**Sayı:** 70430465-TİM.OAİB.GSK.İDARİ.2022/1518-5434 Ankara, 25/05/2022
**Konu:** İşbirliği Talebi - Bangladeş

SİRKÜLER (G-2022)

Sayın Üyemiz,

T.C. Ticaret Bakanlığı'ndan Türkiye İhracatçılar Meclisi (TİM)'e iletilen bir yazıda, Dakka Ticaret Müşavirliğinden alınan bir yazıya atıfla, Bangladeş'te faaliyet gösteren Plum Şirketler Grubunun, Otomobil Parçaları ve Bileşen İmalatı, Elektronik Parça ve Bileşen Üretimi, Tek Kullanımlık Tıbbi Ekipman İmalatı, Doldurulmuş Oyuncak İmalatı, Deri Dışı Ayakkabı İmalatı, İlaç Destek Sanayi, Hazır Giyim İmalatı, Evcil Hayvan Oyuncakları ve Aksesuarları İmalatı alanında Türk firmalarıyla iş ortaklıkları kurma talebini Dakka Müşavirliğine ilettiği belirtilmiş olup, firmaya ilişkin bilgiler ekte gönderilmektedir.

Bilgilerine sunulur.

Emre OLGUNER
Genel Sekreter A.
Şube Müdürü V.

**Ek:**
1- Joint Venture Proposal - Plum Group of Companies
2- Letter of Intent - Plum Group of Companies

Ayrıntılı bilgi için: Kubilay Yapıcıoğlu - İdari Memur
**Orta Anadolu İhracatçı Birlikleri Genel Sekreterliği**
Ceyhun Atuf Kansu Cad. No: 120
06520 BALGAT ÇANKAYA ANKARA
Tel : (312) 447 27 40 Faks : (312) 446 96 05 - 447 01 80
e-posta : info@oaib.org.tr / www.oaib.org.tr

# PLUM GROUP OF COMPANIES

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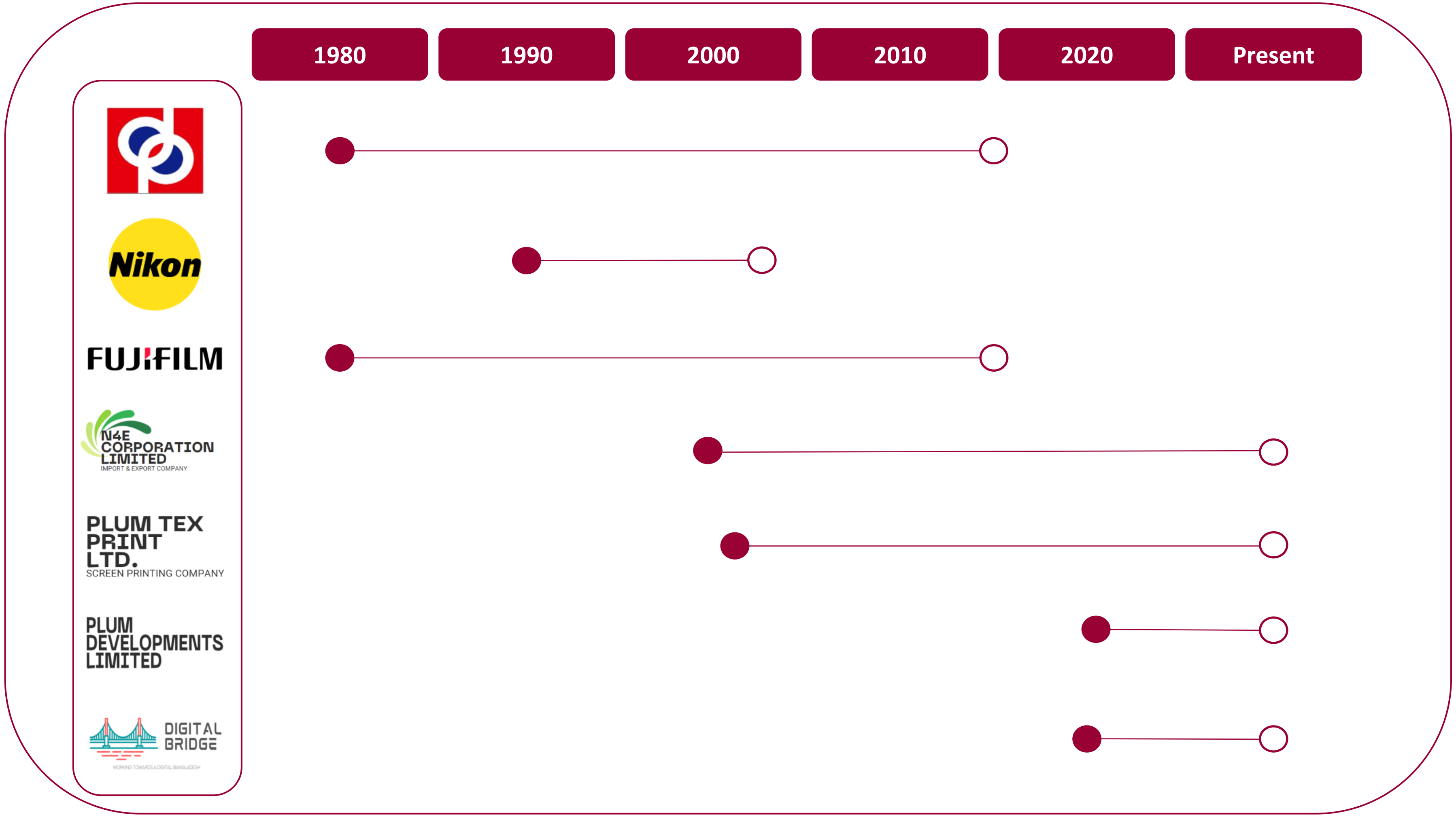
# Present & Past Holdings

Since our inception we have entered and exited various industries



# Present & Past Holdings

- Padma Poly Cotton knit Fabrics Limited is a 100 percent export oriented composite knit garment industry. The Factory is equipped with brand new, most modern and state of the art machinery from USA, Europe, Japan and run by highly trained and skilled manpower. Padma Poly Cotton offers a complete production line from knitting fabric to the finished garments.

- We were the first company to introduce high-end Nikon Cameras in Bangladesh market.
- The distribution channel that we had created with the Fujifilm business helped us to succeed in this market as we had access to various wholesalers, retailers and our

- We started our journey with Fujifilm of Japan in 1980 acting as their agents for films, photography printing, film paper and printing chemical products in the Bangladesh market.
- We successfully created a distribution channel all over Bangladesh with more than 160 retail stores.

N4E CORPORATION LIMITED
IMPORT & EXPORT COMPANY

- N4E Corporation is our trading business, we imports various products which are sourced from China, and Japan. The company was formed midway during our partnership with Fujifilm. We realized that we could leverage on our current distribution channel and to introduce more items in the Bangladesh market.

PLUM TEX PRINT LTD.
SCREEN PRINTING COMPANY

- In 2004, Plum Text Print Limited was formed as a garments screen printing plant with state of the art octopus printing machines.
- Over the years the business has helped several knitting, denim and lingerie factories in Bangladesh to fulfil their orders over the years.
- Since 2004, we have worked with various international clients such as Zara, Disney, Li & Fung, Ardene, Abercrombie & Fitch, Old Navy, and many more.

PLUM DEVELOPMENTS LIMITED

- Plum Developments is our residential real estate arm that was launched in 2019 in response to the rate of urbanisation in Bangladesh.
- So far a single residential built to sale project has been constructed in Dhaka city.
- Due to COVID-19 future project have been halted.

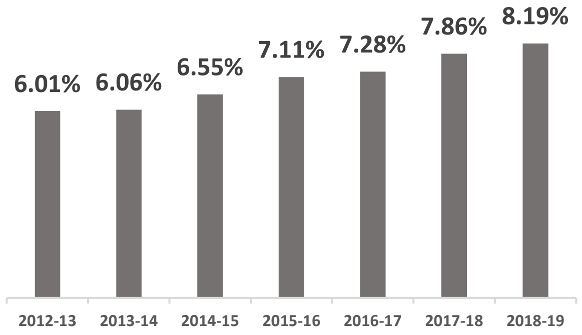
DIGITAL BRIDGE

- At Digital Bridge, we seek out world-class technology companies from Europe and North America with unique and strategic ESG value propositions for the Bangladesh market and form lasting partnerships with them.
- Our main focus till now has been to leverage on the best technology available to protect the lives and livelihoods of Bangladeshis before, during and after any crisis. This is what we have been doing best over the past generations and this is our passion.

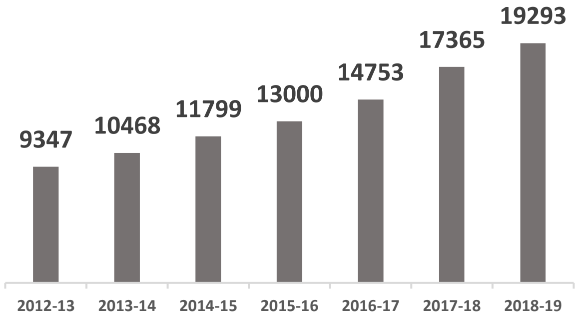
# Bangladesh Economic Indicators Overview

## Since 1975, Bangladesh has outperformed various economic benchmarks

### GDP Growth Rate



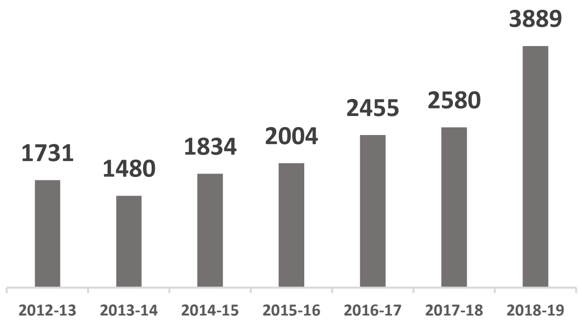

### Consumption (billion BDT)



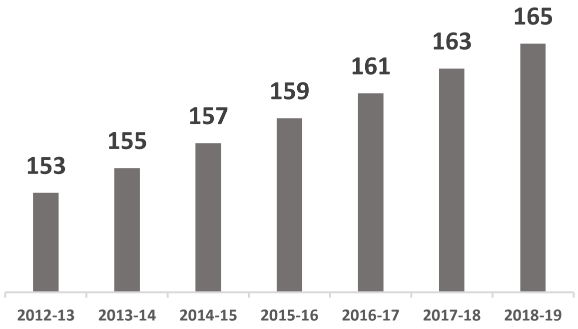

- Bangladesh has achieved a remarkable **GDP growth rate of 8.19 percent in the 2018-19 fiscal, one of the highest in South Asia.**
- **GDP growth is forecast to continue above 7 percent due to growth in public spending in infrastructure and private investment supported by business climate reforms**, according to the World Bank.
- **It is poised to increase by 7% on an average till 2033**, according to the Centre for Economics and Business Research

- **Bangladesh's consumer class is experiencing a dynamic change.** The current trend and future estimates suggest that consumption demand will be a strong driver of growth.
- **The number of middle-class and affluent Bangladeshis is growing by an average 10.5** percent annually, outperforming Indonesia, Myanmar and Thailand.
- **Consumer wealth is also dispersing outside major cities. As the growth trend continues, the number of middle-class and affluent consumers is expected to nearly triple to about 34 million by 2025** according to the Boston Consulting Group.

### Foreign Direct Investment Trends (million USD)




### Population Growth (million)




- **Sovereign ratings for Bangladesh has been steady and positive, according to both Moody's and S&P, who have labelled the country as a mobile economy rising to the next level** with performance much stronger than sovereigns at similar income levels.
- **Goldman Sachs lists Bangladesh among its "Next 11" countries for its potential in becoming a major economy**

- **Young Bangladeshis are fuelling a sharp rise in the working age population**, providing a strong base for rising consumption in the coming decades.
- **Over 60 percent of the population is between the ages of 15 and 64**. The median age of the population is 27.
- **Much of the Bangladeshi population is university educated.** The country's pool of resources comprising of a young working force, who are highly adaptive to technology, has made Bangladesh an emerging hub for outsourcing services.

# High Growth Potential Industries

Over the last 8 years the following industries have shown high growth potential

**Ready Made Garments**

**Agriculture**

**FMCG**

**Electronics Manufacturing**

**Pharmaceutical API Manufacturing**

**Medical Devices Manufacturing**

**Information Technology**


**Non-Leather Shoe Manufacturing**

# Why Invest in Bangladesh

Setting up a manufacturing plant consist of multiple benefits

## Key Benefits of the Bangladeshi Economy

**1 Young & Skilled Workforce**

- A demographic dividend with over 60 percent of the population within the working age
- Each year, 2.3 million young, tech savvy and adaptive youths join an ever-growing workforce
- Bangladesh literacy rate reaches all-time high of 72.76%

**2 Strong Domestic Market**

- Bangladesh’s consumer class is experiencing a dynamic change. The current trend and future estimates suggest that consumption demand will be a strong driver of growth.
- The number of middle-class and affluent Bangladeshis is growing by an average 10.5 percent annually, which is faster than Indonesia, Myanmar and Thailand.
- Consumer wealth is also dispersing outside major cities.

**3 Fiscal Incentives**

- Tax exemptions
- 50% income derived from export is exempted from tax
- Import duty exemption on raw materials
- Double taxation prevention
- Tariff refund on raw materials for export
- Cash back on export

**4 Competitive Labour Costs**

- The Bangladesh wage is less than half compared to India, and less than one-third of the cost in China or Indonesia.
- Low cost and high return manufacturing destination in Asia
- Bangladesh among top three countries in operating profit forecasts

# Why Invest in Bangladesh

Setting up a manufacturing plant consist of multiple benefits

## Key Benefits of the Bangladeshi Economy

**5 Infrastructure Ready**

- Bangladesh is lifting itself up with solid structures, completing one mega project after another to improve business connectivity through land, water and air
- A boom is being witnessed in power generation capacity and by 2041, Bangladesh looks to generate 60,000MW electricity
- The government has developed and is in the process of developing various fast-track infrastructure initiatives

**6 Foreign Direct Investment Friendly**

- Bangladesh has the most liberal investment regime in all of South Asia, characterised by a growing number of facilities, attractive incentive policies and consistent reforms for a better business climate
- Bangladesh is intensely focused on promoting private investment because of its potential to drive diversification and the transition towards a future based in knowledge and technology

# General Fiscal Incentives

The Bangladesh government has created various policies for manufacturing plants to be highly competitive

## Fiscal Policies Implemented by the Bangladesh Government

| Incentive | Tax Exemption | Incentives for Export Oriented Industry | Exemption on Import Duties | Bonded Warehouse Facilities | Double Taxation Prevention |
|---|---|---|---|---|---|
| Description | ▪ A business in Bangladesh can enjoy tax exemption on a varied rate and reduced taxation for various periods depending on the location of the operation.<br>▪ Five-year tax exemption is offered to businesses located in Dhaka Division and Chattogram Division.<br>▪ Fifty percent of income derived from export is exempted from tax.<br>▪ Tax exemption for interest paid on foreign loan | ▪ 50% of Income derived from export is exempted from tax<br>▪ No export duty except on tobacco products<br>▪ Bonded warehousing facilities for export goods manufacturing<br>▪ Duty drawback facilities<br>▪ Export subsidy and cash incentives for specific product exports | ▪ Capital machineries are subject to reduced rate from customs duties.<br>▪ Raw materials to be used for producing export goods are exempt from import duties.<br>▪ Approval from the Chief Controller of Import & Export is required for import duty exemption. | ▪ For export oriented industries<br>▪ For large import for local selling in certain items | ▪ Bangladesh has Double Taxation Treaties or DTTs with 34 countries. |

# International Joint Ventures in Bangladesh

Over the past 20 years several international firms have set up their manufacturing plant in Bangladesh

**Automobile Manufacturing**

KIA, HYUNDAI, HONDA, MITSUBISHI MOTORS, PROTON, Hero, YAMAHA, SUZUKI

**Electronics Manufacturing (I)**

Whirlpool CORPORATION, NOKIA, MITSUBISHI MOTORS, SAMSUNG, SINGER, mi, SHARP, LG

**Electronics Manufacturing (II)**

vivo, oppo, realme, Koç, Redmi, POCO, FUJITSU, SONY

**Medical**

NIPRO, SHIP HEALTHCARE, evercare Transforming Healthcare

**Chemical/Paint**

FOSROC, Since 1760 Lewis Berger Paint your imagination

**Garments & Footwear**

blueocean footwear, COATS Coats Bangladesh, VKC, Bata, diadora, lotto, DECATHLON

- Multinational companies across various industries have partnered with Bangladeshi companies to set up a manufacturing plant for their products for either the local market or the export market.

# Interested Industries for Joint Venture

Currently we are looking for a joint venture partner for one of the following industries

**Automobile Parts & Component Manufacturing**

**Electronics Parts and Components Production**

**Disposable Medical Equipment Manufacturing**

**Stuffed Toys Manufacturing**

**Non-Leather Footwear Manufacturing**

**Pharmaceutical Support Industry**

**High Value Ready Made Garments Manufacturing**

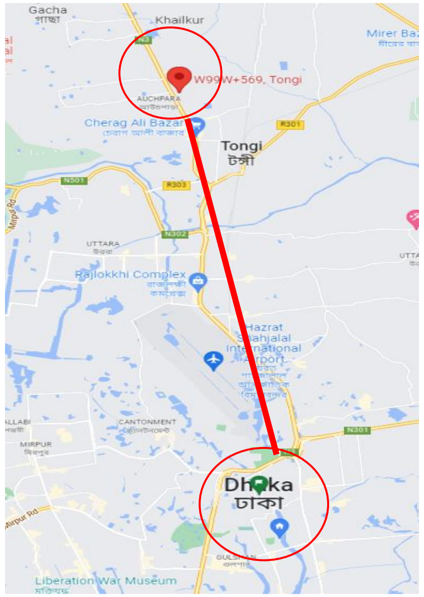
**Pet Accessories Manufacturing**

- We would like to get into one of the following industries and partner up with a foreign company. Furthermore, with the partnership we would like to enter the export market.

# Factory Building Location, Pictures and Specifications

We attached some of the information about the factory, but we are happy to share more

| | |
|---|---|
| Floors | 5 |
| Entrances | 1 |
| Height (1-5) | 10.9 Feet/ 3.3 Meters |
| PSF Per Floor | 63 PSF/ 3 Kilo Newton |
| Distance from City | 15.4 km/ 3.3 miles |
| Floor Area (1-5) | 95,000 Square Feet/ 8,825 Meters $^2$ |
| Ground Floor Area | 19,000 Square Feet/ 1765 Meters $^2$ |
| Total Area | 114,000 Square Feet/ 10590 Meters $^2$ |




- From the building registration government body we have permission to build two more floors on top of our existing factory building. This will ultimately result in increasing the total space by 38,000 square feet/ 3530 meters $^2$

# Factory Building Location, Pictures and Specifications

We can send more pictures and videos of the factory for any interested party










- From the building registration government body we have permission to build two more floors on top of our existing factory building. This will ultimately result in increasing the total space by 38,000 square feet/ 3530 meters [2]

# Factory Building Floor Plan

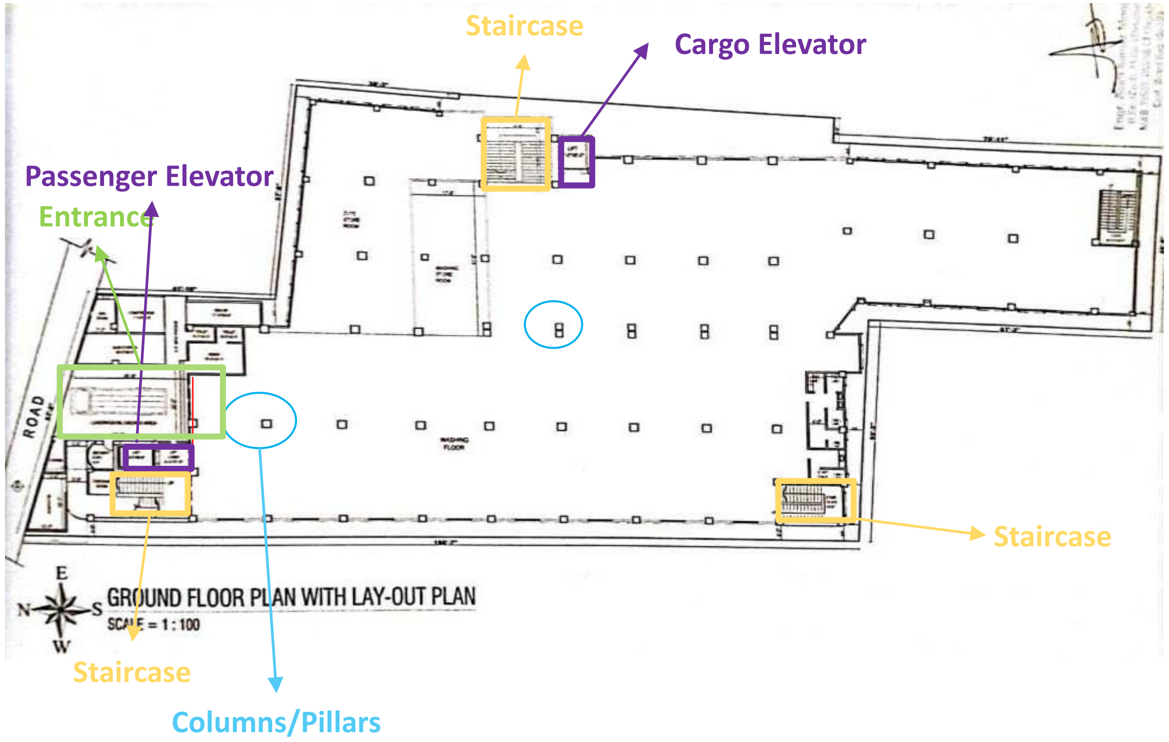
## Ground Floor

- In order to get a license to manufacture we have to construct the building as per compliance regulations. We have a consultant who supervises said regulation.

- We will be able to modify the building as it is still not fully constructed yet. Therefore in order to meet certain international and foreign licenses, certificates and compliance certificates. We can modify the building as per those requirements very easily.

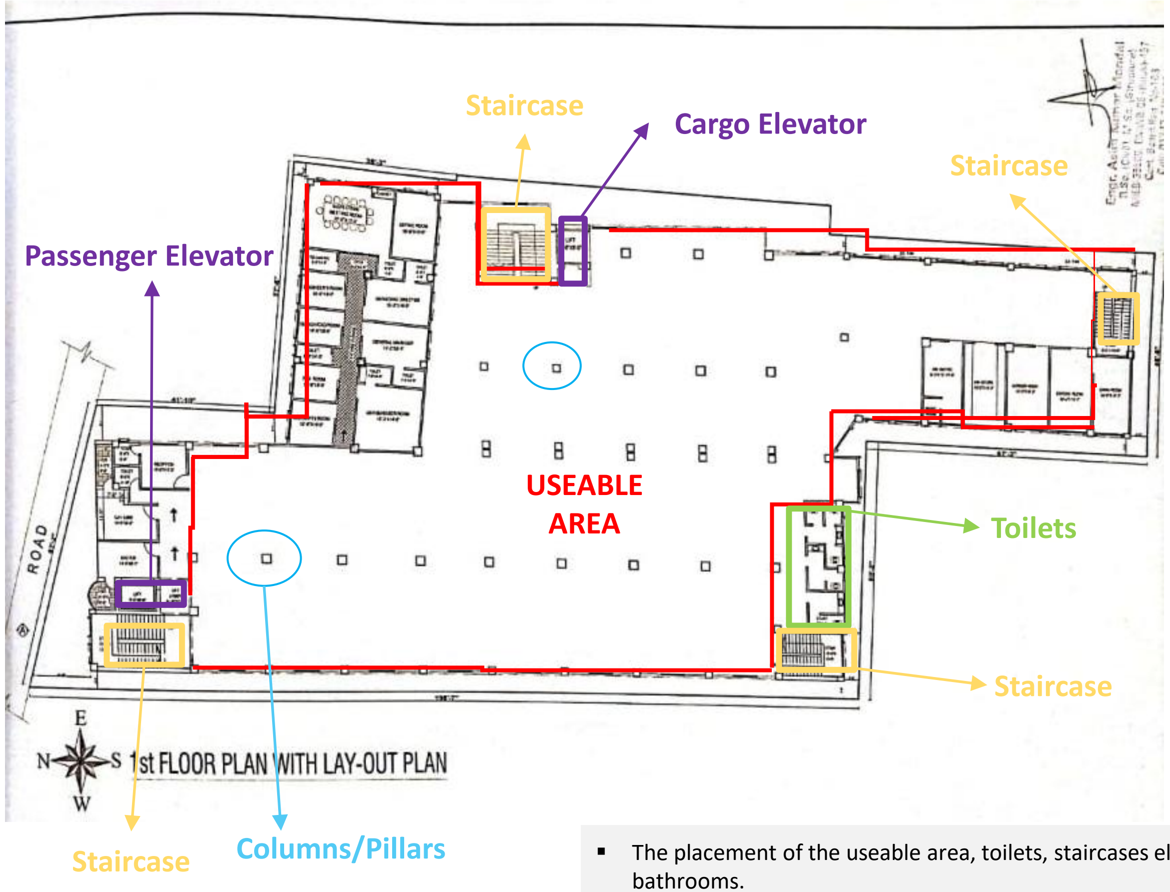
- Multiple fire exits, water hoses, and infirmaries are in the existing plan of the factory. We have consultants who assist us to plan such necessary components of a manufacturing plant. Moreover, we have a exterior and interior designer who assists us on how to make this site sustainable and eco-friendly.

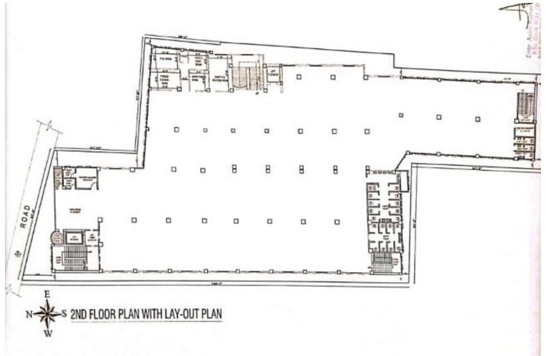
- Currently there is the possibility to expand the factory building both vertically and horizontally. Therefore in the future it is possible to increase production capacity.

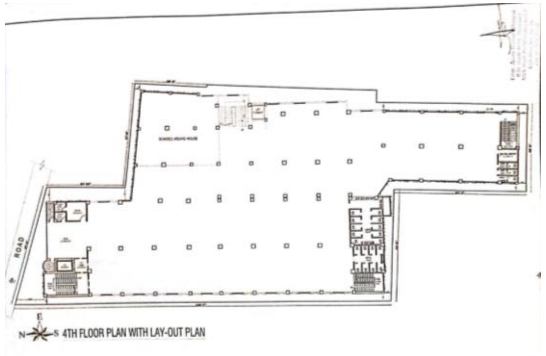


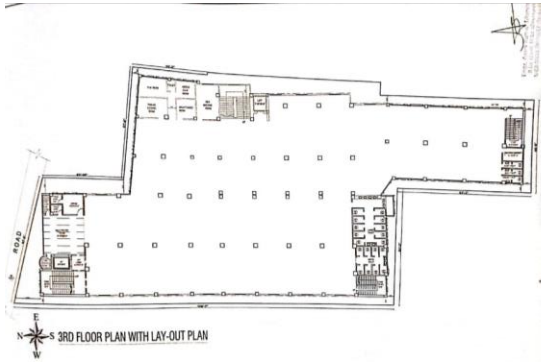
# Factory Building Floor Plan

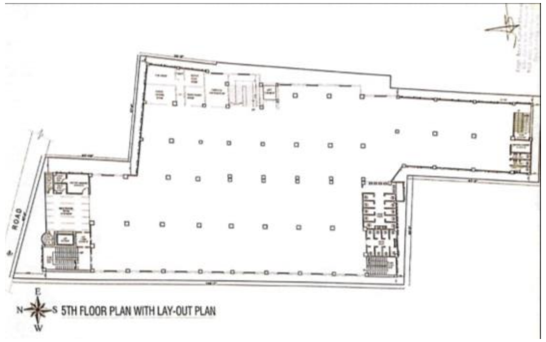
## Floor 1




- The placement of the useable area, toilets, staircases elevators is unilateral for all the floors from 1 to 5. As of now the all the floors are empty with minus the construction of the bathrooms.

# What You Can Expect From Us

| | | |
|---|---|---|
| 1 | **Licenses & Certificates** | ▪ Our joint venture partner can expect us to work together and get all the relevant manufacturing licenses and certificates in Bangladesh and their country. |
| 2 | **Compliance** | ▪ As per compliance of the factory building we constructed. We will be able to modify any part of the building in order to meet compliance requirements in both of our countries. |
| 3 | **Company Registration** | ▪ Given, that we are able to come into an joint venture agreement. We will undertake all the necessary registration processes with the relevant local public institutions. |
| 4 | **Operations** | ▪ All members of our team are skilled enough to manage the day to day operations. We would like to offer the day to day operations |
| 5 | **Transparency** | ▪ One of the key components in our prospective business relations. Our prospective partner can expect us to be transparent in terms of all the business operations. |
| 6 | **Communication** | ▪ From our side you can expect a direct level of consist communication during and after the expectancy of the our agreement. |
| 7 | **Integrity** | ▪ The practice of good ethics and integrity is a key trait we teach to our employees. You can expect the same for us. |
| 8 | **Land & Building** | ▪ From our side as part of the joint venture we will allocate the land and building in order to create a prospective project going forward. |

# Board Members

## Professional Experience

**Khan Mohd Ezaher**

**Managing Director**

- Successfully managed more than 160 retail stores across Bangladesh for nearly 30 years while maintaining a very good and transparent relationship with Fujifilm of Japan.
- Managed to create a new market for various Fujifilm products such as albums, camera accessories, camera lens,  and video cameras in the Bangladesh market to wholesalers in major regions of the country.
- Over 35 years of experience in the ready made garments industry in the areas of quality control, costing structures, daily operations, training workers and customer relationships. Has managed over 1000 ready made garments orders from oversea buyers.

**Khan Mohd Eshtiaque**

**Director**

- Advised on more than €25bnof M&A and capital raising transactions in tech sector
- Investment banking vice president at Natixis CIB
- M&A associate at Santander CIB, Daiwa Capital Markets and GBS
- Currently represents leading European and North American technology companies in the Bangladesh market.
- **LinkedIn Profile**: https://www.linkedin.com/in/eshtiaque/

**Khan Mohd Ershad**

**Director**

- Currently oversees the construction of the factory building, purchase orders, shipment, and distribution of various imported goods from Japan and China.
- Participated in deployment of over €200m of capital
- Real estate private equity at ActivumSG, a €2bn pan European fund
- **LinkedIn Profile**: https://www.linkedin.com/in/ershad-khan-mohd-57b5536a/

# Contact Us

**You can contact us anytime and we will be more than happy to arrange an online or physical meeting with you in order to answer any inquiries and on how to move forward**

**Primary Email**: ershad@digitalbridge.group

**Secondary Email**: eshtiaque@digitalbridge.group

**LinkedIn Link**: https://www.linkedin.com/company/digital-bridge-bangladesh

**Phone Number**: +8801322401271

**Address**: 218 New Elephant Road, Dhaka 1205

# Subject: Joint Venture Proposal in Bangladesh

We are writing this letter of intent to express our interest in looking for a partner with whom we could do a potential joint venture in Bangladesh and create a strategic manufacturing plant. We have other plots of industrial land that can also be used if it ever needed to expand.

We think that jointly opening a manufacturing plant in Bangladesh specifically for the export market will entail many benefits due to the dynamics of our economy and the fiscal incentive policies created by the government of Bangladesh. Specifically for those reasons, multinational companies have constructed their manufacturing plant through strategic partnerships with Bangladeshi companies.

**We are currently interested in the export market for the following:**

1. **Automobile Parts & Component Manufacturing**
2. **Electronics Parts and Components Production**
3. **Disposable Medical Equipment Manufacturing**
4. **Stuffed Toys Manufacturing**
5. **Non-Leather Footwear Manufacturing**
6. **Pharmaceutical Support Industry**
7. **Ready-Made Garments Manufacturing**
8. **Pet Toys & Accessories Manufacturing**

We have constructed a manufacturing plant 15.4 km/3.3 miles from the capital, consisting of 5 floors (95,00  /8,825 ) and we have permission to construct a further 2 more floors. The specifications, floorplan, pictures, and other relevant information are presented in the presentation that we have attached alongside this document.

We think it will be worthwhile to at least have the opportunity to have a dialogue with us and analyze how to move forward in the most strategic and meaningful manner.

We look forward to hearing back from you.

Yours sincerely,
Khan Mohd Ezaher