under the Legal Protection and Life Improvement Organization (LPLIO) on 02.03.2016 after the LPLIO board members had passed a resolution to establish the project held at Kivule Secondary School in Ilala District, Dar es Salaam Region. The project (JATU) was managed by the LPLIO for eight months.

The LPLIO management and the project members on 9th July 2016 passed further resolution that the project (JATU) should be independent and be registered as a full Company (the registration process of JATU project to JATU PLC at BRELA) and stand on its vital philosophy of Poverty alleviation and good health for human beings ("Kutokomeza Umaskini na Kujenga Afya"). The general meeting of LPLIO members held on 19.11.2016 at Kivule pack Garden in Ilala, Dar es Salaam, resolved that, JATU project should be transferred to JATU PLC.

On 14.01.2017 JATU PLC members met at J.K. Nyerere International Trade Fair grounds (Saba Saba) and launched its Projects and other associated activities under auspices of Peter Isare Gasaya being the founder, Chairman of the Board of Directors and Chief Executive Officer of the Company.



After listing, the Company is now looking at increasing investment in machineries, equipment, human resources and other infrastructures that will aim at supporting its agri business.

JATU PLC is also aiming at increasingly providing training to entrepreneurs and connecting people by doing business in a network marketing. It currently owns a Milling Plant at Kibaigwa in Dodoma Region, Rice Milling Plant in Morogoro Region and Beans Processing Unit in Tanga Region. The factory processes JATU products and products are now in the market reaching members and non-members through direct delivery at affordable and reasonable prices. The products are distributed and sold by JATU PLC Agents.

The Company agents and members who sell and buy JATU PLC products earn commissions in a multiplier effects on every month. JATU is further approved by TBS as a good manufacturer of food items in Tanzania.

Operational performance overview during the year 2017-2020

The Company maintained a steady growth with a total turnover having increased from TZS 151m in year 2017 to TZS 1.4bn in the year 2020.

Net profit during the year 2020 was TZS 97m compared to the previous year which recorded a net profit of TZS 40m.

Extracts of Audited Statement of Profit and Loss and Other Comprehensive Income

	AUDITED 31.12.2017	AUDITED 31.12.2018	AUDITED 31.12.2019	AUDITED 31.12.2020
	TZS	TZS	TZS	TZS
Sales Income	151,961,304	250,322,850	564,305,250	1,411,310,090
Less: Cost of sales	92,759,358	99,506,942	181,690,841	761,822,736
Gross Profit	59,201,946	150,815,908	382,614,409	649,487,354
Add: Other income	129,639,333	145,171,193	318,713,794	610,304,410
Total income	188,841,279	295,987,101	701,328,203	1,259,791,764
Less: operating expenses:				
Staff Costs	42,982,060	74,552,075	235,165,358	576,196,425
Finance Costs	-	8,759,534	19,162,736	17,873,476
Administrative expenses	82,252,754	128,957,355	301,048,497	273,643,116
Depreciation	53,780,695	64,732,402	102,705,589	290,538,795
Audit fees	3,500,000	3,000,000	3,158,000	4,130,000
Total expenses	182,515,509	280,001,366	661,240,179	1,162,381,812
Profit Before Tax	6,325,770	15,985,735	40,088,024	97,409,952
Income Tax	-	-	-	-
Net Profit	6,325,770	15,985,735	40,088,024	97,409,952
Dividends Paid/Proposed	-	-	22,311,505	41,249,393
Retained Earnings	6,325,770	15,985,735	40,088,024	96,248,583

Extract of Statement of Financial Position

ASSETS	AUDITED 31.12.2017	AUDITED 31.12.2018	AUDITED 31.12.2019	AUDITED 31.12.2020
Non-current assets	TZS	TZS	TZS	TZS
Property, plant and equipment	447,638,246	467,860,641	638,094,905	1,144,927,936
Total non-current assets	447,638,246	467,860,641	638,094,905	1,144,927,936
Current Asset				
Debtors	32,860,250	54,334,574	521,812,597	548,209,435
Prepaid rent	2,737,000	2,100,000	4,060,000	39,816,600
Stock	274,400	10,739,490	222,287,773	282,602,269
Tax credit	1,124,999	2,324,999	4,124,999	5,924,999
Cash in Cash Equivalent	20,725,536	1,199,150	30,726,023	97,373,242
Total current assets	57,722,185	70,698,213	783,011,392	973,926,545
Total Assets	505,360,431	538,558,854	1,421,106,297	2,118,854,481
EQUITY & LIABILITY				
Share capital and premium	272,648,000	450,840,500	1,082,174,500	1,082,174,500
Retained earnings/(loss)	6,325,770	22,311,506	40,088,024	96,248,583
Total Equity	278,973,770	473,152,006	1,122,262,524	1,178,423,083
LIABILITIES				
JATU SACCOS LOAN	108,519,580	-	-	-
EFTA & Agricom Loans	45,135,000	32,597,501	19,456,025	29,250,000
Trade creditors	67,161,641	12,913,735	77,165,101	431,466,122
JATU Members' Advances	-	-	121,030,979	121,030,979
Accruals	5,570,440	19,895,612	81,191,669	358,684,298
Total liabilities	226,386,661	65,406,848	298,843,774	940,431,398
TOTAL EQUITY & LIABILITIES	505,360,431	538,558,854	1,421,106,297	2,118,854,481

Highlights of Financial Projections from year 2021 - 2025

Financial projections which constitute of statement of financial position, Income Statements and Statement of Cash flow indicate that the business will generate an income of TZS 2.5bn in the first year and will steadily grow to TZS 4.6bn in the fifth year. Profit after tax is projected at TZS 267m in the first year growing to TZS 793m during the fifth year. Similarly, the net assets are projected to grow from TZS 8.8 bn at end of first year to TZS 9.9bn at end of the fifth year.

JATU PUBLIC LIMITED Company					
PROJECTED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
	2021	2022	2023	2024	2025
Income	2,537,231,885	3,805,847,828	3,996,140,220	4,195,947,230	4,615,541,954
Other Income	756,834,851	747,651,594	825,646,673	862,654,007	901,511,707
Total Income	3,294,066,736	4,553,499,422	4,821,786,893	5,058,601,237	5,517,053,661
Less: Cost of Sales	1,028,460,694	1,542,691,040	1,573,544,861	1,605,015,758	1,637,116,074
Gross Profit	2,265,606,043	3,010,808,381	3,248,242,032	3,453,585,479	3,879,937,587
Less: Operating expenses:					
Selling and distribution	23,392,692	46,785,384	93,570,768	140,356,152	210,534,228
Staff Costs	906,455,000	997,100,500	1,017,042,510	1,220,306,095	1,346,712,217
Finance Costs	26,810,214	27,346,419	27,893,347	28,451,214	29,020,238
Administrative Expenses	1,041,852,385	1,713,035,948	1,672,044,728	1,736,544,728	1,119,890,360
Total Expenses	1,998,510,291	2,784,268,251	2,810,551,354	3,125,658,189	2,706,157,043
Profit Before Tax	267,095,752	226,540,130	437,690,678	327,927,290	1,173,780,544
Tax for the year	-	-	-	271,619,128	380,386,835
Profit After Tax	267,095,752	226,540,130	437,690,678	56,308,163	793,393,710
ROA	2.7%	2.1%	3.8%	0.5%	6.9%
ROE	3.0%	2.4%	4.4%	0.6%	8.0%

JATU PUBLIC LIMITED Company					
PROJECTED STATEMENT OF FINANCIAL POSITION AS AT					
ASSETS	2021	2022	2023	2024	2025
Non-Current Asset	TZS	TZS	TZS	TZS	TZS
Property, Plant & Equipment	3,226,147,885	5,569,793,498	4,255,396,781	3,124,500,064	2,352,257,715
Total Non-Current Asset	3,226,147,885	5,569,793,498	4,255,396,781	3,124,500,064	2,352,257,715
Current Assets					
Investments	4,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Inventories	535,261,564	2,197,491,525	3,223,125,615	4,724,398,855	5,944,292,300
Trade and other receivables	507,446,377	761,169,566	799,228,044	839,189,446	923,108,391
Tax credit	17,924,999	63,233,025	150,771,161	-	-
Cash and cash equivalent	1,472,950,703	686,486,131	1,194,874,632	1,069,321,171	1,230,353,823
Total Current Assets	6,533,583,643	4,708,380,246	6,367,999,451	7,632,909,473	9,097,754,514
TOTAL ASSETS	9,759,731,528	10,278,173,744	10,623,396,232	10,757,409,537	11,450,012,229
EQUITY AND LIABILITIES					
Share Capital and Premium	8,582,174,500	8,582,174,500	8,582,174,500	8,582,174,500	8,582,174,500
Retained Earnings	283,215,609	441,793,700	748,177,175	787,592,889	1,342,968,485
Total Equity	8,865,390,109	9,023,968,200	9,330,351,675	9,369,767,389	9,925,142,985
Liabilities					
Trade & other payables	308,538,208	462,807,312	472,063,458	481,504,728	491,134,822
Accruals	585,803,211	791,398,232	820,981,099	850,874,912	888,103,696
Income Tax Payable	-	-	-	92,980,177	380,386,835
Total liabilities	894,341,419	1,254,205,544	1,293,044,557	1,425,359,817	1,759,625,353
TOTAL EQUITY AND LIABILITIES	9,759,731,528	10,278,173,744	10,623,396,232	10,757,409,537	11,450,012,229

JATU PUBLIC LIMITED Company

STATEMENT OF CASH FLOW FOR YEARS

CASH FLOWS FROM OPERATING ACTIVITIES	2021	2022	2023	2024	2025
Profit before taxation	267,095,752	226,540,130	437,690,678	327,927,290	1,173,780,544
Adjustments for:					
Depreciation:	701,021,001	1,365,387,937	1,324,396,717	1,388,896,717	772,242,349
Operating Profit before changes in WC	968,116,753	1,591,928,067	1,762,087,395	1,716,824,007	1,946,022,893
CHANGES IN WORKING CAPITAL (WC)					
Increase in trade and other receivables	80,579,658	(253,723,189)	(38,058,478)	(39,961,402)	(83,918,945)
(Increase)/Decrease in inventories	(252,659,295)	(1,662,229,960)	(1,025,634,090)	(1,501,273,240)	(1,219,893,445)
Increase/(Decrease) in trade and other payables	(243,958,892)	154,269,104	9,256,146	9,441,269	9,630,095
Increase/(Decrease) in provisions	227,118,913	205,595,021	29,582,868	29,893,813	37,228,784
Cash flow from operating activities	779,197,136	35,839,043	737,233,840	214,924,446	689,069,382
Tax Paid	(12,000,000)	(45,308,026)	(87,538,136)	(65,585,458)	(290,018,618)
Net Cash flow from operating activities	767,197,136	(9,468,983)	649,695,704	149,338,988	399,050,764
CASH FROM INVESTING ACTIVITIES					
Purchases of fixed assets	(2,782,240,950)	(3,709,033,550)	(10,000,000)	(258,000,000)	-
NMB FDR	(4,000,000,000)	3,000,000,000	-	-	-
Cash Used by Investments	(6,782,240,950)	(709,033,550)	(10,000,000)	(258,000,000)	-
CASH FLOW FROM FINANCING ACTIVITIES					
Term Loans	(29,250,000)	-	-	-	-
Dividends	(80,128,726)	(67,962,039)	(131,307,203)	(16,892,449)	(238,018,113)
Share capital	7,500,000,000				
Net Cash flow from financing activities	7,390,621,274	(67,962,039)	(131,307,203)	(16,892,449)	(238,018,113)
Net (decrease)/increase in cash and cash equivalents	1,375,577,461	(786,464,572)	508,388,501	(125,553,460)	161,032,652
CASH AND CASH EQUIVALENTS AT					
Balance as at 1st January	97,373,242	1,472,950,703	686,486,131	1,194,874,632	1,069,321,171
Balance as at 31st December	1,472,950,703	686,486,131	1,194,874,632	1,069,321,171	1,230,353,823

3.4 Shareholding Structure

Currently the Company has only one class of ordinary shares authorized and issued. There are no preference shares.

The Company has a total authorized share capital of TZS 125,000,000,000 consisting of 250 million ordinary shares at a nominal value of TZS 500 per share. Total issued and paid-up share capital amounts to TZS. 1,082,174,500/-.

JATU Shareholding Structure before and after IPO Split -2021

Shareholding Structure before Share Split			
Share range	No. of subscribers	Total shares	Shareholding
Below 1000	1493	349,816	16.16%
1000 - 3000	279	455,513	21.04%
3001 - 6000	54	236,540	10.92%
6001 - 21000	24	199,450	9.22%
21001 - 100000	11	476,490	22.02%
100001 - 300000	2	446,540	20.64%
TOTAL	1,863	2,164,349	100%

Shareholding Structure after Share Split at a ratio of 2:1 - Cut off date being a day before IPO Opening date i.e. 31 st May 2021			
Share range	No. of subscribers	Total shares	Shareholding
Below 1000	1,311	443,702	10.25%
1000 - 3000	322	573,260	13.24%
3001 - 6000	139	593,696	13.72%
6001 - 21000	76	808,180	18.67%
21001 - 100000	9	571,950	13.21%
100001 - 300000	4	444,830	10.28%
300001 - 600000	2	893,080	20.63%
TOTAL	1,863	4,328,698	100.00%

Share capital after the offer will depend on the actual subscription of shares, however, the current shareholding structure stands as follows:

Status	Shareholding (%)	No. of Shares
Total authorized shares	100%	250,000,000
Total Issued and paid-up Shares (after share split)	1.74%	4,328,698
Unissued Share Capital	98.26%	245,671,302

Shareholding Structure after Initial Public Offer

Status	Shareholding (%)	No. of Shares
Total authorized shares	100%	250,000,000
Issued and paid-up Shares (after share split)	1.74%	4,328,698
Shares to be Issued to the Public (IPO)	6%	15,000,000
Unissued Share Capital	92.26%	230,671,302

Company Promoters

No.	Name	Shares before split	Shares after split	Shareholding
1	Peter Isare Gasaya	255,220	510,440	11.80%
2	Mohamed Issa Simbano	191,320	382,640	8.84%
3	Esther Marino Christian	62,230	124,460	2.88%
4	Claudia Simon Albogast	56,040	112,080	2.59%
5	Esther Philemon Kiuya	52,640	105,280	2.43%
6	Charles Mwita Gichogo	51,505	103,010	2.38%
7	Ekaudi Frank Semkiwa	46,390	92,780	2.14%
8	Moses Lukoo William	46,250	92,500	2.14%
9	Paul Kapalata Msabila	39,470	78,940	1.82%
10	Magreth Fabian Laurent	35,880	71,760	1.66%
11	Keneth John Maganga	28,335	56,670	1.31%
12	Mary Richard Chulle	27,875	55,750	1.29%
TOTAL		893,155	1,786,310	41.27%

Current Major Shareholders of the Company

No.	Name	Shares before split	Shares after split	Shareholding
1	Peter Isare Gasaya	255,220	510,440	11.80%
2	Mohamed Issa Simbano	191,320	382,640	8.84%
3	Esther Marino Christian	62,230	124,460	2.88%
4	Claudia Simon Albogast	56,040	112,080	2.59%
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TOTAL		893,155	1,786,310	41.27%

4.0 ECONOMIC OVERVIEW

4.1 Agribusiness Overview

4.1 Overview of Agribusiness industry in Tanzania

4.1.1 Situation Analysis of Agro Business in Tanzania

Tanzania has rich natural resources for agricultural development. The country has 94.5 million hectares of land of which 44 million hectares are classified as arable, but only 24% of the arable land is under cultivation. Of the 50 million hectares, suitable for livestock, only 26 million hectares is under use while the rest cannot be accessed mainly due to tsetse fly infestations. It has the third largest livestock population in Africa after Sudan and Ethiopia.

Though the country is well endowed with a high potential base for agriculture development, there is only a small quantity of large-scale commercial farms in the sector. Agricultural production is dominated by smallholders. They represent most of the rural families, however notably, half of them are commercial, not subsistence, in that they sell from a minimum of one-quarter of their output to typically half or more in the local community.

Fetching good market prices of the agricultural product, i.e., farm gate prices, is crucial for the smallholders. However, most of the agricultural products fetch low market prices due to low quality resulting from low adoption of improved technology including improved variety, nutrients (fertilizer), pest management, and under-recognition of market requirements. Limited amount of production mainly due to low productivity and limited cultivated area also significantly affects the farm gate prices offered by middle-men at the farm gate. Weak mechanism for accreditation, testing, quality monitoring, grades and standards of agricultural products also affects the price determination.

Value addition through processing of agricultural crops would not only create more employment opportunities and income but also reduce rural-urban migration, especially if processing industries are established in rural areas. However, agro-processing industries in Tanzania are underdeveloped, as result of multiple effects of inadequate availability and accessibility such as rural roads, electrification, water, communication, rural finance and market infrastructure.

4.2 Status of Agro Business in Tanzania

4.2.1 Specific Interventions

The ASDS I (2001) has identified the followings as required specific interventions:

- Improving water supply management and irrigation,
- Introducing farm mechanization,
- Use of improved seeds, fertilizers, vaccines and agro-chemicals, range land management.
- Mechanization
- Research and
- Extension services

Some of the required facilitating factors include market information, marketing infrastructure, research and extension, private sector business environment, and financial services.

The sector's constant growth rate of about 4.2 percent per annum over the past ten years appears to have been driven mainly by area expansion rather than by productivity increase in response to increasing demand for food and non-traditional cash crops. The following sections explain about the current status of the key-subsectors and issues.

4.2 Policy and Regulatory Framework

4.2.1 Policy environment on Export and Import

As agricultural production continues to increase, export market, especially to regional one, needs to be explored. Despite of these circumstances, the stakeholders in the sector have been suffering from unpredictable and unclear policy environment especially on export and import as well as its enforcement capacity. Coherent and predictable policies are crucial for sustainable sector development.

4.2.2 Data Availability

Reliable and timely data availability has been one of the major shortcomings of the sector. According to the Agricultural Statistics Strategic Plan (2014), National Sample Census of Agriculture, Annual Agricultural Sample Survey, and routine data collection systems need to be improved toward the evidence-based decision-making.

4.2.3 Degradation of natural environment

As the development and human activity enhances, degradation of natural environment such as land degradation, siltation in the river, change of river course, eventually affect the agricultural activities. Observation of environmental laws and regulations at local level is generally weak.

4.2.4 Increasing resource competition

Along with climate changes, water demand by multiple sectors (agriculture, energy, human life consumption, watershed and wildlife conservation, etc.) is becoming more and more competitive. There is no assurance of continuous water allocation for agricultural sector that is the largest user of water resources.

Increasing human and livestock populations are putting pressure on land use. Increasing conflicts between farmers and livestock keepers is a hindrance to the sector

5.0 JATU PLC OVERVIEW

5.1 Vision

It is the Vision of the JATU PLC to be the preferred Company, which is focused on meeting customers demand both nationally and internationally in the agribusiness products and agricultural related products while providing a reasonable return to shareholders.

5.2 Mission

To ensure that human lives are enriched with good health through use of premium natural products produced by JATU PLC and provide poverty reduction solutions by use of human resources, modern agriculture and engage in industrial activities and network marketing to ensure profit sharing.

5.3 Objectives of the Company

In general, the Company's objectives are in three folds namely, to conduct multilevel marketing, undertake industry activities and undertaking of agriculture activities.

5.4 S.W.O.T Analysis

5.4.1 Strength

The Company boasts of the following competitive advantages which enhances achievement of its business goals namely

- Presence of industrious, competent and experienced management is an important factor that has risen and will continue to grow the Company to greater heights of achievements.
- Availability of SACCOS to provide soft loans with zero interest to farmers is a strong strength besides giving assurance to lenders as the soft loans are also insured.
- Presence of its milling plant at Kibaigwa which can be escalated with a view to gain more customers for the milling services hence create significant additional income to the Company.
- The Company has in place a good dividend policy which allows distribution and sharing of dividends among its members who also double as customers of the Company. This attribute occurs through a network marketing strategy that the Company uses and will continue to use to distribute its products. No competitors may match this strategy.
- The Company has a wider membership base who serves as customers of the Company who in turn makes the market for Company products.

5.4.2 Weakness

- Weaknesses include lack of storage facilities for products, own transport facilities, shortage of machineries and equipment to cope with growing demand for products and insufficient capital or funds to undertake a wider and modern agriculture farming and related services.

5.4.3 Opportunities

The Company is operating and is planning to expand its business in the light of emerging opportunities which if properly utilized will render more growth and other benefits to the Company. The following were identified to be opportunities posed to the Company.

- Increased demand for food stuffs by general population which in turn impacts positively on the demand for Company products.
- Good experience accrued to the Kibaigwa Milling plant arising from good customer services and quality services and products can be projected to surrounding communities by way of indulging in advertisement and promotion in general in order to enlarge the customer base of the Company. It is expected that once more people become aware of the plant services, they will make use of the plant services and products hence creating a reliable source of income to the Company,
- The growing relationship among East Africa member states stands to create wider market for Company products considering that Tanzania is the only country in East Africa with ample arable and fertile land for agriculture. This blessing translates to the fact that if well utilized the country can become the basket donor of cereals in the whole of East Africa region and this will trickle down to JATU PLC given its strategic plan to venture into expansionary ambitious agriculture project.
- Availability of fertile land and favorable weather at Kiteto which is suitable for maize production stand to substantially boost production of maize and hence increased maize flour outputs.

5.4.4 Threats

Although JATU PLC is taking out the high end of this market, we cannot fail to be compared with some of the current leaders in this arena. Azam Food Products and Mohamed Enterprises and others are just a few of the participants in this segment. Most of their products have been on the shelves for so long and are taken for granted by consumers. Our quality products, dedication, good customer services, professionalism will not only make a big difference but; our marketing strategies will make us considerably different from them as well.

6.0 CORPORATE GOVERNANCE

The development of proper governance practices for the Company is one of the prerequisites for maximizing shareholders value and achieving its mission.

6.1 Board Responsibility and Accountability

The Company's Board is responsible for the governance of the business and is accountable to the shareholders to ensure that the Company complies with the law and the highest standards of corporate governance and business ethics. The Directors attach great importance to the need to conduct the business and operations with integrity and in accordance with generally accepted International Standards of corporate practice and governance.

The Company undertakes to comply with the requirements of the Capital Markets and Securities Authority Guidelines for Corporate Governance Principles for listed companies in the Dar es Salaam Stock Exchange.

In view of this, the Board of Directors continue to strengthen good governance system by reviewing policies in the areas of the Board and Board Committees' activities and general management of the Company.

6.2 Board of Directors

The full Board meets at least four times a year. The Directors are normally given appropriate and timely information so that they can maintain full and effective control over strategic, financial, operational and compliance issues. Except for direction and guidance on general policy, the Board has delegated authority to conduct day-to-day business to the Chief Executive Officer. The Board none-the-less retains overall responsibility for establishing and maintaining the Company's overall internal control of financial, operational and compliance issues.

6.3 Chairman and Chief Executive Officer

The Chairman is a non-executive Director, and the roles of the chairman and the Chief Executive Officer are separate, with their responsibilities clearly defined. The Chairman is responsible for leading the Board and ensuring its effectiveness. The Chief Executive Officer is responsible for the execution of the Company's strategy, policies and the day-to-day business of the Company, supported by Management and Executive Committees which he chairs.

6.4 Board Structure

All members to the Board are non-executive except the Chief Executive Officer. The positions of Board Chairperson, Vice Chairperson and chairpersons of Committees are held by non-executive board members.

6.5 Board Composition

The Board of Directors currently is composed of 6 members, 3 of which were nominated from Minority Shareholders to represent their interest.

6.6 Board Meetings

The Board of Directors and the Committees meets at least four times a year, i.e., once in every quarter.

6.7 Committees of the Board

The Board constitutes of the Finance, Audit and Administrative Committee in line with the requirement of the CMSA and DSE rules and they meet regularly under the terms of reference set by the Board. Members of this Committee includes; Phinias Opanga (Chairman), Abdallah Gonzi, Mwajuma Hamza, Ian Samakande and Mohamed Issa Simbano (Secretary).

The Committee meets at least four times a year. The responsibilities of the Committee include reviewing the financial statements, compliance with Accounting Standards, liaison with the external auditors, review of the remuneration of the external auditors, review of risk management practises and framework and maintaining oversight on internal control systems. The Chairperson of the Finance, Audit and Administrative Committee is appointed from the Board Members other than the Chairman of the Board. The Chief Internal Auditor, the Finance Director, and the Chief Executive Officer attend all meetings of the Committee. The external auditors only attend the meetings on invitation only.

6.8 Internal Control System

The Company has defined procedures and financial controls to ensure the reporting of complete and accurate accounting information. The identified procedure includes:

- Systems for obtaining authority for major transactions and for ensuring compliance with laws and regulations of the Company that have significant financial implications.
- Ensuring that assets are subject to proper physical controls and that the Company remains structured to ensure appropriate segregation of duties.
- In reviewing the effectiveness of the systems of internal control, the Board takes into account the results of all the work carried out to audit and review the activities of the Company.
- A comprehensive management accounting system is in place providing financial and operational performance measurement indicators.
- Weekly and monthly meetings are held by the management to monitor performance and to agree on measures for improvement.

6.9 Shareholder's control:

The shareholders have the responsibility to appoint or elect Board Members during the Annual General Meetings (AGM) in line with Section 6.5 above.

6.10 Profiles of Directors

The JATU Directors are appointed by the Shareholders as provided in the Articles of Association of the JATU PLC. None of the Directors mentioned in this Prospectus has been the subject of bankruptcy or convicted in a criminal proceeding of a court. As of December 2020, the Issuer has not entered into contract with any of the Directors. A brief profile of each of the JATU Directors at the date of the Prospectus is as follows:



Eng. Dr. Zaipuna Obedi Yonah (60 years)

Eng. Dr. Zaipuna Obedi Yonah was appointed JATU PLC Board Member and then elected Chairperson of the Board in June 2019. He holds a B.Sc. Degree (with Honors - 1985) in Electrical Engineering from University of Dar es Salaam - Tanzania; and M.Sc. (1988) and PhD (1994) Degrees in Electrical Engineering from the University of Saskatchewan, Saskatoon-Canada. He is a registered Consulting Engineer in Telecom/ICTs heavily involved with value creation,

enablement and protection through ICTs, a mind-set to be applied into farming, food processing, product distribution and demand creation for consumption of agro-products.

He is associated with Applied Engineering & Byte Works (T) Limited (AEBW): a consulting engineering firm in ICTs/Telecoms as a Managing Director and Senior Consultant, Nelson Mandela African Institution of Science and Technology (NMAIST) as a Senior Researcher and the IEEE Inc., as a Senior Member (SMIEEE). He has over 35 years of practice covering several engagements, managerial positions in operations and in strategy & business development a practice spanning the academia (University of Dar es Salaam – 1985- 2000, Nelson Mandela – African Institution of Science and Technology (NM-AIST) 2013 - to date), and policy-making in ICTs/Telecom Sectors (Director for ICTs in Government) with assignments within Tanzania (He delivered the revolutionary Multi-million Dollar National ICT Broadband Backbone (NICTBB): 2008 – 2013)), East Africa and SADC economic communities.

He brings into JATU PLC experience of forming and leading high-performance teams with high integrity and high value proposition, in this case to deliver JATU's vision. He is experienced in training, research, project formulation and implementation, mentorship and team building, adding researched science and ICTs to productivity and integrated thinking towards empowerment of people and poverty alleviation – through commitment to excellence and leadership.



Mr. Abdallah Gonzi (44 Years)

Mr. Abdallah Gonzi holds Bachelor of Laws (Hons) (2004) and Master of Laws (2006) degrees from the University of Dar es Salaam (2006). His Masters focused on Corporate Management. He is currently pursuing a Ph.D. in Law. He was nominated as a Board Member to represent minority shareholders. Mr. Gonzi is a Lecturer at the University of Dar es Salaam School of Law and a Practising Advocate.

He brings to JATU PLC rich experience and exposure in Law and Management. His major areas of competence include Business Law, International Arbitration, Mediation, Negotiation, Human Rights, Civil Procedure and Criminal Law.



Ms. Emmanuela Mtatifikolo Kaganda (42 Years)

Ms. Emmanuela Mtatifikolo Kaganda is a member of the Board of Directors of JATU PLC that was confirmed by the AGM in June 2019. Ms. Kaganda was nominated into the Board on merit based on her strong experience and exposure in the areas of community health, mass communication and community relations, international relations, conceptualization of Community projects, design, implementation and supervision of community projects as well as

Community Mobilization and Product Branding. She holds a Diploma in Mass Communication from the St. Augustine University Tanzania in Mwanza (2004) and a Master's degree in Community Health from the School of Public Health of the City University of New York (CUNY) (2017).

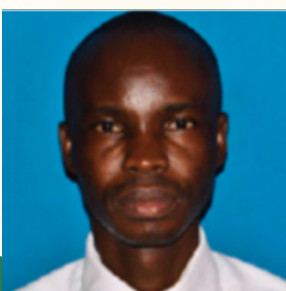
Ms. Kaganda has earned her experience from working as Director of Vijana Malezi Initiatives (VMI), as coordinator of the Construction and establishment of Mwalimu Julius Nyerere Leadership School (MJNLS); as Board Member of the SEWOTA, and as Coordinator of projects, in particular, Youth Projects, Africa region under the United Evangelical Mission (UEM).



Ms. Mwajuma Hamza (31 Years)

Ms Mwajuma Hamza was appointed as a Board member and Vice Chairperson for JATU PLC in June 2019 to represent minority shareholders. Her nomination was based on merit associated with her strong experience in business development and community mobilization expertise. She holds Masters of International trade (MIT) from University of Dar es Salaam Business School (UDBS) and Bachelor's degree in Political Science and Public Administration from the University of Dar es Salaam. She is a trade and entrepreneurship expert from Tanzania with experience of six years. She is currently working with Tanzania Women Chamber of Commerce (TWCC) as Ag. Executive Director. She is expert on women economic empowerment related issues such as Business development, Advocacy, entrepreneurship, Procurement, Trade and market development. She is a Policy analyst and international trade trainer. She attended several trainings including leadership, Competitive intelligence, Export, the role of trade supporting institutions, Quality and standards, project planning and management, Advocacy, exhibition skills, business financing and cross border trade. She has achieved to initiate several projects and programs for women and youth economic empowerment and supported many young and women groups with mentorship programs.

She is also a member in several National Business Association and Committees. Mwajuma is also trainer and Advisor for different Youth organizations across the country and a champion for youth self-employment. Miss Mwajuma brings to JATU her expertise in business and program management to support the achievement of the organization vision.



Mr. Phinias Opanga (CPA) (48 Years)

Mr Phinias Opanga (CPA) was elected Board member for JATU PLC in June, 2019 to represent minority shareholders. CPA Opanga holds an Advanced Diploma in Accountancy from the Institute of Finance Management, (IFM) Tanzania (1999), Post Graduate Diploma in Accountancy from the Institute of Accountancy Arusha, 2011, and a CPA (T) qualification (2012). He is a registered Associate Certified Public Accountant (ACPA) with the National Board of Accountants and Auditors (NBAA), Tanzania.

He is experienced with a record merit in preparation of financial regulations and accounting policies, upgrading of Accounting Information Systems, designing Internal control systems, preparation of consolidated and non-consolidated financial statements, preparation of Accounting Manuals, being a Tender Board member. Additionally, he is strong in budgeting and risk management and in applying International Public-Sector Accounting Standards (IPSAS Accrual Basis).

He gained his extensive experience and exposure on Accounting from working on a variety of accounting and financial management dynamics at Mansoor Daya & Co. Ltd (2000 – 2003); Faulu Tanzania Limited (2003); the Ministry of Finance and Planning of Tanzania (2006 – 2014); as a Senior Accountant in the Department of Irrigation of the Ministry of Agriculture and Food Security (2014 – 2016); as Acting Director of Finance and Administration with the Rufiji Basin Development Authority (RUBADA)(April 2015 – 2016). He is currently working as Senior Accountant In-charge of Finance Unit with the National Housing and Building Research Agency (July 2016 to date).

He brings into JATU an extensive experience of over 19 years of implementation of Accounting Information systems, risk management skills, financial statements analysis and extensive efficient financial decisions.



Mr. Ian Samakande (43 Years)

Mr. Ian Samakande was nominated and confirmed to be a Board member for JATU PLC in June 2019. His nomination was based on merit associated with his strong and convincing practice in Agricultural Engineering, in particular, in the aspects of planning, Designing and installation of farm mechanization, irrigation, crop handling and processing. He holds a BSc Honors Degree in Agricultural Engineering from the University of Zimbabwe (2000).

Eng. Samakande's experience has been built since year 2000 from researching on irrigation systems performance and water use management while working with the University of Zimbabwe; as a research engineer with the Zimbabwe Irrigation Technology Centre, a unit of Zimbabwe's Ministry of Agriculture (2004 - 2008). During this period, he developed and honed his skills of testing irrigation equipment (imported or locally made) and setting up demonstration farms and reviving irrigation systems including drip, sprinkler and centre pivot irrigation systems. In 2008, he established Irrigrow Global Ltd, a private irrigation Company in Tanzania focused on design and installation of irrigation systems, installation of greenhouses, design and construction of farm water storage systems and supply and installation of solar pumping systems; a good case being delivering development projects in Iringa involving drip and solar pumping systems at Igingilanyi, Wangama and Tanangozi. The customers of Eng. Samakande include individuals and development projects requiring drip irrigation systems which are geared at economizing water use while maximizing productivity.

Mr. Samakande brings into JATU PLC over 10 years of exposure and practice in pioneering the commercialization of farm production aspects, an experience and a skill set to be used to establish vibrant and productive JATU PLC farms.



Mr. Peter Isare (30 Years)

Mr Peter Isare, is an ex officio Board member of JATU PLC.

He is the Founder and Current Chief Executive Officer (CEO) of JATU PLC. Mr Isare holds a Bachelor of Laws (LLB) (2016) from the University of Dar es Salaam, Tanzania. Currently he is pursuing Masters of Business Administration at University of Dar es Salaam. He has a desire to transform the Tanzanian society, especially the youth in the country, through wealth creation by means of agro-activities.

JATU is more in line with Peter's dream to have a vehicle to create wealth for those below the pyramid and to eradicate poverty in Tanzania. In his current role, he has gained a reputation for improving operational efficiency and maximizing growth by ensuring that everyone within his JATU's team knows how important their role is to the Company's overall success. He has the dream of empowering youth and small holder farmers in Tanzania to own and manage their lives by profitably controlling the agro-value chain; from collective farming, agro-processing, distribution and consumption of agro-products through JATU PLC.

6.11 Profile of Senior Management Team



Mr. Peter Isare (30 Years)

Mr Peter Isare, is the Founder and Current Chief Executive Officer (CEO) of JATU PLC. Mr Isare holds a Bachelor of Laws (LLB) (2016) from the University of Dar es Salaam, Tanzania. Currently he is pursuing Masters of Business Administration at University of Dar es Salaam. He has a desire to transform the Tanzanian society, especially the youth in the country, through wealth creation by means of agro-activities.

JATU is more in line with Peter's dream to have a vehicle to create wealth for those below the pyramid and to eradicate poverty in Tanzania. In his current role, he has gained a reputation for improving operational efficiency and maximizing growth by ensuring that everyone within his JATU's team knows how important their role is to the Company's overall success. He has the dream of empowering youth and small holder farmers in Tanzania to own and manage their lives by profitably controlling the agro-value chain; from collective farming, agro-processing, distribution and consumption of agro-products through JATU PLC.



Mr. Mohamed Issa Simbano (34 Years)

Mr. Simbano is a Director of Legal and Company Secretary.

He studied at the University of Dar es Salaam (2012 – 2016) and graduated with a Bachelor of laws in 2016. He is both a Co-Founder of JATU PLC and Legal Protection and Life Improvement Organization. (LPLIO) an NGO that fostered JATU idea as a project.

He has also attended various DSE Training on Operational Management, Marketing and Sales, Financial Management, Leadership and Enterprise Governance, Intellectual Property Rights, Patent & Copy Rights Issues, Managing People and Talent, Business Strategic Plan and Business Financing Options.

He started practicing leadership since 2012 while at the University of Dar es Salaam. He is self-motivated learned professional, eager to learn and develop. He is a hard worker, cooperative and can work under minimum supervision to pursue a common goal. He is running with the vision of JATU PLC to empower other youth and small holder farmers in Tanzania.



Mr. Aloyce Valentine Mushy (55 Years)

CPA Aloyce Valentine Mushy is the Director of Finance at JATU PLC.

He holds a B. Com Degree (with Honours – 1994) in Finance from University of Dar es Salaam; Certified Public Accountant (CPA - 2001) and a member of the National Board of Accountants and Auditors (NBAA) reg. GA 811.

CPA Aloyce is a highly motivated and results driven Finance Director with 20 years' experience in top level business environments. Confident, tenacious with a proven track record for first class account handling and client satisfaction. A broad knowledge of a wide range of financial practices, including credit control, budget handling, Tax Management Accounting and forecasting. An excellent communicator with a can-do approach to problem solving and resolution. Extremely meticulous with an eye for detail and positive outlook in often complex financial landscapes.

Before joining JATU PLC, CPA Aloyce practiced as an auditor for Hekima Associates and Karishoi Business Advisory Services Audit firms established and in professional practicing in Dar es Salaam (2014 – 2020). Finance Manager at Paylink Tanzania Ltd (2013 -2014) the provider of payments platform through mobile operators.

Mushi worked as Chief Accounting Consultant with EMMAC Investment Consulting Ltd over years where he was driving and managing key account teams of SME's and Corporates in Tanzania, supporting Local and International Business Entities strengthening key accounting areas and target Financial Growth. With the EMMAC team, he managed to enable a number of SMEs get access to finance by righting business appraisals and funding applications to various financial service providers.

He also worked as Finance and Administration Manager at Colgate-Palmolive Tanzania Ltd (2006 – 2013), Colgate Palmolive Tanzania Ltd Branch Company for the multinational Colgate-Palmolive and is importer and seller of a wide range of Colgate products from abroad. Cost and General Ledger Accountant at Coca Cola Kwanza Ltd (1994 – 2006). Coca cola is well known for supplies of a wide range of soft drinks.

His notable achievements include: Turned around a loss-making new Company i.e Colgate Palmolive Tanzania Ltd to good and improving and attracting profitability. Originally, Colgate toothpaste was traded under franchise arrangements that resulted into huge losses.

To supplement promoters and the rest of the team endless efforts, CPA Aloyce is bringing to JATU PLC, the broad accountancy expertise, excellent internal controls system, professional experience and systemized accounting system to help excel the Company to maximize return to shareholders, fulfil statutory and legal requirements as per Companies Act/Statutory regulators and drive JATU PLC vision to determined destination.



Ms. Deborah S. Mavura (34 Years)

Deborah S. Mavura is the Director of Administration at JATU PLC.

Deborah S. Mavura is a personable and goal-oriented individual. Having more than four years working experience in the field of Human Resource that she has attained through her previous engagements.

Deborah holds a Master Degree in Strategic and peace Studies from University of Dar es Salaam as well as Undergraduate Bachelor degree in Conflict Resolution and Peace Studies from Kampala International University.

She is very Confident working with diverse cultures and situations in which cultural awareness and appreciation are integral.

Before joining JATU PLC, Deborah worked for the following firms: TEG Consultancy an Auditing firm as Human Resource and Compliance Manager (July 2018 to Nov 2020). Human Rights Promotion Organization. (HRPO) for four years as Project Manager (Feb 2012 to June 2016).

British Council for One year as Project Assistant (April 2010 to April 2011). Deborah is also an AIESEC Alumni whereby during her membership with the organization she managed to hold a post of a Local Chapter Vice President Exchange from August 2009 to April 2010).

During her Masters studies Deborah had an opportunity to attend for the 4th International Conference on Strategic Theory at Stellenbosch, South Africa as a report and editorial team member.



Mr. Moses Lukoo William (28 Years)

Mr. Moses Lukoo William is the Director of ICT at JATU PLC.

Mr. Moses Lukoo William, is one of the Co-Founders and ICT Expert/Consultant at JATU PLC since 2016. He completed his Diploma studies in ICT at St. Joseph's Institute of Business and Management in Morogoro, Tanzania and currently he is pursuing BICTs at College of Business Education. He was best overall student in his final year 2015/2016. He has three years of working experience and extensive professionalism in managing IT systems. His areas of expertise include Systems Administration, Network Troubleshooting, Maintenance and repair of computer hardware, Graphics Design and multimedia and on Capacity building through offering training on usage of online systems.



Nicholous Hillimary Fuime (29 Years)

Mr. Nicholous Hillimary Fuime is the Head of Research and Project Department of the Company.

He has been supervising Kilimo Project since 2016 to 2020 at the Company. He is a successful Lawyer from the University of Dar es Salaam, very experienced in the area of project coordination, planning, supervising and overseeing different projects. Fuime is a result-oriented personnel committed to meet project goals on time and within budget.



Mr. Lusekelo Yonah Mwakapala (41 Years)

Mr. Lusekelo Yonah Mwakapala is the current Director of Marketing and Public Relation.

Before joining the Company, he has been pursuing his PhD in China for 4 years majoring in Business administration. Worked with TIB Development bank as Senior Monitoring Officer Project under Implementation prior to his PhD scholarship.

He has spent 9 years with CRDB bank PLC as a bank officer up to manager business bank. Furthermore, an experience as an assistance lecturer with College of Business Education (CBE).

He is also playing a role as a consultancy with Soundclaims International since January 2021.

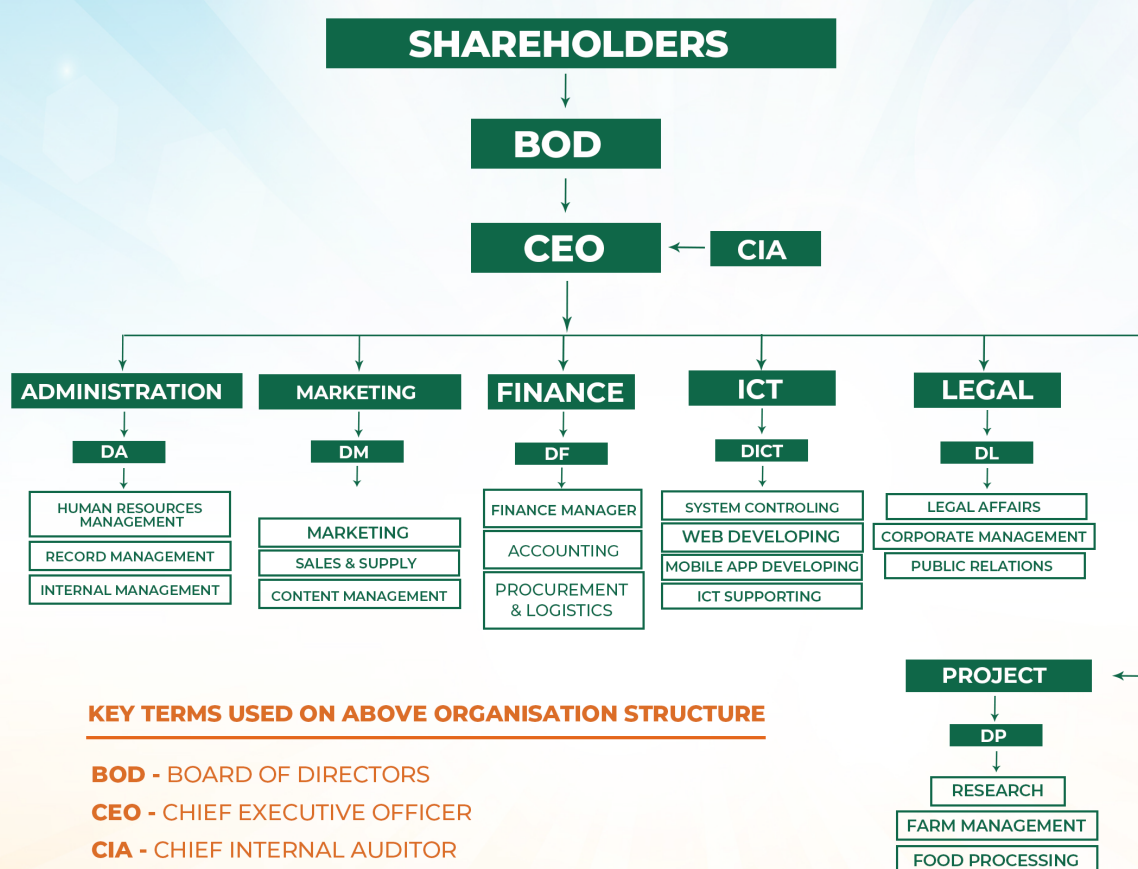
A PhD candidate with Harbin Institute of technology in China (HIT) in Business Administration majoring in Project Finance specializing in Public Private Partnership (PPP), He hold a Masters in account and finance from Mzumbe University and a masters in economics and finance for Development from Bradford University, an Advanced diploma in Business Administration from College of Business Education (CBE).



6.12 JATU PLC Organization



JATU PUBLIC LIMITED COMPANY



KEY TERMS USED ON ABOVE ORGANISATION STRUCTURE

- BOD** - BOARD OF DIRECTORS
- CEO** - CHIEF EXECUTIVE OFFICER
- CIA** - CHIEF INTERNAL AUDITOR
- DA** - DIRECTOR OF ADMINISTRATION
- DM** - DIRECTOR OF MARKETING
- DF** - DIRECTOR OF FINANCE
- DICT** - DIRECTOR OF ICT
- DL** - DIRECTOR OF LEGAL
- DP** - DIRECTOR OF PROJECT

7.0 RISK FACTORS

Risk is a measure of variability of Company's business or returns from expected results or outcomes; consequently, it approximates the amount a Company could theoretically lose rather than gauges the likelihood of losses. Thus, companies or businesses must assess the level of risk associated with their businesses or actions. The risks most pertinent to agribusinesses and in particular JATU PLC business activities are operational risks, and market risk.

Market risk, also known as price risk, is the risk that the value of a Company's assets or liabilities will change as product prices, exchange rates, or other input costs vary.

Operational risks refer to risks arising from operational problems such as fraud, thefts, incompetence on staff, system failure etc., resulting from non-observance of controls or inappropriate internal control system.

For those risks which are at the control of the Company, JATU PLC plans to have a clear and workable risk management strategy. In pursuing the risk strategy, the Company plans to establish Financial Regulations and Accounting Manuals, Standard Operating Procedures Manual Risk Management Framework, ICT Policy Manual, Human Resources Manual and further appoint a Risk Management Coordinator who will be overseeing the risk management issues. With regard to risks with wider impact to the income, the regulators of the sector and policy makers have put in place mechanism to mitigate such risks.

(a) Risks relating to the Issuer

This risk results from climatic or weather changes which disrupts planting seasons and other activities in the agribusiness value chain. It also consists of noncompliance with internal controls, systems failures, and staff incompetence in discharging their responsibilities and incompatibility of technology. Since JATU PLC deals in agribusiness products, operational risks also include variability of input supplies as agriculture supplies in the country are mainly subjected to fluctuations caused by unpredictability of weather, which affects output of farmers' harvests, which eventually may affect quantity of agriculture raw materials that are used by JATU PLC as raw materials for its production processes.

In order to mitigate the above operational risk, the Company utilizes its members to supply its raw materials. This method since is not very reliable and to mitigate the risk the Company indulges into cultivation of its own raw materials that is maize grains, rice etc. Plans are in place to acquire more land in addition to the already purchased ones, which will be used to cultivate maize and other crops including beans and rice. It is expected that within next two years, the Company will accomplish aforementioned objective.

Similarly, the prevalence of pests in a given year may cause negative impact to agricultural harvests which JATU PLC depends on as source of its raw materials hence negatively affecting JATU PLC operations and financial returns. Pests and Termites are very significant risk to maize grains because they destroy the maize grains by eating the maize stalks and maize combs. The Company has in place a policy which ensures good pests management and that its farmers/members and other farmers within the vicinity of its presence are properly trained on early detection of pests and how to control them as practicable as possible. The Company envisages to improve the pest's management policy in the light of expanded activities.

In order to minimize risks associated with incompetence or negligence of staff the Company provides appropriate trainings both on job and developmental for its staff on constant basis. Training on other aspects of operations such as accounting, human resources management, and sales and marketing etc. are also being emphasized in order to mitigate operational risks associated with incompetence or low work skills on the part of employees. The Company will continue to pursue and improve on the above strategies with view to minimizing further the operational risk.

Other significant operational risks include Climatic Changes (droughts, rains, floods etc), which affect agriculture operations such as delay of planting season, or inadequate rainfalls and floods with consequence of having less or no harvests which in turn affects the quantity of agriculture output. The Company will make use of agricultural extension services to address all the above problems in time, also use of irrigation schemes will help mitigate risks associated with drought spells. It is the Company's plans to reinforce application of irrigation methods in agriculture by mid 2022 and way forward

Unreliability of electricity power supply significantly affects smooth production and operations. To mitigate these risks, the Company has in place standby generators for machineries as and when needed.

To mitigate operational risks the Company has installed modern and adequate machineries and equipment in its target milling plants to be established in Kiteto. This will ensure adequate production and processing capacity in tandem with demand of the market. In addition, provision of safety gears and observance of safety rules at work place is observed so as to mitigate occupational health and safety risks, which are part of operational risks. The Company offices are well equipped with equipment such as printers, photocopier machines and other office furniture and fixtures, office telephone lines and internet communication facilities to make operations efficient and secretive. There is availability of Company brochures and staff business cards particularly for the marketing officers.

The Company makes sure that adequate budgets are allocated to head offices and regional centres to cater for various office requirements, transport and communication etc. The Company plans to increase management of operational risk in its existing and target plants or facilities and offices within next year.

(b) Risks relating to the Market

Market risk is the possibility that the value of assets or liabilities will change because of ups or downs in their prices. The volatility of prices or returns on agriculture products that JATU PLC is engaged are very inherent due to the seasonality nature of the products. In order to mitigate this kind of risks the Company has diversified the income earned from sales into other portfolio investment so that the returns in these investment will cushion any losses resulting from low revenue due to falling prices of commodities that JATU PLC sales. Another mitigation measure is to preserve the food stuffs in safe and secured warehouses including silos so as to even out supplies in the market hence stabilizing the market prices. The Company has recruited the necessary experts in particular the finance manager and outsources a number of services such as legal and internal auditing and other relevant personnel with necessary knowledge in the aspects of financial management and portfolio management as a mitigation strategy for this kind of risks.

In addition, the Company will adopt hedging mechanism to hedge revenues against falling prices by investing revenue funds in diversified assets portfolios; hence the functions of Treasury office under the Finance Manager. This strategy is plan to be implemented within next two years.

C. Liquidity Risk

JATU PLC is exposed to liquidity risk by virtue of its holding of inventory of raw materials and finished goods. The risk in respect of the above inventories occurs when inventories expire before they get used in production for the case of raw materials and before they get sold for the case of finished goods. In order to mitigate the above risk, the Company has put in place good inventory management system which is capable of sending early warnings of the finished goods nearing their expiry date. The Company also mitigate the risk to the raw material inventory by having a robust production schedules and system which ensures stocks of raw materials are optimally ordered and used in the production process. In that regard the use EOQ (Economic Order Quantity) model is widely used in the production facilities of the Company thereby minimising the levels of idle stocks of raw materials and hence minimising the liquidity risk.

Similarly, the Company uses the FIFO (First In First Out) method of issuance of inventory of both raw material and finished goods hence minimising the risks of having expired inventories in the warehouses and in the shelves of supermarkets. In addition, the Company recruits and maintains a team of aggressive sales people capable of generating substantial sales in line with production levels and in the light of market conditions, hence reducing significantly the level of closing stock at any point in time.

D. Credit Risk

Credit risk for JATU PLC arises from the loans and advances the Company makes to members of JATU SACCOS. The credit risk occurs when borrowers fail to repay the borrowed funds or in other words defaults in their repayment plans, hence causing financial loss to the Company associated with borrowed funds by the members of SACCOS. In order to mitigate the risks of defaults of borrowed funds, JATU PLC has put in place the system of issuing loans based on existing professional and best practises principles. In that regard it analyses credit risk of potential borrowers along several dimensions including investigating borrowers' ability to make the payment required on the loan on the basis of their projected income and the borrowers' financial reserves and credit history of the borrower. Also, in some cases the Company requires borrowers to furnish specified properties as collateral for the loans.

8.0 EXTRACTS OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION

EXTRACT OF MEMORANDUM OF ASSOCIATION

5. The initial share capital of the Company is TZS 125,000,000,000/= divided into 250,000,000 ordinary shares of TZS. 500/= each, with power of the Company to increase or reduce the said capital and issue any part of its capital original or increased with or without any preference priority or special privilege or subject and so that unless the condition of issue shall otherwise expressly decide every issue of shares whether declined to be preference or other otherwise shall be subject to the power hereinabove contained.

EXTRACT OF ARTICLES OF ASSOCIATION

Share Capital and Variation of Rights

2. Subject to the provisions of the Companies Act, and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may by ordinary resolution determine.

3. Subject to the provisions of Section 61 of the Act, any shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may by special resolution determine.

4. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Regulations relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.

5. The rights conferred upon the holders of the shares of any class shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

6. The Company may exercise the powers of paying commissions conferred by Section 56 of the Companies Act. Subject to the provisions of the Companies Act, such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.

Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except as otherwise provided by the articles or by law) any other rights or interests in respect of any share except an absolute right to the entirety thereof in the registered holder.

Depository Receipt

8. Every person whose name is entered as Member in the Register shall be entitled, without payment, to receive one CDS receipt for all his shares of any one class, or several CDS receipts each for one or more of his shares of such class held prior to listing. In the case of a share held jointly by several persons, delivery of a CDS receipt to one of several joint holders shall be sufficient delivery to all. If a Member shall sell or transfer part of the shares comprised in his holding he shall be entitled to a receipt for the balance without charge. Every receipt shall comply with the rules of the stock exchange for the time being applicable and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid thereon. Upon listing, every person who becomes a member of the Company shall be entitled to receive CDS receipt for shares held.

9. If a CDS receipt is defaced, lost or destroyed it may be replaced on payment of such fee (if any) as may be determined by the securities depository Company and on such terms (if any) as to evidence and indemnity and payment of the out-of-pocket expenses of the securities depository Company of investigating such evidence as the securities depository Company may think fit and, in case of defacement, on delivery of the old certificate to the securities depository Company.

Transfer of Shares

11. Transfer of shares shall be free subject to requirement as to instrument of transfer and provided that rules of the Stock Exchange in respect thereof are complied with.

12. The registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other instrument relating to or affecting the title to any share shall be done in accordance with the rules of the Stock Exchange for the time being applicable.

Transmission of Shares

13. In case of the death of a Member the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole holder, shall be the only persons to be recognized as having any title to his shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him with other persons and nothing herein contained shall bar the survivor or survivors and the executors or administrators from freely owning or transferring any such shares.

14. A person entitled to a share in consequence of the bankruptcy or death of a Member shall be bound at any time, if and when called upon in writing by the Stock Exchange so to do, to transfer such shares, as then registered in the name of the bankrupt or deceased Member, in favour of a nominee named by the Court.

15. A person becoming entitled to a share in consequence of the death or bankruptcy or liquidation of a Member shall be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share and shall be registered as the holder thereof and issued with CDS receipt.

Alteration of shares

16. If a call remains unpaid after it has become due and payable, the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with, the shares in respect of which the call was made will be liable to be forfeited.

17. If the notice is not complied with, any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

18. Subject to the provisions of this Companies Act, a forfeited share maybe sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person, and at any time before a sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person, the directors may authorise some person to execute an instrument of transfer of the share in question.

19. A person any of whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for the shares forfeited, but shall remain liable to the Company for all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares, but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

20. A statutory declaration by a director or the secretary that a share has been forfeited on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

Alteration of Capital

21. The Company may by ordinary resolution: -
- increase its share capital by new shares of such amount, as the resolution prescribes; Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - subject to the provisions of Section 65(l)(d) of the Companies Act, sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association;
 - Cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
22. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including subject to the provisions of this Companies Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
23. Subject to the provisions of the Companies Act, the Company may by special resolution reduce its Share capital, any capital redemption reserve fund or any share premium account in any way.

General meeting

24. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.
25. All general meetings other than annual general meetings shall be called extraordinary general meetings.
26. The directors may, whenever they think fit, call an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisitionists, or, in default, maybe convened by such requisitionists, as provided by Section 134 of the Company Act. If at any time they are not within the territory sufficient directors to call the meeting, any director or any two members of the Company may call the meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

Notice of General Meetings

27. Every general meeting shall be called by twenty-one clear days' notice in writing. The notice shall specify the time and place of the meeting and the general nature of the business and, in the case of an annual general meeting, shall specify the meeting as such; Provided that a meeting of the Company may be called by shorter notice if it is so agreed: -

□ in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and

□ in the case of any other meeting by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

28. Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors. The accidental omissions to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

Proceedings at General Meetings

29. All business shall be deemed special that is transacted at an extra ordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.

30. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; two persons entitled to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorized representative of a corporation shall be a quorum.

31. If within half an hour from the time appointed for the meeting a quorum is not present, or if during the course of a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day at such other time and place as the directors may determine.

32. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the general meeting, but if neither the chair-man nor such other director (if any) be present within fifteen minutes after the time appointed for the holding of the meeting and willing to act, the directors present shall elect one of their number to be chairman of the meeting and, if there is only one director present and willing to act, he shall be chairman.

33. If at any meeting no director is willing to act as chairman or if no director is Present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be chairman of the meeting.

34. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at a general meeting and at any separate meeting of the holders of any class of shares in the Company.

35. The chairman may, with the consent of any meeting at which a quorum is present and shall if so, directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days and the general nature of the business to be transacted at an adjourned meeting.

36. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

□ by the chairman or;

□ by at least two members having the right to vote at the meeting; or by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

□ by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; and a demand by a person as proxy for a member shall be the same as a demand by the member.

37. Unless a poll be so demanded, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be evidence of that fact.

38. The demand for a poll may, before the poll is taken, be withdrawn.

39. Except as provided in Article 54 of the Companies Act, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

40. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.

42. A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time not being more than thirty days after the poll is demanded as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

43. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall have effect as if it had been passed at a general meeting duly convened and held, and may consist of several instruments in the like form each executed by or on behalf of one or more members.

Votes of Members

43. Subject to any rights or restrictions attached to any share or class or classes of shares, on a show of hands every member (being an individual) present in person or (being a corporation) present by a duly authorised representative, not being himself a member entitled to vote, and on a poll every member shall have one vote for each share of which he is the holder.
44. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose, seniority shall be determined by the order in which the names stand in the register of members.
45. A member in respect of whose estate a manager has been appointed under Section 26 of the Mental Diseases Ordinance, may vote, whether on a show of hands or on a poll, by his manager, and any such manager may, on a poll, vote by proxy.
46. No member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares in the Company unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
47. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to be tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any objection made in due time shall be referred to the chair-man of the meeting, whose decision shall be final and conclusive.
48. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.
49. The instrument appointing proxy shall be in writing executed by or on behalf of the appointer or of his attorney duly authorised in writing, or, if the appointer or is a corporation, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.
50. The instrument appointing a proxy and any authority under which it is executed a copy of that authority certified notarially or in such other manner as approved by the directors shall be deposited at the registered office of the Company or at such other place within Tanzania as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

9.0 INDEPENDENT REPORTING ACCOUNTANT'S REPORT



DIAMOND FINANCIAL SERVICES
Certified Public Accountants

Pamba House 2nd Floor, Suite 218
Pamba Road/Garden Avenue
P.O. Box 12482 DSM
Tel: +255 22 2124339
Fax: 2124339
Cell: 0754 310065 / 0754 387307
0754 119310 / 0784 864888
Email: dfsauditors4@gmail.com

DFS/JATU/2021/001

29th April, 2021

DIRECTORS
JATU PLC
PO BOX 42155
DAR ES SALAAM
TANZANIA

INDEPENDENT REVIEW REPORT ON HISTORICAL FINANCIAL INFORMATION

REPORT ON THE HISTORICAL FINANCIAL INFORMATION

We have reviewed the accompanying historical audited financial information of the JATU PLC (the "Company") which comprises the Company's statements of financial position as at 31st December 2020, and their respective Statement of Income other Comprehensive Income, Statements of changes in equity and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY

Directors are responsible for the preparation and presentation of the historical financial information that gives a true and fair view in accordance with International Financial Reporting Standards, which forms part of the Prospectus. In addition, Directors are also responsible for operationalization of robust internal control system necessary to enable the preparation of historical financial information that is free from material misstatement, whether due to fraud or error.

OUR RESPONSIBILITY

Our responsibility is to prepare a Reporting Accountants' Report to be included in the Prospectus and state whether the accompanying historical financial information fairly presents the financial position and operating results as audited by Company auditors stating on the basis of our review that nothing has come to our attention that causes us to believe that the financial statements were not prepared, in all material respects, in accordance with the International Financial Reporting Standards.

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the historical financial information, taken as a whole, is not prepared in all material respects, in accordance with International Financial Reporting Standards. This Standard also requires us to comply with relevant ethical requirements.

Our review of the historical financial information also included review of the working papers of JATU PLC external auditors ("the auditors") and comparing the historical financial information to the audited and published financial statements from which the historical financial information was extracted.

The procedures performed in a review are substantially less in scope than those performed in an audit engagement as per International Standards on Auditing. Accordingly, we do not express an audit opinion on the historical financial information.

REPORT ON OTHER MATTERS

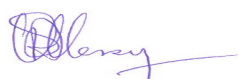
The historical financial information has been extracted from the audited and published financial statements of the JATU PLC for three years ended 31 December 2017; 31 December 2018; 31 December 2019 and 31 December 2020. There were no adjustments to the historical financial information previously presented in the audited and published financial statements.

BASIS OF OUR REPORT

Based on our review, nothing has come to our attention to indicate that the accompanying JATU PLC financial statements are not fairly presented in accordance with IFRS.

CONSENT

We consent to the inclusion of this report in the JATU PLC IPO Prospectus to be issued in May 2021.



CPA Octavian K. Stephen

For and on behalf of Diamond Financial Services

Certified Public Accountants in Public Practice

Dar es Salaam

Date: 29th April, 2021

JATU PUBLIC LIMITED Company
**EXTRACT OF AUDITED STATEMENT OF PROFIT/LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED**

	31.12.2017	31.12.2018	31.12.2019	31.12.2020
	TZS	TZS	TZS	TZS
Sales Income	151,961,304	250,322,850	564,305,250	1,411,310,090
Less: Cost of sales	92,759,358	99,506,942	181,690,841	761,822,736
Gross Profit	59,201,946	150,815,908	382,614,409	649,487,354
Add: Other income	129,639,333	145,171,193	318,713,794	610,304,410
Total income	188,841,279	295,987,101	701,328,203	1,259,791,764
Less: operating expenses:				
Staff Costs	42,982,060	74,552,075	235,165,358	576,196,425
Finance Costs	-	8,759,534	19,162,736	17,873,476
Office expenses	82,252,754	128,957,355	301,048,497	273,643,116
Depreciation	53,780,695	64,732,402	102,705,589	290,538,795
Audit fees	3,500,000	3,000,000	3,158,000	4,130,000
Total expenses	182,515,509	280,001,366	661,240,179	1,162,381,812
Profit Before Tax	6,325,770	15,985,735	40,088,024	97,409,952
Income Tax	-	-	-	-
Profit After Tax	6,325,770	15,985,735	40,088,024	97,409,952

JATU PUBLIC LIMITED Company				
EXTRACT OF STATEMENT OF FINANCIAL POSITION AS AT				
	Audited	Audited	Audited	Audited
ASSETS	31.12.2017	31.12.2018	31.12.2019	31.12.2020
Non-Current Assets	TZS	TZS	TZS	TZS
Property, Plant & Equipment	447,638,246	467,860,641	638,094,905	1,144,927,936
Total Non-Current Asset	447,638,246	467,860,641	638,094,905	1,144,927,936
Current Assets				
Debtors	32,860,250	54,334,574	521,812,597	548,209,435
Prepayments	2,737,000	2,100,000	4,060,000	39,816,600
Inventory	274,400	10,739,490	222,287,773	282,602,269
Tax credit	1,124,999	2,324,999	4,124,999	5,924,999
Cash and cash equivalent	20,725,536	1,199,150	30,726,023	97,373,242
Total Current Assets	57,722,185	70,698,213	783,011,392	973,926,545
TOTAL ASSETS	505,360,431	538,558,854	1,421,106,297	2,118,854,481
EQUITY AND LIABILITES				
Share Capital and Premium	272,648,000	450,840,500	1,082,174,500	1,082,174,500
Retained Earnings	6,325,770	22,311,506	40,088,024	96,248,583
Total Equity	278,973,770	473,152,006	1,122,262,524	1,178,423,083
Liabilities				
JATU SACCOS Loan	108,519,580	-	-	-
EFTA & Agricom Loans	45,135,000	32,597,501	19,456,025	29,250,000
Trade creditors	67,161,641	12,913,735	77,165,101	431,466,121
JATU Members advances	-	-	121,030,979	121,030,979
Accruals	5,570,440	19,895,612	81,191,669	358,684,298
Total liabilities	226,386,661	65,406,848	298,843,774	940,431,398
TOTAL EQUITY AND LIABILITIES	505,360,431	538,558,854	1,421,106,297	2,118,854,480

JATU PUBLIC LIMITED COMPANY				
STATEMENT OF CASHFLOWS FOR THE PERIOD ENDING				
	Audited	Audited	Audited	Audited
	31.12.2017	31.12.2018	31.12.2019	31.12.2020
	TZS	TZS	TZS	TZS
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) before taxation	6,325,770	15,985,735	40,088,024	97,409,952
Adjustments for:				
Fixed Assets reclassification	-	-	-	4,212,923
Depreciation:	53,780,695	64,732,402	102,705,589	290,538,795
Operating Profit/(Loss) before changes in WC	60,106,465	80,718,137	142,793,613	392,161,669
CHANGES IN WORKING CAPITAL (WC)				
(Increase)/ Decrease in debtors	(32,860,250)	(21,474,324)	(292,555,596)	(62,153,438)
(Increase)/ Decrease in prepayments	(2,737,000)	637,000	(1,960,000)	354,301,021
(Increase)/ Decrease in stock	(274,400)	(10,465,090)	(211,548,283)	(60,314,496)
Increase/ (Decrease) in loan/JATU SACCOS advance	153,654,580	(153,654,580)	(174,922,427)	
Increase/(Decrease) in DSE Members Advances	-	-	121,030,979	-
Increase/ (Decrease) in trade creditors	67,161,641	(9,112,906)	64,251,366	
Increase/(Decrease) in provisions	-	-	-	277,492,629
Increase/ (Decrease) in accruals	5,570,440	14,325,175	61,296,057	-
Cash flow from operating activities	250,621,476	- 99,026,588	- 291,614,292	901,487,384
Tax paid	(1,124,999)	(1,200,000)	(1,800,000)	(1,800,000)
Net Cash flow operating activities	249,496,477	(100,226,588)	(293,414,292)	899,687,384
CASH FROM INVESTING ACTIVITIES				
Purchases of fixed assets	(501,418,941)	(84,954,797)	(272,939,853)	(801,584,748)
Cash Used by investments	(501,418,941)	(84,954,797)	(272,939,853)	(801,584,748)
CASH FLOW FROM FINANCING ACTIVITIES				
EFTA Loan	-	(12,537,499)	(13,141,477)	9,793,975
Dividend Paid	-	-	(22,311,505)	-
Capital	272,648,000	178,192,500	631,334,000	-
Net cash flow financing activities	272,648,000	165,655,001	595,881,018	9,793,975
Net (decreases)/ increase				
in cash and cash equivalents	20,725,536	(19,526,386)	29,526,873	66,647,219
CASH AND CASH EQUIVALENTS AT				
Balance as at 1st January	-	20,725,536	1,199,150	30,726,023
Balance as at 31st December	20,725,536	1,199,150	30,726,023	97,373,242

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2017 TO 2020**

NOTE 1: ACCOUNTING POLICIES AND BASIS OF PREPARATION

1.1 INTRODUCTION

JATU PLC financial statements were authorized for issue by the Board of Directors. JATU PLC is a Company incorporated in the United Republic of Tanzania. The Company is domiciled in Tanzania.

1.2 Statement of Compliance

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards (IFRS).

1.3 Basic of preparation

JATU Financial Statements have been prepared on the historical cost basis except for certain properties and financial statements that are measured at revalue amounts or fair value, as explained in the accounting policies below. These statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).

1.3 Significant accounting policies

I. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances if any. Revenue has been presented net of taxes.

Interest Income from financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discount estimated future cash receipts through the expected life of the financial asset to the assets net carrying amount on initial recognition.

II. Property, Plant and Equipment

Property, Plant and equipment are initially recorded at cost and are stated at historical cost less accumulation depreciation and accumulation of impairment in value. Depreciation is calculated on a reducing balance basis to write down the cost of cash asset, to their residual values over their estimated useful life. Land is not depreciated, the annual rates used for this purpose are as follows: -

Buildings	5%
Motor Cycles	20%
Light Motor vehicles	20%
Heavy Motor Vehicles	12.5%
Furniture and Fitting	12.5%
Machinery and Equipment	10%
Intangible Assets	25%
Office Computers	33.3%
Other Office Equipment	12.5%

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

III. Retirement benefit cost

The Company contributes to a statutory defined contribution pension scheme, the NSSF Contributions are determined by local statute and are limited to 10% of the gross salary per employee per month.

The Company's contribution to the above scheme is charged to the profit and loss account in the year to which they relate.

IV. Foreign Currency Transactions

In preparation the financial statements of the Company transactions in currencies other than the entity's functional currency (foreign currency) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the date. Non-monetary items of historical cost in a foreign currency are not translated. Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for: -

- Exchange differences on foreign currency borrowing relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currency borrowings
- Exchange differences on transaction entered into in order to hedge certain foreign currency risks for hedging accounting policies and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated into currency Units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rate fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any are recognized in other comprehensive income and accumulated as equity (attributed to non-controlling interests as appropriate).

V. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

VI. Provisions

Provisions are recognized when the Company has a present the obligation (legal or construction) as a result of past event, it probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation at the end of reporting period taking into account the risks and uncertainty surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation. It's carrying amount is the present value of those cash flows (when the effect of the time value of money is measured).

When some or all of the economic benefits required to settle a provision are expected to be recovered from third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

VII. Onerous contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

VIII. Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

IX. Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held to maturity' investments, available for sale' (AFS) financial assets and 'loans and receivable'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the timeframe established by regulation of convention in market place.

X. Financial Assets at FVTPL

Financial assets are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates and dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the 'statement of comprehensive income'.

The Company did not have Held-to maturity investments or Available-for sale (AFS) financial assets as at 31 December 2020.

XI. Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortized cost using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate, except for short term receivables when the recognition of interest would be material. There was no impairment of financial asset in both years.

XII. De-recognition of Financial Assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognized its retained interest in the asset and an associated liability for amounts it may have to pay.

XIII. Financial Liabilities and Equity Instruments

Debt and Equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

XIV. Financial Liabilities as FVTPL

Financial liabilities are classified as FVTPL when the financial liability is either held for trading or it designated as FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the 'statement of comprehensive income'.

XV. Other Financial Liabilities

Other financial liabilities (including Borrowings and Trade and other Payables) are subsequently measured at amortized cost using effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount or initial recognition.

XVI. De-recognition of Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in profit or loss.

JATU PUBLIC LIMITED COMPANY
NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note2

MOVEMENT OF NON CURRENT ASSETS AS AT 31ST DECEMBER 2020

COST	Buildings	Machineries	Office Equipment	Furniture & Fittings	Tractor& Implements	Computers	Motor Vehicles	Motor Cycles	TOTAL	
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	
Bal as at 01.01.2020	427,031,653	147,796,941	13,092,700	45,825,500	112,500,000	42,986,000	64,080,797	6,000,000	859,313,591	
Reclassified to Assets	-	(19,974,500)	21,966,500	(153,000)		(1,839,000)			-	
Written Off to Xps	-		(3,886,700)	(138,500)		(3,840,000)			(7,865,200)	
Additions1					249,884,148				249,884,148	
Additions2	=	=	10,660,000	145,075,600	163,700,000	52,036,000	167,629,000	12,600,000	551,700,600	
Bal as at 31.12.2020	427,031,653	127,822,441	41,832,500	190,609,600	526,084,148	89,343,000	231,709,797	18,600,000	1,653,033,139	
DEPRECIATION										
Bal as at 01.01.2020	49,281,783	40,768,082	4,211,275	8,379,000	49,875,000	26,325,648	41,127,899	1,250,000	221,218,686	
Reclassified to Assets		(2,421,350)	3,305,490	(2,038)		(882,102)			-	
Written Off to Xps			(1,139,088)	(39,000)		(2,474,190)			(3,652,278)	
Charge for the Year	21,351,583	12,782,244	5,229,063	23,826,200	131,521,037	29,751,219	61,427,449	4,650,000	290,538,795	
Bal as at 31.12.2020	70,633,365	51,128,976	11,606,740	32,164,162	181,396,037	52,720,575	102,555,348	5,900,000	508,105,203	
NET BOOK VALUE										
Bal as at 31.12.2020	356,398,288	76,693,465	30,225,760	158,445,438	344,688,111	36,622,425	129,154,449	12,700,000	1,144,927,936	
Bal as at 31.12.2019	377,749,871	107,028,859	8,881,425	37,446,500	62,625,000	16,660,352	22,952,899	4,750,000	638,094,905	

JATU PUBLIC COMPANY				
NOTES TO FINANCIAL STATEMENTS CONTINUED				
	31.12.2017	31.12.2018	31.12.2019	31.12.2020
	TZS	TZS	TZS	TZS
Note 3 DEBTORS				
JATU SACCOS	-	18,061,189	174,922,427	-
Trade debtors	32,860,250	36,273,385	346,890,170	-
Other debtors	-	-	-	588,026,035
	32,860,250	54,334,574	521,812,597	588,026,035
Note 4 SHARE CAPITAL				
Subscribed in 2016	5,148,000	5,148,000	5,148,000	5,148,000
Subscribed in 2017	267,500,000	267,500,000	267,500,000	267,500,000
Subscribed in 2018	-	178,192,500	216,932,500	216,932,500
Subscribed in 2019	-	-	592,594,000	592,594,000
	272,648,000	450,840,500	1,082,174,500	1,082,174,500
Note 5 EFTA, AGRICOM & EQUITY LOAN				
Opening Balance	-	45,135,000	32,597,501	19,456,025
New Loan	50,150,000	-	20,000,000	29,250,000
Repayments	(5,015,000)	(12,537,499)	(33,141,477)	(19,456,025)
Closing Balance	45,135,000	32,597,501	19,456,025	29,250,000
Note 6 TRADE CREDITORS				
Material Creditors	67,161,641	-	-	-
Member farmers	-	12,913,735	77,165,101	552,497,101
	67,161,641	12,913,735	77,165,101	552,497,101
Note 7 ACCRUALS				
Audit fees	3,500,000	3,000,000	3,158,000	4,130,000
Skills Development Levy	600,660	2,617,425	10,096,425	33,881,400
Workers Compensation Fund	133,480	785,257	2,447,257	3,128,845
Net Salaries Payable	-	5,564,800	-	51,917,425
Statutory Deductions Payable	-	6,312,300	49,136,398	143,631,519
Accrued Interest	-	748,399	-	1,462,500
Members monthly commission	-	-	-	17,424,684
Other Accruals	-	-	14,496,581	58,518,275
Withholding tax on consultancy	199,500	156,382	269,882	-
Withholding tax on rent	1,057,000	646,408	1,442,842	2,460,768
Stamp duty on rent	79,800	64,641	144,284	879,489
Dividend Payable	-	-	-	41,249,393
	5,570,440	19,895,612	81,191,669	358,684,298
Note 8 OTHER INCOME BY SOURCE				
TRACTOR	89,000,000	108,904,633	1,010,000	-
FORM CHARGES	21,200,000	18,900,500	122,970,000	25,160,000
OTHERS	1,556,000	15,000	182,805,944	471,011,660
MILLING	17,883,333	17,351,060	11,927,850	114,132,750
	129,639,333	145,171,193	318,713,794	610,304,410
Note 9 COST OF SALES				
Opening Stock	-	274,400	10,739,490	222,287,773
COGS	93,033,758	109,972,032	393,239,124	822,137,232
Total	93,033,758	110,246,432	403,978,614	1,044,425,005
Closing Stock	274,400	10,739,490	222,287,773	282,602,269
Cost of Goods Sold	92,759,358	99,506,942	181,690,841	761,822,736
Note 9 COST OF SALES				
Raw Materials	69,000,558	76,661,270	361,645,655	-
Materials Transportation	4,515,500	7,638,024	10,692,500	-
Packaging Materials	9,808,000	6,858,669	7,271,023	-
Electricity	4,225,000	2,340,000	1,913,000	1,044,425,005
Agents rebates	-	16,748,469	22,456,436	-
Labour Charges	5,105,900	-	-	-
Water	378,800	-	-	-
Subtotal	93,033,758	110,246,432	403,978,614	1,044,425,005
Less: Closing stock	274,400	10,739,490	222,287,773	282,602,269
Cost of sales	92,759,358	99,506,942	181,690,841	761,822,736

KEY FINANCIAL RATIOS FOR THE YEARS ENDED 31 DECEMBER 2017; 31 DECEMBER 2018 AND 31 DECEMBER 2019 BASED ON CAPITAL MARKETS AND SECURITIES AUTHORITY (CMSA) GUIDELINES NOTES

A. SOURCE OF FINANCIAL INFORMATION USED FOR COMPUTATION OF RATIOS

The financial information used for computing the historical ratios has been extracted from the annual audited financial statements of JATU Public Limited Company

B. BASIS FOR COMPUTATION OF RATIOS BASED ON CMSA REQUIREMENTS

1. Earnings Per Share (EPS)

$EPS = \text{Profit After Tax for the period} / \text{Average number of outstanding shares}$

2. Price Earnings ratio (PE)

$PE = \text{price per share} / \text{Earnings Per Share}$

3. Dividend Per Share (DPS)

$\text{Dividend Paid} / \text{Average number of outstanding shares}$

4. Dividend Coverage ratio

$\text{Free Cashflow Dividend Coverage Ratio} = \text{Free Cashflow per share} / \text{Dividends Per Share.}$

5. Return on Equity (ROE)

$\text{Profit After Tax} / \text{Shareholders equity}$

6. Return on Assets (ROA)

$\text{Profit After Tax} / \text{Total Assets}$

C. EXPLANATION OF COMPONENTS OF THE RATIOS BASED ON CMSA REQUIREMENTS

1. Average over the period is defined as the average of the opening and closing balances for that period.

2. Earnings Per Share (EPS) is determined by dividing Profit After Tax by average outstanding shares.

3. Price Earnings Ratio (PE) is determined by dividing price per share to Earnings Per share.

4. Dividend Per Share (DPS) is determined by dividing annual dividend by the average outstanding number of shares.

5. Dividend Yield (DY) is determined by dividing Dividend Per Share (DPS) by Share Price

6. Dividend Cover is determined by dividing Profit After Tax by the Dividend paid.

7. Return on Equity (ROE) is determined by dividing Profit after Tax by Shareholders Equity.

8. Return on Assets (ROA) is determined by dividing Profit after Tax by average Total Assets.

KEY RATIOS		Audited Dec-17	Audited Dec-18	Audited Dec-19	Audited Dec-20
D	Earnings Per Share (EPS)				
	Profit Before Tax	6,325,770	15,985,735	40,088,024	97,409,952
	Number of Shares	112,148	112,148	1,171,793	2,164,349
	EPS	56.41	142.54	34.21	45.01
E	Price Earnings Ratio (PE)				
	Price per share	NA	NA	NA	1920**
	Earnings Per Share	56.41	142.54	34.21	45.01
	PE	NA	NA	NA	42.7
F	Dividend Per Share (DPS)				
	Annual Dividend	0	0	22,316,505	41,249,393
	Number of shares	112,148	112,148	1,171,793	2,164,349
	DPS	-	-	19	19
G	Dividend Yield (DY)				
	Annual Dividend/share	0	0	19	19
	Price/Share	-	-	400*	1920**
	DY	NA	-	5%	1%
H	Dividend Cover (DC)				
	Profit After Tax	6,325,770	15,985,735	40,088,024	97,409,952
	Dividend Paid	0	0	22,316,505	41,249,393
	DC	NA	NA	1.8	2.4
I	Return on Equity (ROE)				
	Profit After Tax	6,325,770	15,985,735	40,088,024	97,409,952
	Shareholders Equity	278,973,770	473,152,006	518,263,353	1,178,423,083
	ROE	2%	3%	8%	8%
J	Return on Assets (ROA)				
	Profit After Tax	6,325,770	15,985,735	40,088,024	97,409,952
	Average Total Assets	505,360,431	538,558,854	637,924,153	2,118,854,481
	ROA	1%	3%	6%	5%

*JATU PLC Valuation Price at the DSE on the listing day on 18th November 2020.

**JATU PLC share price of TZS 1,920 is the closing price on 15th March 2021.

PROJECTED FINANCIAL INFORMATION





DIAMOND FINANCIAL SERVICES
Certified Public Accountants

Pamba House 2nd Floor, Suite 218
 Pamba Road/Garden Avenue
 P.O. Box 12482 DSM
 Tel: +255 22 2124339
 Fax: 2124339
 Cell: 0754 310065 / 0754 387307
 0754 119310 / 0784 864888
 Email: dfsauditors4@gmail.com

DFS/JATU/2021/001

29th April, 2021

DIRECTORS

JATU PLC

P.O. BOX 42155

DAR ES SALAAM

TANZANIA

INDEPENDENT ASSURANCE REPORT ON PROSPECTIVE FINANCIAL INFORMATION

We have examined the accompanying projected financial information of JATU PLC (the "Company") which comprises the Company's statement of financial position for the year ending 31 December 2021 to 2025 and statement of profit or loss and other comprehensive income and other explanatory notes. Our examination was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000. Management is responsible for the preparation and presentation of the prospective financial information on the basis of the significant accounting policies and significant assumptions set out in Notes 1 and 2 of the prospective financial information. It is our responsibility to provide the opinion required by the Capital Markets and Securities Authority.

In our opinion the prospective financial information has been properly compiled on the basis of the significant accounting policies and significant assumptions set out in Notes 1 and 2 of the prospective financial information.

Actual results are likely to be different from the prospective financial information since anticipated events frequently do not occur as expected and the variation may be material. Further, we emphasize that the prospective financial information is not intended to, and does not, provide all the information and disclosures necessary to give a fair presentation in accordance with International Financial Reporting Standards.

This prospective financial information has been prepared for inclusion in a Prospectus for the public equity issue and subsequent listing of new shares on the Dares Salaam Stock Exchange PLC Enterprise Growth Market Segment (EGM), and may therefore, not be appropriate for another purpose.

CPA-Octavian K. Stephen

Diamond Financial Services (Certified Public Accountants)

Dar es Salaam

Date: 27th April, 2021

JATU PUBLIC LIMITED Company

PROJECTED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2021	2022	2023	2024	2025
Income	2,537,231,885	3,805,847,828	3,996,140,220	4,195,947,230	4,615,541,954
Other Income	756,834,851	747,651,594	825,646,673	862,654,007	901,511,707
Total Income	3,294,066,736	4,553,499,422	4,821,786,893	5,058,601,237	5,517,053,661
Less: Cost of Sales	1,028,460,694	1,542,691,040	1,573,544,861	1,605,015,758	1,637,116,074
Gross Profit	2,265,606,043	3,010,808,381	3,248,242,032	3,453,585,479	3,879,937,587
Less: Operating expenses:					
Selling and distribution	23,392,692	46,785,384	93,570,768	140,356,152	210,534,228
Staff Costs	906,455,000	997,100,500	1,017,042,510	1,220,306,095	1,346,712,217
Finance Costs	26,810,214	27,346,419	27,893,347	28,451,214	29,020,238
Administrative Expenses	1,041,852,385	1,713,035,948	1,672,044,728	1,736,544,728	1,119,890,360
Total Expenses	1,998,510,291	2,784,268,251	2,810,551,354	3,125,658,189	2,706,157,043
Profit Before Tax	267,095,752	226,540,130	437,690,678	327,927,290	1,173,780,544
Tax for the year	-	-	-	271,619,128	380,386,835
Profit After Tax	267,095,752	226,540,130	437,690,678	56,308,163	793,393,710
ROA	2.7%	2.1%	3.8%	0.5%	6.9%
ROE	3.0%	2.4%	4.4%	0.6%	8.0%

JATU PUBLIC LIMITED Company

PROJECTED STATEMENT OF FINANCIAL POSITION AS AT

ASSETS	2021	2022	2023	2024	2025
Non-Current Asset	TZS	TZS	TZS	TZS	TZS
Property, Plant & Equipment	3,226,147,885	5,569,793,498	4,255,396,781	3,124,500,064	2,352,257,715
Total Non-Current Asset	3,226,147,885	5,569,793,498	4,255,396,781	3,124,500,064	2,352,257,715
Current Assets					
Investments	4,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Inventories	535,261,564	2,197,491,525	3,223,125,615	4,724,398,855	5,944,292,300
Trade and other receivables	507,446,377	761,169,566	799,228,044	839,189,446	923,108,391
Tax credit	17,924,999	63,233,025	150,771,161	-	-
Cash and cash equivalent	1,472,950,703	686,486,131	1,194,874,632	1,069,321,171	1,230,353,823
Total Current Assets	6,533,583,643	4,708,380,246	6,367,999,451	7,632,909,473	9,097,754,514
TOTAL ASSETS	9,759,731,528	10,278,173,744	10,623,396,232	10,757,409,537	11,450,012,229
EQUITY AND LIABILITIES					
Share Capital and Premium	8,582,174,500	8,582,174,500	8,582,174,500	8,582,174,500	8,582,174,500
Retained Earnings	283,215,609	441,793,700	748,177,175	787,592,889	1,342,968,485
Total Equity	8,865,390,109	9,023,968,200	9,330,351,675	9,369,767,389	9,925,142,985
Liabilities					
Trade & other payables	308,538,208	462,807,312	472,063,458	481,504,728	491,134,822
Accruals	585,803,211	791,398,232	820,981,099	850,874,912	888,103,696
Income Tax Payable	-	-	-	92,980,177	380,386,835
Total liabilities	894,341,419	1,254,205,544	1,293,044,557	1,425,359,817	1,759,625,353
TOTAL EQUITY AND LIABILITIES	9,759,731,528	10,278,173,744	10,623,396,232	10,757,409,537	11,450,012,229

JATU PUBLIC LIMITED Company					
STATEMENT OF CASH FLOW FOR YEARS					
CASH FLOWS FROM OPERATING ACTIVITIES	2021	2022	2023	2024	2025
Profit before taxation	267,095,752	226,540,130	437,690,678	327,927,290	1,173,780,544
Adjustments for:					
Depreciation:	701,021,001	1,365,387,937	1,324,396,717	1,388,896,717	772,242,349
Operating Profit before changes in WC	968,116,753	1,591,928,067	1,762,087,395	1,716,824,007	1,946,022,893
CHANGES IN WORKING CAPITAL (WC)					
Increase in trade and other receivables	80,579,658	(253,723,189)	(38,058,478)	(39,961,402)	(83,918,945)
(Increase)/Decrease in inventories	(252,659,295)	(1,662,229,960)	(1,025,634,090)	(1,501,273,240)	(1,219,893,445)
Increase/(Decrease) in trade and other payables	(243,958,892)	154,269,104	9,256,146	9,441,269	9,630,095
Increase/(Decrease) in provisions	227,118,913	205,595,021	29,582,868	29,893,813	37,228,784
Cash flow from operating activities	779,197,136	35,839,043	737,233,840	214,924,446	689,069,382
Tax Paid	(12,000,000)	(45,308,026)	(87,538,136)	(65,585,458)	(290,018,618)
Net Cash flow from operating activities	767,197,136	(9,468,983)	649,695,704	149,338,988	399,050,764
CASH FROM INVESTING ACTIVITIES					
Purchases of fixed assets	(2,782,240,950)	(3,709,033,550)	(10,000,000)	(258,000,000)	-
NMB FDR	(4,000,000,000)	3,000,000,000	-	-	-
Cash Used by Investments	(6,782,240,950)	(709,033,550)	(10,000,000)	(258,000,000)	-
CASH FLOW FROM FINANCING ACTIVITIES					
Term Loans	(29,250,000)	-	-	-	-
Dividends	(80,128,726)	(67,962,039)	(131,307,203)	(16,892,449)	(238,018,113)
Share capital	7,500,000,000				
Net Cash flow from financing activities	7,390,621,274	(67,962,039)	(131,307,203)	(16,892,449)	(238,018,113)
Net (decrease)/increase in cash and cash equivalents	1,375,577,461	(786,464,572)	508,388,501	(125,553,460)	161,032,652
CASH AND CASH EQUIVALENTS AT					
Balance as at 1st January	97,373,242	1,472,950,703	686,486,131	1,194,874,632	1,069,321,171
Balance as at 31st December	1,472,950,703	686,486,131	1,194,874,632	1,069,321,171	1,230,353,823

Note 1: SIGNIFICANT ASSUMPTIONS:

JATU PLC business has considered the following key underlying assumptions for undertaking the financial Projections for year 2021-2025:

1. The projected period of 2021 is the initial year of planning horizon and the span of the plan is year 5 which is year 2025;
2. For the Year 2020 to 2021, revenue will grow by 50% and continue to grow at an average of 7% thereafter;
3. Current membership fees of TZS 30,000 will be maintained during the period;
4. Staff costs are expected to increase by 57% in 2021; 10% in 2022, 2% in 2023, 19% in 2024 and 10% in 2025.
5. Margin will grow by 260% in 2021; 32% in 2022 and continue to grow at an average of 7 from 2023 to 2025%;
6. Profit before tax (PBT) is expected to grow by 260% in 2021; 32% in 2022 and continue to grow at an average of 7% from 2023 to 2025;
7. Inflation rate is expected to remain below 5% throughout the plan period;
8. JATU PLC will capitalise on its membership base and its marketing strategies mainly by employing network marketing system through cultivation, processing, packaging and sale of maize flour, rice, sunflower oil and beans;
9. JATU PLC will sell its products within JATU PLC client member network;
10. It is assumed that around 14% of JATU PLC members will be active members and continue to purchase JATU PLC products;
11. JATU PLC will maintain the dividend pay-out ratio of 87% in 2021; 69% in 2022; 59% in 2023; 46% in 2024 and 32% in 2025;
12. New undertakings consist of land, buildings, machineries, motor vehicles, equipment and other assets to be financed by share sale proceeds from potential shareholders of the Company and existing assets totalling TZS 8.6 billion. This is the capital investment of the business; and
13. Repair and maintenance costs for non-current assets are projected as a specific percent of historical cost of fixed assets per annum is estimated to be 2% of the book value of JATU non-current assets.

10.0 LEGAL OPINION

MAFURU & CO. ADVOCATES

NOTARIES PUBLIC AND COMMISSIONER FOR OATHS

(TRADE MARK, SERVICE MARKS AND PATENT AGENTS)

IPS Bldg, 5th Floor
Samora Avenue /Azikiwe Street
P.O. Box 7416
Dar es Salaam,
Tanzania

Tel: +255 22 - 2129542
Fax: +255 22 - 2129543
Cell: +255 754 - 286 476
Cell: +255 715 - 286 476
Cell: +255 715 -286 476

REF No: MM/ADV/JATU CO.LTD/03/21

30th April, 2021

The Directors
JATU PUBLIC LIMITED Company,
PSSSF House,
11th & 6th Floor, Plot No. 105/106
Along Samora Avenue/Morogoro Road, Ilala,
P. O. Box 42155
Dar es Salaam

Dear Sirs /Madams

RE: LEGAL OPINION IN RESPECT OF JATU PUBLIC LIMITED Company - INTENDED (INITIAL PUBLIC OFFER TO THE GENERAL PUBLIC OF ITS (6%) ORDINARY SHARES) AND SUBSEQUENT LISTING ALL OF ITS PAID-UP SHARES AT THE DAR ES SALAAM STOCK EXCHANGE PLC (DSE)

INTRODUCTORY NOTE

We, MAFURU AND Company ADVOCATES, the legal advisors and Advocates of the High Court of Tanzania and courts subordinate thereto, save for primary courts practicing and qualified as such to practice in Tanzania and to advise upon the laws of Tanzania, have been instructed or engaged to act as legal advisors to JATU PUBLIC LIMITED Company (and herein after referred to as the Client/Company) in relation to intended offer of its 6% ordinary shares to Tanzanian Citizens and entities incorporated in Tanzania and though not limited to and in which Tanzanian Citizens have a majority beneficial ownership and subsequent listing of 15,000,000 ordinary shares on the Enterprise Growth Market (EGM) segment at the Dar es Salaam Stock Exchange PLC (DSE) at nominal value of TZS 500.00 per share and the client intends to raise capital of TZS. 7.5 billion on the terms and conditions set out in the Prospectus issued by JATU PUBLIC LIMITED Company.

Unless expressly stated or the context otherwise requires, words and terms defined in the Prospectus issued by JATU PUBLIC LIMITED Company have the same meaning in this opinion.

1.0 DOCUMENTS, STATUS AND RECORDS EXAMINED:

In providing this opinion, we have examined originals and certified copies of the following documents to our satisfaction and herein after referred to as (the documents).

Corporate standing documents:

- 1.1 The Amended Memorandum and Articles of Association (MEMARTS) of the client, approved by the shareholders and duly registered with the Registrar of Companies (BRELA) after incorporation on the 20th day of October, 2016, the amended (MEMARTS) provides for free transferability of shares under Articles relating to transfer and transmission of shares.
- 1.2 The Certificate of Incorporation of the Client, bearing No.130452, incorporated on 20th October, 2016.
- 1.3 A Certified resolution of the Board of Directors of the Client dated or held at Dar es Salaam on 26th April, 2019, resolving for initial public offer and listing of the Client shares;
- 1.4 A certified Resolution passed at the Meeting of the Board of Directors of the Company held at Dar es Salaam, on 29th June, 2019, resolving:
 - (i) The share split to be carried out to set the par value of all shares to TZS 500.00.
 - (ii) The shares with par value of TZS 2,500 to be split into 5:1 with par value of TZS 1,000 to be split into 2:1 share with par value of TZS 500.00.
- 1.5 A certified resolution passed at the extra ordinary General meeting of the shareholders of the Company held at Dar es Salaam on 30th day of November 2019, resolving the Company thus shall no longer sell its shares through initial public offering as it was previously resolved, instead it shall list its shares, at the Dar es Salaam Stock Exchange PLC (DSE) by way of direct listing pursuant to the Capital Market and Securities Act and other regulations made there under.
- 1.6 A certified true copy of the resolution of the ordinary general Meeting of the shareholders of the Company held at Dar es Salaam on the 30th day of November, 2019, resolving for alteration of the Memorandum of Association on the authorized Share Capital of the Company to be TZS 125,000,000,000.00 (one hundred twenty five billion) divided into 250,000,000 ordinary shares of TZS 500.00 (five hundred) each, beyond the registered or initial capital of TZS 20,000,000,000/= [TZS twenty billion] divided into 8,000,000 ordinary shares of TZS 2,500.00 each. The alterations were made pursuant to the provisions of section 13(1), 64(1) and 66 of the companies Act No. 12 of 2002 and in the same vein it was further resolved by altering clause 34(a) of the Articles of Association of the Company in alteration of the share Capital herein.
- 1.7 A certified true copy of the resolution of the Company passed at the Extra Ordinary General Meeting held at Dar es Salaam on 30th November, 2019, pursuant to the provisions of Sections 13(1) and 64(1)(a), 66 and other applicable provisions of the companies Act, No. 12 of 2002, resolving for alterations of clause No. 5 of the Memorandum of Association and clause 34(a) of the Articles of Association on the initial authorized share capital of the Company to be TZS 125,000,000,000/= (One hundred twenty five billion), divided into 250,000,000 ordinary shares of TZS. 500/= (five hundred each) respectively, from the original registered share capital herein.

1.8 A certified true copy of the resolution of the board of directors held at Dar es Salaam on 24th April, 2019 the Company deciding to initial public offering and listing of the Client's shares at the Dar es Salaam Stock Exchange EGM segment pursuant to the capital market and securities Act and other regulations.

1.9 A certified true copy of the resolution of the Company, held on 7th November, 2020 at Dar es Salaam resolving for raising capital through Initial Public Offering after listing of the Company shares at the Dar es Salaam Stock Exchange PLC on 23rd November, 2020 and further resolved for second share split to existing shareholders to be conducted by the client following technical advice of experts.

1.10 A certified true copy of the resolution of the shareholders General Meeting held on the 14th November, 2020 at Ubungu Plaza Limited Ground Floor Hall – Dar es Salaam resolving the Company to raise its share capital to TZS. 7.5 billion through initial public offering after listing of shares at the Dar es Salaam Stock Exchange PLC on the 23rd November, 2020 and further resolving the second shares split to existing shareholders to be conducted by the Company following technical advice of experts.

1.11 Copies of the Client's annual returns for the year 2017, 2018, 2019 and 2020

2.0 Tax compliance documents;

2.1 Taxpayers Identification Number (TIN) No.132-718-008, issued to the Client on 07th February, 2017.

2.2 Tax Clearance Certificate Number 141 – 0085 – 5600, date of issue, 18th February 2021, expiry date – 31st December, 2021

3.0. Business License

(i) Business License No.B.3682131, subject to renewal, issued on the 18th day February, 2021, to the Client, by Temeke Municipality, Dar es salaam, coming to an expiry and or ends on 12th February, 2022, for enterprising business and Training.

4.0 Intellectual property documents: Trade and Service Marks;

Certificate for Trade and Service Marks issued to the Client under section 28(2) and Regulation 50 of the Trade and Service Marks Act, 1986, which are currently in use as shown here under: -

i. Service mark certificate No. TZ/T/2017/210 dated on 15th February, 2017, in respect of the mark registered in the service marks register under Class 30 in respect of Maize, Flour, Rice, Beans, Sunflower oil and drinking water.

5.0 APPROVALS

5.1 Pending certificate of approval by Tanzania Bureau of Standards, (TBS) for goods of which the use of the mark is for maize flour, sembe and maize flour – Dona. The approval is subject to, upon submitting laboratory fat-acid sample tests, after an expiry of the former approval, with effect from 28th Jan, 2021, per TBS letter dated 12th February, 2021 with reference No. OA/OCCA/DOM/17/48.

6.0 Material Agreements:

6.1 Purchase agreement by the Client in respect of Farm No.288. LO.NO.184971, located at Matui area, Kiteto District, Manyara Region, made on 12th July, 2019, between the Client and Alson A. Shangali.

6.2 Various Land Lease agreements between various land lords and the Client (subject for renewal or renewable from time to time):

i. Agreement between the Client and Condo Investments Ltd dated 1st August, 2018 (demised premises at Arusha) demised Room Frame No. 22 for Company's products / business.

ii. Agreement between the Client and James Jonas Mahuta dated on the 07th September, 2017 (demised premises at Morogoro- Kilombero) for flour milling plant

iii. Agreement between the Client and Juma Ally Laida, dated on 25th July, 2007 (demised premises at Dodoma); for flour and oil plant and for other related business undertakings of the Company.

iv. Agreement between the Client and Gardiel A. Kimaro dated on 10th June, 2019 (demised office premises at Mwanza);

v. Agreement between the Client and PSSSF HOUSE BUILDING DARES SALAAM on Plot NO. 105/106, along Samora Avenue within Dar es salaam City dated on 26th July, 2019, (demised office premises at Dar es Salaam);

vi. Agreement between the Client and PSSSF PLAZA MTWARA on plot NO. 130/131, along Vigaeni Area dated on 3rd March, 2019 (demised office premises at Mtwara);

- vii. Agreement between the client and M/s Kisangani General Enterprises Ltd Plot No. 34, Block 10, demised office premises Mji Mpya, Dodoma city

7.0 Loan Agreement

- (i) Loan advanced to the client by Agricom Africa (T) Limited, for purchase of a combine harvester, principal loan repayment scheduled into four equal investments, the client is still pending with two instalments for loan repayment for a total sum of TZS, 19,500,000.00.

8.0 In addition to the documents referred to in this opinion above we relied upon the following laws together with the regulations made there under:

- (a) The Capital Markets and Securities Act [CAP 79 R.E. 2002];
- (b) The capital markets and securities (Prospectus requirements) Regulations [GN No. 769 of 1997];
- (c) The Capital Markets (Nominated Advisors) Regulations, 2010
- (d) The Companies Act NO.12 of 2002;
- (e) The Dar es Salaam Stock Exchange Rules, 2016
- (f) The Income Tax Act [CAP 332 R.E.2019];
- (g) The Stamp Duty Act [CAP 189 R.E.2019]
- (h) The Trade and Service Marks Act, 1986 and Regulations made there under
- (i) The Tanzania Food and Nutrition Act Cap. 109, RE 2002
- (j) The Tanzania Food Drugs and Cosmetics Act, 2003
- (k) The Tanzania Food, Drugs and Cosmetics (Treatment and disposal of unfit food) Regulations, 2006.
- (l) The Tanzania Food, Drugs and Cosmetics (Registrations of Foods), Regulations, 2011
- (m) The Tanzania, Food, Drugs and Cosmetics (Marketing of Food and Designated Markets for infants and young Children, Regulations, 2003
- (n) The Tanzania Food, Drugs and Cosmetics (Food Labelling Regulations) 2006.
- (o) The law of Contract Act Cap. 345 RE 2019.
- (p) The Land Act, CAP. 113, RE 2019
- (q) The village land Act, cap 114, RE 2019
- (r) The value Added Tax Act, Cap 148, RE 2019

9.0 Properties under Ownership of the client

Per Client's fixed register book, the client owns a considerable number of assets / properties and though not limited to, it includes heavy and light motor vehicles, heavy and light agricultural machineries, milling machineries / plant, motorcycles, landed properties, office furniture and equipment all which are registered under ownership and name of the Client and holds all the necessary ownership documents and has taken out insurance policies and licenses as required by law.

10.0 Board Members

The members of the Board of Directors of the Company as of the date of this Opinion are Eng. Dr Zaipuna Obed Yonah (Tanzanian), Peter Isare Gasaya (Tanzanian), Ian Samakande (Zimbabwean), Emmanuella Mtatifikolo Kaganda (Tanzanian), Mwajuma Hamza (Tanzanian) Abdallah Khalfan Gonzi (Tanzanian), and Phinias Samweli Opanga (Tanzanian).

11.0. Share Holdings

The shareholders are as per DSE PLC summary report given by National Micro Finance Bank (NMB), upload period as of 31st May, 2021, the total number of shareholders are 1,863, for taken 2,164,349 number of shares.

12.0. Findings and Opinion

(i) All material agreements reviewed by us and referred to in this Opinion are valid and enforceable under Tanzanian laws in accordance with its terms. They were all duly executed by the parties and per requirements of law. There are no provisions in the material agreements which are in conflict with the laws of Tanzania and there are adequate risk mitigation provisions to safeguard the Client against eventualities that could expose the Client to financial or operational impairments.

(ii) The Client is a public limited Company duly incorporated in Tanzania, has the corporate power and authority to conduct business in respect of maize, flour, Rice, Beans, sunflower oil, and other related businesses. The Client is in good standing in Tanzania and is in compliant with the requirements of the Companies Act. No.12 of 2002. The amended Memorandum and Articles of Association of the Client have complied with the requirements under the CMSA Act [Cap 79 RE 2002], for listing purposes and are in full force and effect.

(iii) The execution and delivery of the Client and the performance based on the documents and agreements in connection with the listing do not conflict with or constitute on the part of the Client a breach or violation of any of the terms and provisions of the amended Memorandum and Articles of Association of the Client or any agreement, order, judgment or decree of any Court / Tribunal known to us to which the Client is a party

(iv) The Client has obtained all internal corporate approvals for the listing and no further internal approvals are required. The Client has obtained approval of the Capital Markets Security Authority (CMSA) and has complied with the listing requirements of the Dar es Salaam Stock Exchange PLC Rules.

- (v) The Listing and execution of the agreements relating to the Listing, do not and will not violate any law or regulation to which it is subject to or any of the documents constituting it or (in so far as we are aware) any agreement to which the Client is a party or which is binding on any of its assets.
- (vi) That, the execution and consummation of the offer and the listing do not conflict with and shall not result in the breach of any law, regulation, rule, circular or any agreement or obligations to which the DSE PLC is a part to or bound by which would individually on in the aggregate, impair the validity of the offer and the listing or have material adverse effects or the ability or of the Company to perform its obligations after the offer and the listing.
- (vii) That the existing share capital of the Company has been authorized and issued in conformity with all applicable laws and has received all necessary authorizations.
- (viii) That, save for the contracts specifically disclosed in the Prospectus the Company has not entered into any material contracts (being contracts, entered into outside of the ordinary course of the Company's business in the two years immediately proceedings the date of the Prospectus.
- (ix) That, save for the litigation status disclosed in the Prospectus there are no material litigation or arbitration, prosecution or other civil or criminal legal actions in which the Company and its directors are involved, which could have material effects on business and or its intended offer for sale of its shares to Tanzania citizen and though not limited to and entities incorporated in Tanzania in which Tanzania Citizens have majority beneficial ownership and self-listing of its shares on EGMS.
- (x) That, subject to the above, there are no other material items not mentioned in the Prospectus or which we are aware of with regard to the legal status of the Company and the offer,
- (xi) This letter and the opinion given are governed by Tanzania laws and relate only to Tanzania laws as applied by Tanzania courts at the date of this opinion. We express no opinion in this opinion on the laws of any other jurisdiction.
- (xii) This opinion is given to the Directors of JATU PUPUBLIC LIMITED Company for the purposes of initial public offer to the general public of its six (6%) ordinary shares and subsequent listing of its fully paid-up shares at the Dar es Salaam Stock Exchange PLC (DSE) on the Enterprise Growth Market (EGM) segment and not for any other purpose, It may be relied upon only by JATU PUBLIC LIMITED Company, the DSE PLC and CMSA, but no any other person unless our written consent has been sought and obtained.

CONSENT

We Consent to the inclusion of this legal opinion in Prospectus of the client.

Yours Sincerely.

For and behalf of

MAFURU & CO ADVOCATES



.....
MAFURU M. MAFURU (ADVOCATE)
(Managing Partner)

11.0 NOMINATED ADVISOR'S REPORT



NIC life house, 2nd Floor, Wing C,
P.O Box 38694, Dar es Salaam, Tanzania,
Tel: +255 22 2112844,
Email: info@archco.co.tz
Website: www.archco.co.tz

RE: ASSESMENT OF JATU PLC

JATU PLC is intending to float 15,000,000 ordinary shares to the public in order to raise TZS 7.5 billion. The fund is intended to finance the Company's agricultural and industrial development plan.

As Nominated Advisor to the Company our responsibilities are owed directly to the Dar es Salaam Stock Exchange ("DSE") and the Capital Markets and Securities Authority ("the CMSA") in accordance with the applicable laws, rules and regulations. Our responsibilities for JATU PLC include among others;

- (a) To undertake an assessment of the viability of the project with a view to determining the viability of the JATU PLC as an investment. For this purpose, our Company made a review of the feasibility report and business plan of the Company in order to determine its compliance with Schedule IV of the Enterprise Growth Market (EGM) Regulations;
- (b) To assess and advise the Company on the appropriateness of raising capital from the public and listing at the EGM;
- (c) To evaluate, advise and recommend measures to be taken by the Company in order to meet the minimum requirements for IPO and listing on the EGM;

We have thoroughly gone through the check list of actions and necessary preparations needed for a Company to go public which includes among others;

- JATU PLC Board resolution to go public
- Appointment of Independent Advisers
- Preparation of Prospectus

Our Review

In view of the above, we reviewed both the Business Plan and the Financial Projections of JATU PLC and accordingly we hereby wish to confirm that they have been prepared with due care and that they are in line with the underlying assumptions which were availed to us as shown under Section 9 dealing with Reporting Accountant's Report on Page 65 of the Prospectus.

Reviewed documents enclosed herewith are

- 1) Business plan
- 2) Valuation Report
- 3) Independent Accountant report
- 4) Due Diligence and Legal Opinion
- 5) Financial Models

Based on our analysis, the underlying assumptions seem to be realistic, however, since projections refer to unknown future, it is impossible to guarantee that the expected results will be achieved. Furthermore, our assessment involved both offsite and onsite inspection and investigation. The assessment revealed that the Company at present operates several agriculture and industrial operations across the country which are aimed at boosting and escalating the members and communities around at large to higher levels of development

Analysis of some Key Performance Indicators (%)

We have performed an analysis of the projected financial statements for years 2021 through 2025 which are contained in the Reporting Accountant report and the business plan as well.

Based on projected quantitative financial data namely the Statement of Comprehensive Income, and the Statement of Cash flow and the accompanying assumptions, the Company's projections portray a net profit of about TZS 267 million in the initial year of 2021 due to impressive turnover supplemented by other income and controlled operating expenses as the Company gathers momentum to reach out to more clients and penetrate deeper in the market place.

The year 2021 is also projected to see a closing cash position of approximately TZS 1.47 billion caused by a good cash inflow and a substantial cash working capital injected in the beginning of operations which is derived from proceeds of share sale by way of IPO. On the same perspectives the year 2021 is projected to record a return on equity of 4.3% which is an impressive performance for a business which is still in a penetration pathway towards expanding its foothold in the market. Similarly, the Return on Assets (Investment) is projected at 3.9%.

Year 2022 is projected to see a remarkable jump in business by recording a turnover of approximately TZS 4.6 billion, a net profit margin of about 4.9%, giving rise to an absolute Net profit of TZS 226.5 million and a cash position of TZS 0.686 billion with a return on equity and Return on Assets of 5.2% and 4.5% respectively representing a significant decline in net profit margin from 8.1% projected for year 2021 and a decline in the net profit from TZS 267 million projected for year 2021. The above results are projected to be as a result of substantial increase in the administrative expenses by 64% and staff costs by 10% due to increased recruitment of staff and other administrative costs in line with increased activities or investments projected to be undertaken by the Company in year 2022.

In year 2023 the business is projected to record a remarkable net profit margin of 9% from 4.9% projected in prior year i.e year 2021 attributable to a growth of turnover by 4.3% largely attributable to increased production and sale of maize flour, rice, beans and sunflower products and strict control of operating costs resulting to an overall absolute net profit of TZS 437.7million from TZS 226.5 million in the previous year. Similarly, the same year is projected to register a cash position of TZS 1.2 billion which represents approximately 75% increase in free cash balances compared to the level of year 2022 attributable mainly to impressive cash flows which in turn are due to increased profitability by 93% thanks to deployment by the Company of a well-conceived network marketing system coupled with application of effective controls on operating expenses.

As regards to return on equity the projection for year 2023 indicates a return of equity of about 5.6% compared to 5.2% in year 2022 so does the Return on Assets of 4.7% compared to 4.5% in year 2022 occasioned by considerable growth in net profits which in turn is due to growth in turnover attributable to application of network marketing system and online selling strategy plus effective control on operating expenses

In the abrupt twist of events the projection for year 2024 indicates a mere net profit margin of about 1% compared to 9% in prior year owing mainly to incurrence of tax expense amounting to TZS 274 million contrary to the previous years which are projected to enjoy a tax deferred assets advantage or benefit arising from the past loss carry overs leading to nil tax expenses in respective years of 2021 through 2023. The year 2024 projects a slight decrease in the cash position to TZS 1.07 billion from TZS 1.2 billion in year 2023. On the other hand, the return on equity and return on Investment (assets) are projected at 4.9% and 4.2% respectively representing a slight decline compared to corresponding ratios in year 2023 due to decreased profitability from TZS 437.7 million to TZS 51million a decline of 88.4% attributable to mainly tax expenses compared to zero tax expense incurred in the prior year and to a lesser extent administrative cost.

The projections for year 2025 indicate a net profit margin of 14% which translates to absolute terms in net profit of TZS 793.4 million a substantial increase by approximately 1456% from a meagre net profit of approximately TZS 51 million projected in year 2024. The above trend is mainly attributable to incurrence of tax expense and increased operating expenses in Year 2025 compared to previous year. The tax expense is a result of exhaustion of the Deferred tax credit which are projected to happen in years 2021 through 2024 as a result of the past loss carry overs. The year 2025 cash position is projected to increase to TZS 1.23 billion, from TZS 1.307 billion projected in the prior year representing approximately 15% increase. As regards to the return on equity, and return on assets the year 2025 is poised to see the ratios standing at 5.4% and 4.6% respectively owing to growth in net profits in tandem with growth of equity and total assets.

Regarding the solvency of the Company, the projections indicate that the Company will not leverage its equity and has a projected persistent growth in cash position (liquidity) in line with its production plans. This trend implies the Company will be gradually utilizing its internal financing sources in place of external financing hence reducing if not eliminating borrowing costs which in turn will improve its profitability.

We have reviewed the risks and mitigation measures as detailed in the business plan also the production and marketing plan and accordingly we are of settled opinion that all relevant risks to the business have been identified and their mitigation measures have been explained sufficiently for a rational investor to comprehend and make a risk based informed decision. According to the business plan it appears that JATU PLC boasts of a strength of its wide and loyal members and client base which it currently capitalizes on and will continue to bank on in marketing its products through a networking system hence guaranteeing considerable turnover and good profit margins. The persistent positive trajectory in profitability will enhance the Company's goal of maximizing shareholders wealth besides meeting the interests of other stakeholders.

Our review of the business valuation of JATU PLC indicates the Company has applied appropriate valuation methods including all parameters and assumptions used therein. The method and all the parameters appear to be relevant and consistent with the nature, size and the stage at which the business is currently operating and that the IPO price reflects a fair value of the share of JATU PLC.

The above facts coupled with the projected favourable financial performance indicators satisfied us to make a settled view that the Company at present is viable to undertake an Initial Public Offer of its shares on the capital market as it will add meaningful value to both existing and potential buyers of the shares.

Based on the foregoing, it is our opinion that the Company portrays in many respects that it is fit and viable to go public at present as evidenced by a workable business plan which presents good prospects with favourable financial returns within the projected period of five years beginning year 2021.



IYEN J.A.NSEMWA
MANAGING DIRECTOR

12.0 DETAILS OF THE NOMINATED ADVISOR



NIC life house, 2nd Floor, Wing C,
P.O Box 38694, Dar es Salaam, Tanzania,
Tel: +255 22 2112844,
Email: info@archco.co.tz
Website: www.archco.co.tz

Introduction

The Second Schedule of the Capital Markets and Securities (Prospectus Requirements) (Amendment) Regulation, 2010 requires details of the Nominated Adviser to be given as part of the Prospectus. In this document we illustrate our Company and explain its track record with specific reference to our key area of capability. The CMSA requires that this player should be available and answerable to it (CMSA) on conduct of EGM Company until such time as the Company has qualified for migration to the main Board of the DSE listing.

ARCHCO Limited was incorporated in the United Republic of Tanzania on 15th September, 2011, with Certificate of Incorporation No. 85829. Its main objectives are to provide consulting services in capital markets operations; DSE Stock Brokers, DSE Nominated Advisers, funds arrangement and management; corporate finance; economic and Market studies; public finance and policy analysis; collective investment scheme; and organizational development and corporate planning. Continuous professional training is another key strength that we use in conjunction with our track record in the field.

Legal operational framework

1. Stock Brokers - DSE
2. Licensed Nominated Adviser
3. Authorized Participant in the CDS – (Investment in Government Securities through Bank of Tanzania)

Professional Capabilities and some of the assignments

ARCHCO LTD has successfully handled the following assignments

No	Client Category	Assignment Nature	No. of Clients	Status
1	Banks	Public Offering	1	Listed
2	Banks	Mergers & Acquisition	2	On-going
3	Banks	Rights Issue	1	Listed
4	Exploration Company	Initial Public Offering	1	Listed
5	Telecom	Initial Public Offering	2	On-going
6	Mining	Initial Public Offering	2	On-going
7	REIT	Initial Public Offering	1	On-going
8	Agribusiness	Listing	1	On-going

Company Organization

Top management of our firm is vested in the 3-person Board of Directors while day-to-day executive and operational decisions are made by the ARCHCO LTD team that comprises of three Authorized Dealer Representatives (ADRs), 3 Nominated Adviser Representative (NARs) and three Certified Public Accountant – CPA (T); among other professionals.

They have worked together previously and demonstrated their ability for various achievements they got on the professional assignment; and the team has delivered by far the largest output of capital markets transactions in Tanzania, including Arranging 4 IPOs in the DSE's Enterprise Growth Market (EGM).

Below is the summary of the qualifications of the Key Management of ARCHCO LTD.

CPA Iyen Jairus Attom Nsemwa – Managing Director

He holds MSc – Finance-University of Strathclyde, Bachelor degree of Commerce Accounting – University of Dar es Salaam, CPA (T) – NBAA and Stockbrokers, Dealers and Commodities Markets Certificate course issued by CMSA and various short courses/workshops/seminars on the financial analysis, project financing, REPOs Markets strategies, financial derivatives, project management, project appraisal, integrated financial management, entrepreneurship and Private Public Partnership.

Mr. Nsemwa who is currently the Managing Director ARCHCO LTD is also working for MENSE Technology Security System as a Managing Partner. Prior to that, he had also worked as Diageo Resources Country Representative, Director of Finance and Administration of National Development Corporation (NDC); Internal Auditor of the Central Bank of Tanzania and Financial Analyst of the Central Bank of Tanzania responsible for Management of debt instruments, financial Market development and analysis.

Mazengo Andrew Kasilati - Director of Strategic Investments and Corporate Recovery

He holds MSc-Finance - Leicester University, PGD-Economic Diplomacy-Centre for Foreign Relations, CPA (T)-NBAA, Advanced Diploma in Accountancy-IFM, Stockbrokers, Dealers and Derivatives Markets Certificate issued by CMSA and currently studying M.A Strategies & Peace Studies at University of Dar es Salaam. He attended various course/Workshop/Seminar on Company Act No. 12 of 2001; public procurement Act of 2001, Public Finance Act of 2001, Asset-Liability Management, Project Finance, Trade finance tools for export diversification and procurement audit techniques.

He is also a Managing Partner of TEG Consultancy, Registered Tax Consultant and Business Consultant Firm, worked at National Development Corporation (NDC) as a Chief Accountant and Financial Controller for 10 (ten) years and at Arusha Technical College as a Bursar.

CPA Richard R. Manamba - Director of Corporate and Project Financing

He Holds MBA (Finance) University of Wisconsin Whitewater Whitewater, U.S.A, B.Com (Finance) - University of Dar es Salaam and CPA (T) National Board of Accountants and Auditors Tanzania. Stockbrokers and Dealers Certificate-CMSA and various short courses/workshops/seminars on the financial analysis, project financing, financial derivatives, project management, project appraisal, integrated financial management, entrepreneurship and Private Public Partnership.

He worked throughout TAN Scott Limited, Dar es Salaam as a Principal Consultant, Kabanga Nickel Company Ltd as a Financial Controller, Darbrew Ltd Dar es Salaam as a Finance Manager, Martin Center Inc - Milwaukee, Wi, U.S.A as a Financial Accountant In Charge, Office Of The Commissioner Of Insurance, Madison, Wi, U.S.A, as a Financial Analyst/Examiner, Institute of Accountancy Arusha as a Tutorial Assistant, Citibank – Dar es Salaam Tanzania as a Bank Operations Officer and Bank Of Tanzania- Dar-Es-Salaam as a Tanzania Bank Officer.

Lukwalo Semboja – Head of stock Brokerage Unit

He holds BCom – Corporate Finance from University of Dar es Salaam, He holds various CMSA Courses (Nominated Adviser Representative - ADR, Trading Derivatives Instruments and various short courses/ workshops/seminars on the financial analysis, financial derivatives, project management, project appraisal, integrated financial management, entrepreneurship and Private Public Partnership.



IYEN J.A.NSEMWA
MANAGING DIRECTOR

13: DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at JATU PLC business office located at PSSSF House, 11th and 6th floor, along Samora Avenue/Morogoro Road

- a) The memorandum and Article of association
- b) Signed Legal Opinion by legal advisor
- c) Signed Accountants' Report by Diamond Financial Services
- d) The approval for offer for subscription, issue of shares and listing of shares from the CMSA and DSE respectively and
- e) Written consents of Nominated Advisor, Reporting Accountants and Legal Advisors named in this Prospectus

Appendix I: Collecting Agents

Orbit Securities Company Limited	Solomon Stockbrokers Limited
4 th Floor, Golden Jubilee Tower, Ohio Street, P.O. Box 70254 Dar es Salaam Tanzania Tel: +255 22 2111758 / 2120863 orbit@orbit.co.tz	Ground Floor, PPF House Samora Avenue/Morogoro Road P.O. Box 77049 Dar es Salaam Tanzania Tel: +255 22 2124495 / 2112874
TIB Rasilimali Limited	Optima Corporate Finance Limited
7 th floor, Samora Tower Samora Avenue/Bridge street P.o. Box 9154 Dar-es-salaam, Tanzania Tel: +255 22 211 1711 Website: www.tib.co.tz	Kinondoni Road 1 st floor Togo Tower P.O.Box 4441 Dar-es-salaam, Tanzania Tel: +255 22 266 6031 Email: info@optimacorporate.co.tz Website: www.optimacorporate.co.tz
Core Securities Ltd.	Vertex International Securities Ltd
1st Floor, Karimjee Jivanjee Building, Sokoine Drive 18, P.O.Box 76800 Dar es Salaam TANZANIA Email: ddario@coresecurities.co.tz Phone: +255 22 2123103 Fax: +255 22 2122562 Mobile: +255 754 303759 & 0622-303759 http://coresecurities.co.tz	Zambian High Commission, Annex Building Sokoine /Ohio Street P.O. Box 13412 Dar es Salaam Tanzania Tel: +255 22 2110392 vertex@vertex.co.tz
Victory Financial Services.	E. A. Capital Ltd
P.O Box 8706, Dar es Salaam ATC Building Ohio Street/Garden Avenue Tel: +255 22 211 2691	P.O. Box 20650, Kinondoni, Dar es Salaam 3 rd (Office No. 305) Plot no. 84, ACACIA Estate Kinondoni Road Tel +255 779740818 / +255 784461759 E-mail: ec@eacapital-tz.com

ARCHCO LTD

P.O. Box 38694, Dar es Salaam,
2nd Floor, Wing C, NIC Life House,
Sokoine Drive/Ohio Street
Tel. +255 22 732922396,
Fax +255 22 732928489

SMART Stock Brokers (T) Ltd

P. O. Box 1056878,
Dar es Salaam,
1st Floor, Masdo House, Samora Avenue, Tel: +255 22
2133607
Email: info@smartstockbrokers.co.tz

Zan Securities Limited

P.O. Box 5366, Dares Salaam
2nd Floor, Viva Tower, Unit 15, Bibititi Road
Tel: +255 22 2126415,
Fax: 255 22 2126414
Mob: +255 786 344767, +255 755 898425
E mail: info@zansec.com

Tanzania Securities Limited

Jangid Plaza, Plot No. G6
Kinondoni Municipality, Chaburuma Road
(Off Ali Hassani Mwinyi)
P.O. Box 9821
Dar es Salaam, Tanzania
Tel: +255 22 2112807
info@tanzaniasecurities.co.tz

JATU Public Limited Company

PSSSF House, Samora Avenue,
6th Floor,
P.O. Box 42155, Dar es Salaam
Mob: +255 758 495271
E-mail: info@jatu.co.tz
Website: www.jatu.co.tz

CSD and Registry Company Limited

2nd Floor, Kambarage House,
6 Ufukoni Street.
P. O. Box 70081, Dar es Salaam, Tanzania
Mob: 255 746 160516/255 677 070414
Tel: 255 22 2128740
Email: registrar@csdr.co.tz
Website: http://www.csdr.co.tz

Authorized Collecting Bank**DCB Bank**

DCB House, Magomeni Mwembechai,
Morogoro Road,
P.O. Box 19798 Dar es Salaam
Tel: +255-22-2172201
Fax: +255-22-2172199
Email: info@dcb.co.tz
Website: www.dcb.co.tz

Appendix II: Licensed Investment Advisors

Orbit Securities Company Limited	STANBIC BANK (T) LTD
4th Floor, Golden Jubilee Tower, Ohio Street, P.O. Box 70254, Dar es Salaam. Tel: +255 22 2111758 / 2120863 orbit@orbit.co.tz	Stanbic Centre, 99A Kinondoni Road P.O.Box 72647 Dar es Salaam Tel: 255 22 266 6430/480 Email: PeeraS@stanbic.com
TANZANIA SECURITIES LIMITED	TIB RASILIMALI LIMITED
Jangid Plaza, Plot No. G6 Kinondoni Municipality, Chaburuma Road (Off Ali Hassani Mwinyi) P.O. Box 9821, Dar es Salaam Tel: +255 22 2112807 info@tanzaniasecurities.co.tz	7 th floor, Samora Tower Samora Avenue/Bridge Street P.o. Box 9154 Dar-es-salaam, Tanzania Tel: +255 22 211 1711 Website: www.tib.co.tz
Consultants For Resources Evaluation Limited	Solomon Stockbrokers Limited
1st Floor, Karimjee Jivanjee Building, Sokoine Drive 18, P.O.Box 76800, Dar es Salaam TANZANIA Email:ddario@coresecurities.co.tz Tel: + 255 22212 5147	Ground Floor, PPF House Samora Avenue/Morogoro Road P.O. Box 77049 Dar es Salaam, Tanzania Tel: +255 22 2124495 / 2112874
TANZANIA MORTGAGE REFINANCE Company	SMART STOCK BROKERS LIMITED
15th Floor, Golden Jubilee Tower, P.O. Box 7539, Dar es Salaam	P. O. Box 105678, Dar es Salaam, 1st Floor, Masdo House, Samora Avenue, Tel: +255 22 2133607 Email: info@smartstockbrokers.co.tz
VICTORY FINANCIAL SERVICES LIMITED	NMB BANK PLC
P.O Box 8706, Dar es Salaam ATC Building Ohio Street/Garden Avenue Tel: +255 22 211 2691	Ohio/Ali Hassan Mwinyi Rd, P.O. Box 9213, Dar es Salaam. Manzi.Rwegasira@nmbtz.com Caroline.Yambesi@nmbtz.com
Standard Chartered Bank Tanzania Limited	National Bank of Commerce Ltd,
International House Shaaban Robert St/Garden Avenue P.O. Box 9011, Dar es Salaam. Tel: +255 22 2122160/2122162	Sokoine Drive & Azikiwe Street, P.O.Box 6826, Dar es Salaam Tel: +255 22 2199793 Email: contact.nbc@nbctz.com
Zan Securities Limited	Equity for Tanzania LTD. (EFTA)
P.O. Box 5366, Dar es Salaam 2nd Floor, Viva Tower, Unit 15, Bibititi Road Tel: +255 22 2126415, Fax: 255 22 2126414 Mob: +255 786 344767, +255 755 898425 E-mail: info@zansec.com	First Floor, NSSF Building, Agakhan Road, P.O. Box 7293, Moshi Tel: +255 27 275 4696 Email: info@efta.co.tz
ABSA Bank Tanzania Limited	
Ohio Street, P.O. Box 5137 Dar es Salaam, Tanzania Mob: (+255) 746 882 231	

Appendix III

SHARE APPLICATION FORM

A copy of this Prospectus to which this Application Form is attached was registered in terms of Section 35 of the Companies Act 2002 and Section 131 of the Capital Markets and Securities Act 1994 (as amended). This Application Form relates to the Initial Public Offer of 15,000,000 New Ordinary Shares of JATU PLC, at an issue price of TZS 500 per share. Expressions used in this Application Form shall, unless the context requires otherwise, have the same meaning as in the Prospectus. This Application Form should be read in conjunction with the Prospectus and the terms and conditions contained therein are deemed to be incorporated in and form part of this Application Form.

Please refer to the instructions from the third page of this application form before completing this Application Form. This form has to be completed at the premises of any Licensed Dealing Member. This form once duly completed should be submitted, together with TZS Banker's cheque, TZS Direct Debit slip or TZS Cash in favour of JATU PLC, to any Receiving Company or Licensed Dealing Member. The Directors reserve the right to reject any application, in whole or in part, particularly if the instructions on the third page and as set out in the attached Prospectus are not complied with. The share offer will open on 1st June 2021 at 9.00am and will close on 15th July 2021 at 4.00pm.

I/We understand that the share certificate shall be transferred into the custody of the DSE Central Depository system (CDS), such that only the DSE CDS shall be issued to all successful applicants. I/We also understand that JATU PLC Share Certificates can be issued under special arrangement with DSE after submitting an application to withdraw from the CDS.

APPLICANT'S DECLARATION

By signing and submitting this Application Form, I/We declare that:

I/We (or the guardian signing this application on behalf of the minor), being above 18 years of age have read the terms and conditions of application set out in the Prospectus and agree to be bound by its contents.

I/We are not acquiring the shares as a nominee of any other person other than myself/ourselves;

I/We agree to accept the same or smaller number of shares in respect of this application as may be allotted by JATU PLC subject to and in accordance with the terms of Memorandum and Articles of Association of JATU PLC;

I/We understand that multiple or suspected multiple applications may be aggregated and treated as a single application or rejected in their entirety;

I/We confirm making payment by cash, Company transfer or banker's cheque in favour of "JATU PLC Initial Public Offer" for the appropriate amount due in terms of this application;

I/We accept that the accuracy of the information provided is my/our sole responsibility and for any essential information that is required for the application process that I/We may not have provided may be incorporated by the selling agent, as may be appropriate;

I/We agree to receive our share depository receipt as indicated on the application form; and

I/We understand and accept that this Prospectus does not constitute an offer, but is an invitation to me/us to make an offer to JATU PLC to purchase ordinary shares and that JATU PLC has the sole authority of determining whether to accept or reject this offer subject to CMSA approval.

Signature..... Company Stamp/Seal.....Date.....

APPLICATION FORM NO.....

APPLICATION FOR SUBSCRIPTION OF SHARES OF JATU PLC

In respect of an Initial Public Offering (IPO) of 15,000,000 new Ordinary Shares of JATU PLC.

COMPLETE IN CAPITAL LETTERS

A	CSD ACCOUNT NO.		AUTHORISED COLLECTING AGENT NO.	
---	-----------------	--	---------------------------------	--

[illegible]

C	APPLICANT(S)						
		First	Middle	Surname			
	Primary Applicant				Nationality		
	Joint Applicant – 1				Nationality		
	Joint Applicant – 2				Nationality		
	Corporate Applicant (Name)						
	Registration No.		Country of Registration				
	Contacts	P.O. Box		Tel		Email	
		P.O. Box		Tel		Email	

D	APPLICATION			
	Number of shares Applied for		Amount payable (TZS) No. of Shares X Offer Price	

E	PAYMENT (Please tick the appropriate box)									
	Electronic		Cash		Mobile Transfer		Sender's Phone No.			
	Banker's Cheque No:						Company (State)	Guaranteed		

I/We, the Applicant(s), hereby certify that I am/we are eligible to apply for and be allotted the Offer Shares on the basis of the criteria stated in paragraphs 2.5 – 2.6 of the Prospectus published by JATU PLC

F	SIGNATURES	Signature 1	Signature 2	Signature 3
Signed				
Date (DD/MM/YR)				

APPLICATION FORM NO:

G	CUSTOMER RECEIPT			
	Name of Applicant (First/Middle/Last)			
	CSD No.		Shares Applied for	
	Date: DD/MM/YR			
	Receiving Agent		Signature & Stamp	

GENERAL INFORMATION

An applicant must be a holder of CSD Account. In order to open a new account, please contact an authorized agent and attach your CSD account application form with this form.

Applicants are required to observe the terms and conditions contained in the Prospectus

The Issuer reserves the right to accept or reject any application in whole or in part particularly if the instructions set out in the Prospectus and in this application form are not complied with.

SPECIFIC INSTRUCTIONS

Section A - is mandatory for all applicants and must be completed correctly

Section B - is mandatory for all local applicants who have Company accounts in Tanzania. Data in this section will be used for refunds (if applicable).

Section C - should be filled in correctly; the names in the CSD account must be the same as those presented in Section A and if they are not, the applicant is advised to update the CSD Account data immediately through an authorized agent.

Section D – applicants should make their request to purchase shares for a minimum of 10 shares and in multiples of 10. The amount payable shall be the number of shares applied for multiplied by the TZS 500.

Section E - provides five options for making payment including mobile cash transfer. Please tick the appropriate box. If using mobile cash transfer, correctly provide the data required.

FURTHER TERMS AND CONDITIONS

Applications may be made ONLY on this application form – photocopies or other reproductions will be rejected;

2. Applications are Irrevocable and may not be withdrawn once submitted to a receiving Company or a stockbroker;
3. Applicants should consult their stockbroker or the receiving Company in case of doubt as to the correct completion of this form;
4. Applications will only be regarded as complete when the value has been received. All monies will be deposited for payment immediately on receipt;
5. If any payment is dishonored for whatever reason, the relevant application may be regarded as invalid or other steps may be taken in this regard as may be deemed fit;
6. All alterations to the application form must be authenticated by the applicant's signature;
7. The application form and payment or proof of payment is to be received by no later than 1600 hours on 15th July 2021.

LATE APPLICATIONS WILL NOT BE ACCEPTED;

8. Tanzanians and non-Tanzanians are allowed to participate in this offer.
9. In case of companies two signatories MUST endorse the form and stamp
10. Applicant Detachable section should be stamped by the Agent

IPO APPLICATION GUIDELINES FOR DSE MOBILE TRADING PLATFORM (MTP):

Part A: General Information

1. An application must be a holder of a CSD Account. To open a new CSD Account or enhance existing CDS Account please refer to part D, E, F and G below.
2. Applicants are required to observe terms and conditions contained in the Prospectus.

Part B: Access to DSE Mobile Trading Platform

1. Dial USSD *152*00# >>>>> Government Payment >>>>> DSE
2. Download "DSE Hisa Kiganjani" app from Play Store
3. Click to " <https://onlinetrading.dse.co.tz/guest/welcome>"

Part C: Payment

1. Payment can be made through the following payment mobile money channels: M-Pesa; Tigo Pesa; Airtel Money, Halopesa, Ezy Pesa and T-Pesa.
2. Payment can also be made by dialing USSD Short Codes of CRDB, NMB, Azania, Akiba, Mkombozi etc. and select an option to pay through a GePG control number to be issued by MTP.

Part D: Registration Confirmation

1. Registration is electronic so the investor will be asked for his/her National Identification Number (NIN) and he/she will verify the electronic information by responding correctly to at least two of five random questions.
2. On successful verification of NIN, the investor will choose between opening a new CSD Accounts or enhancing existing CDS Account.

Part E: Activation of a new CDS Account

1. For new CSD Account, the investor will be given a CSD Account No and a start-up code.
2. Investor will be asked to enter the start-up code to activate the CSD Account.
3. Investor will be asked to enter a new PIN and then will be required to confirm the PIN.
4. The CSD Account will be activated and ready to use

Part F: Enhancement of Existing CSD Account,

1. To enhance existing CSD Account the investor will enter his/her NIN, a CSD Account No, and a PIN to be given by CSDR if not known or forgotten.

Part G: Opening CSD Account for a child

1. Parent/Guardian can open a new CSD Account for a child - with a maximum limit of five children.

ALLOCATION OF CDS NUMBER

Check if an unallocated number is available
 Allocate to this prospective shareholder
 Send payment confirmation to the MSISDN