

# MAMWAKA COMPANY LIMITED ASSEMBLY OF OEM ELECTRONICS (COMPUTERS AND LAPTOPS) PROJECT

Mamwaka Company Limited presents a transformative opportunity in Tanzania's ICT sector through our innovative OEM Laptop & Electronics Assembly Project. This comprehensive business plan outlines our strategic pivot from wholesale distribution to local assembly operations, positioning Mamwaka as a pioneering technology manufacturer in East Africa. With USD 200,000 in initial capitalization, we will establish state-of-the-art assembly facilities in Dar es Salaam, creating high-value manufacturing jobs while delivering affordable, quality computers to Tanzania's growing digital economy.

# EXECUTIVE SUMMARY

Mamwaka Company Limited, incorporated in 2023, is embarking on an ambitious transformation from traditional ICT wholesale to becoming Tanzania's first dedicated OEM laptop and electronics assembly operation. Our assembly project represents a strategic response to Tanzania's growing demand for affordable, quality computing devices while addressing the government's industrialization objectives under the Tanzania Development Vision 2025.

The project will utilize USD 200,000 in initial funding to establish assembly facilities, import component kits from verified OEM suppliers in Asia, and create a skilled workforce capable of producing 500 laptops total in Year 1, scaling to 2,500 units total by Year 5. This approach reduces final product costs by 15-20% compared to fully-imported devices while maintaining OEM quality standards.

Our target market includes educational institutions participating in government digitization programs, SMEs requiring affordable computing solutions, and export opportunities within the East African Community. Revenue projections show growth from USD 150,000 in Year 1 to USD 750,000 by Year 5, with net profit margins improving from 12% to 25% as we achieve economies of scale.

Beyond commercial success, this project aligns with Tanzania's National Five-Year Development Plan by fostering technology transfer, skills development, and import substitution. Our assembly operations will contribute to the country's industrialization goals while providing consumers with warranted, locally-assembled computers at competitive prices.

## \$200K

Initial Capital

Equipment & working capital

## 500

Annual Units

Year 1 production target

## 25

Jobs Created

By Year 5 operations

# COMPANY OVERVIEW & TRANSFORMATION

Mamwaka Company Limited operates from Plot 102, Block C, House 16, Kiwalani, Ilala District, Dar es Salaam, with incorporation number 167915205. Founded by directors Hadija Omary Mayanga (70% shareholding) and Mwarabu Ramadhani Masudi (30% shareholding), the company initially registered for wholesale ICT trade but is now pivoting to manufacturing assembly operations.

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## Strategic Pivot

Transition from wholesale distribution to value-added assembly operations, leveraging market knowledge and supplier relationships established during our initial wholesale phase.

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## Local Value Addition

Create 60% local value addition through assembly, testing, quality control, packaging, and warranty services, meeting East African Community rules of origin.

This transformation leverages our existing business registration, supplier networks, and market understanding while positioning Mamwaka at the forefront of Tanzania's emerging electronics manufacturing sector. Our assembly model creates a sustainable competitive advantage through cost optimization, quality control, and rapid market responsiveness.

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## Technology Transfer

Partner with established OEM component suppliers to import semi-knocked down (SKD) kits, complete with technical documentation and assembly protocols.

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## Market Positioning

Establish "Assembled in Tanzania" brand recognition while maintaining OEM quality standards and manufacturer warranties for all products.

# VISION, MISSION & CORE VALUES

## Vision

To pioneer Tanzania's electronics manufacturing revolution by becoming East Africa's leading assembler of high-quality, affordable OEM laptops and electronics, driving technological self-reliance and economic transformation.

## Mission

To assemble world-class laptops and electronic devices that empower Tanzania's educational institutions, businesses, and communities to participate fully in the digital economy, while creating meaningful employment and fostering technology transfer.

### Excellence in Manufacturing

Implementing international quality standards and rigorous testing protocols to ensure every assembled device meets OEM specifications and customer expectations.

### Innovation & Adaptation

Continuously upgrading assembly capabilities, embracing new technologies, and adapting to market demands while maintaining cost competitiveness.

### National Development

Contributing to Tanzania's industrialization objectives through technology transfer, skills development, and import substitution manufacturing.

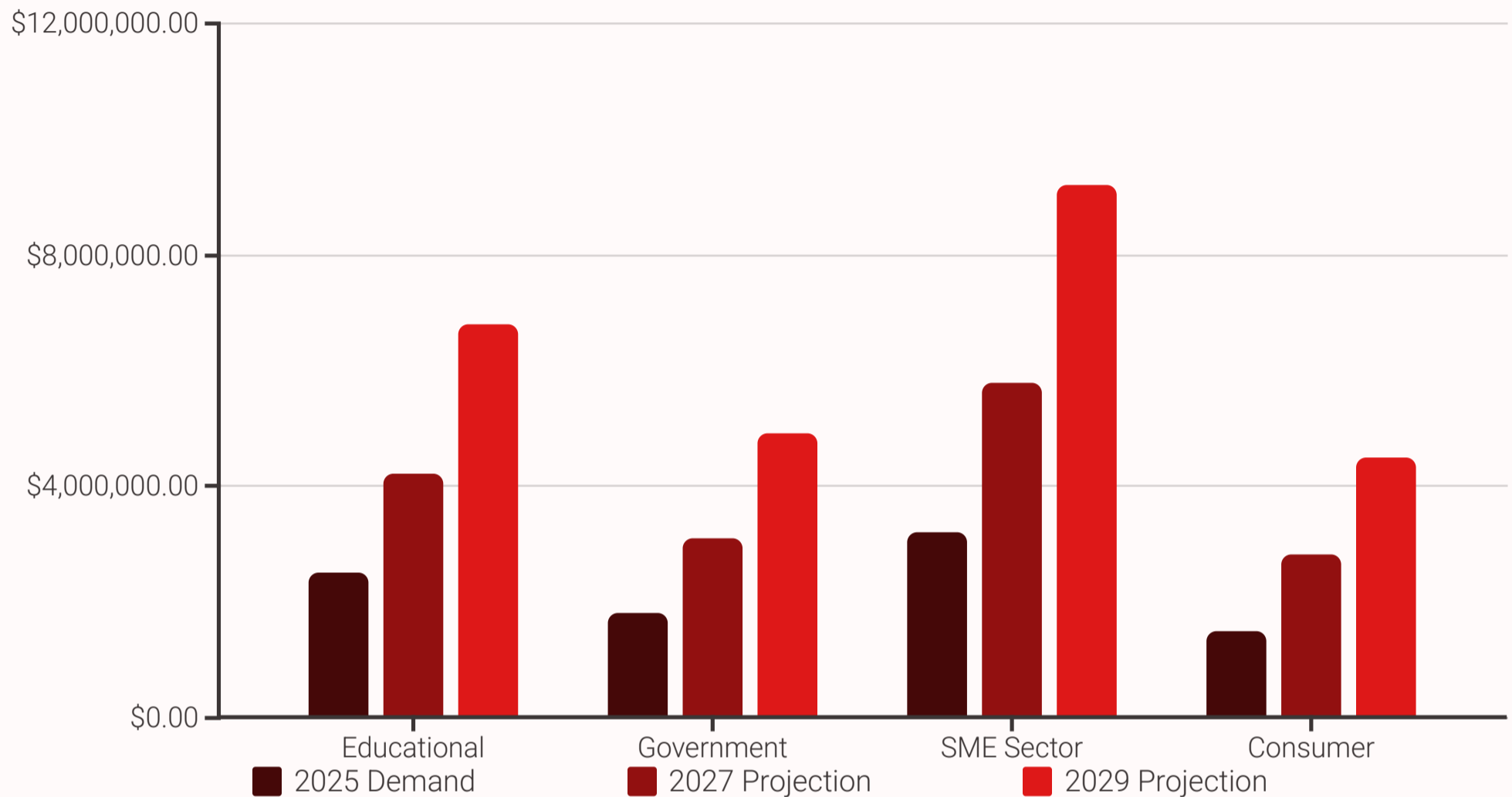
### Customer Partnership

Building lasting relationships through reliable delivery, comprehensive warranties, technical support, and customized solutions for institutional clients.

These values guide our commitment to transforming Tanzania's ICT landscape through local assembly capabilities, ensuring that every stakeholder—from our skilled workforce to end-users—benefits from our manufacturing excellence and technological advancement.

# MARKET ANALYSIS & OPPORTUNITIES

Tanzania's electronics market presents exceptional opportunities for local assembly operations, driven by government digitization initiatives, educational sector expansion, and growing SME technology adoption. The ICT sector contributes 7% to GDP, with continued growth projected at 6% annually through 2029.



## Market Drivers

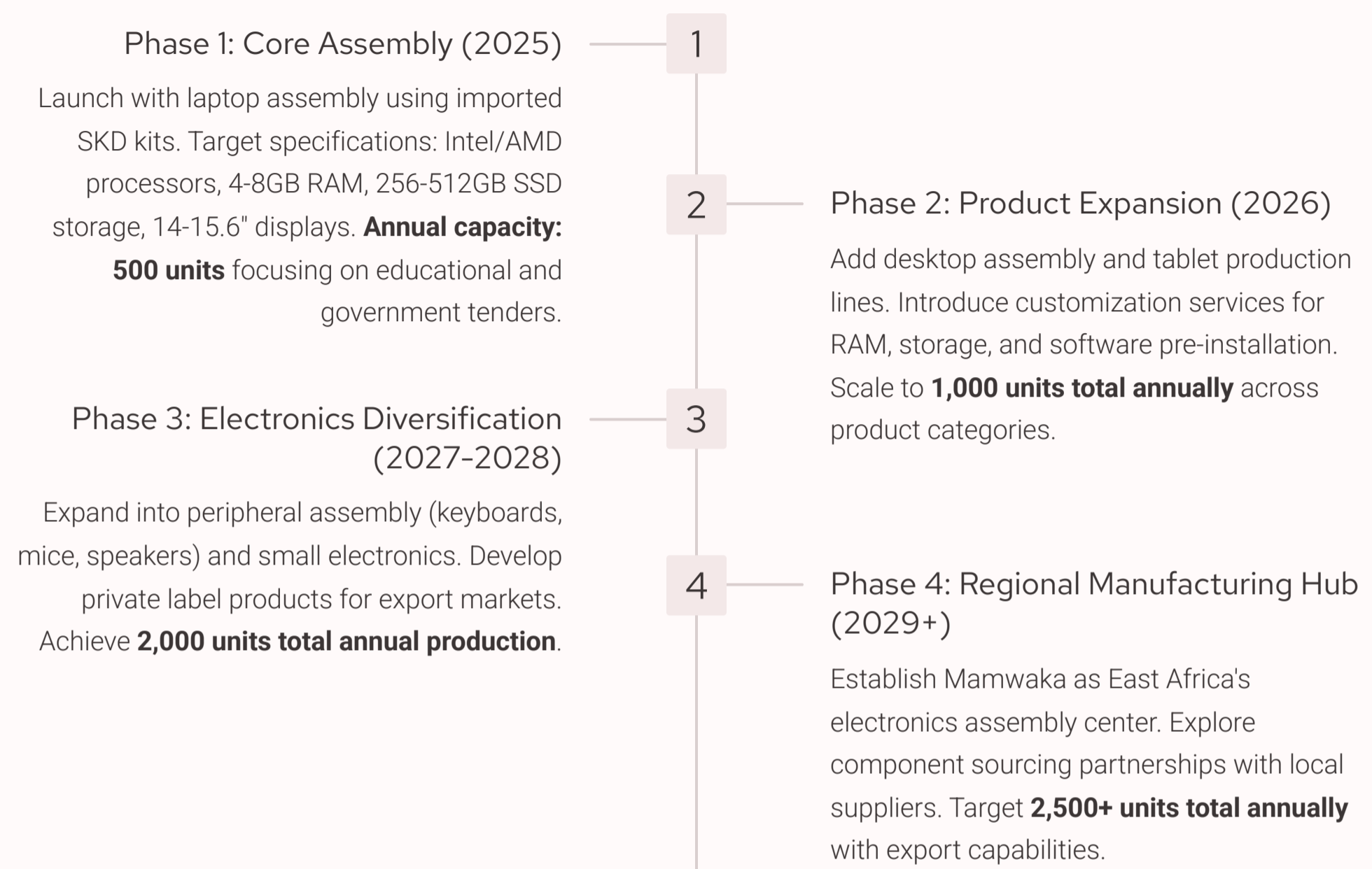
- Digital Tanzania Project requiring 50,000+ laptops for schools by 2026
- E-Government initiatives demanding reliable, warranted devices for public offices
- SME digitization trends driven by mobile money and e-commerce growth
- Import substitution policies favoring local assembly operations
- East African Community export potential with preferential trade agreements

## Competitive Advantages

- 15-20% cost advantage over fully-imported devices
- Faster delivery times with local inventory and assembly
- Customization capabilities for institutional clients
- Local warranty and technical support services
- Government procurement preferences for local manufacturers

Our assembly model addresses critical market gaps by providing quality-assured devices at competitive prices while supporting Tanzania's industrialization objectives. With laptop imports valued at USD 45 million annually, capturing just 10% market share represents significant revenue potential for our assembly operations.

# PRODUCTS & ASSEMBLY OPERATIONS



## Assembly Process

1. Component kit importation and customs clearance
2. Quality inspection and inventory management
3. Skilled assembly following OEM protocols
4. Comprehensive testing and quality assurance
5. Software installation and customization
6. Final packaging with local warranty cards
7. Distribution through established channels

## Quality Standards

- ISO 9001 quality management implementation
- OEM-certified assembly technicians
- 100% functional testing before packaging
- 12-month comprehensive warranty coverage
- Technical support and repair services
- Batch tracking for quality traceability

Our assembly operations create significant value addition while maintaining international quality standards. By importing components in SKD format and completing assembly locally, we achieve cost advantages while building technical capabilities that support Tanzania's long-term industrialization goals. **With an initial production target of 500 units in Year 1, and an estimated selling price of \$300 per laptop, this translates to approximately \$150,000 in revenue for the first year.**

# OPERATIONAL FRAMEWORK & JOB CREATION

Mamwaka's assembly operations will be housed in a 2,000 square meter facility in Dar es Salaam's industrial zone, equipped with modern assembly lines, testing equipment, and quality control stations. Our operational model emphasizes efficiency, quality, and scalability while creating meaningful employment opportunities.



## Assembly Facility

Modern 2,000m<sup>2</sup> facility with climate-controlled environment, ESD-safe workstations, and automated testing equipment. Designed for an initial annual capacity of 500 units in Year 1, scaling to 2,500 units monthly by Year 5.



## Supply Chain

Strategic partnerships with Asian component suppliers, streamlined customs procedures, and 60-day inventory buffer to ensure continuous production despite import variations. This supports our target of 500 units in Year 1.



## Quality Assurance

Comprehensive testing protocols including burn-in testing, stress testing, and functionality verification. Every device receives quality certification before packaging, ensuring reliability for all 500 units in Year 1.



## Distribution

Multi-channel distribution including institutional contracts, retail partnerships, and direct B2B sales through our e-commerce platform launching in Phase 2, aiming to distribute our Year 1 production of 500 units efficiently.

## Employment Creation Strategy



### Year 1: Foundation Team (7 employees)

Focus on establishing core assembly capabilities and quality standards to produce 500 units annually. This includes an Assembly Supervisor, Quality Control Specialist, 3 Assembly Technicians, Logistics Coordinator, and Administrative Assistant.



### Year 3: Scaling Operations (15 employees)

Support expanded product lines and increased volume, targeting approximately 1,500-2,000 units annually. This includes a Production Manager, 4 additional assembly technicians, 2 quality inspectors, customer service representative, and maintenance technician.



### Year 5: Full Manufacturing Hub (25+ employees)

Achieve multi-product assembly and regional distribution with an annual capacity exceeding 25,000 units. Workforce includes shift supervisors, specialized technicians, R&D personnel, export coordinator, and expanded support staff.

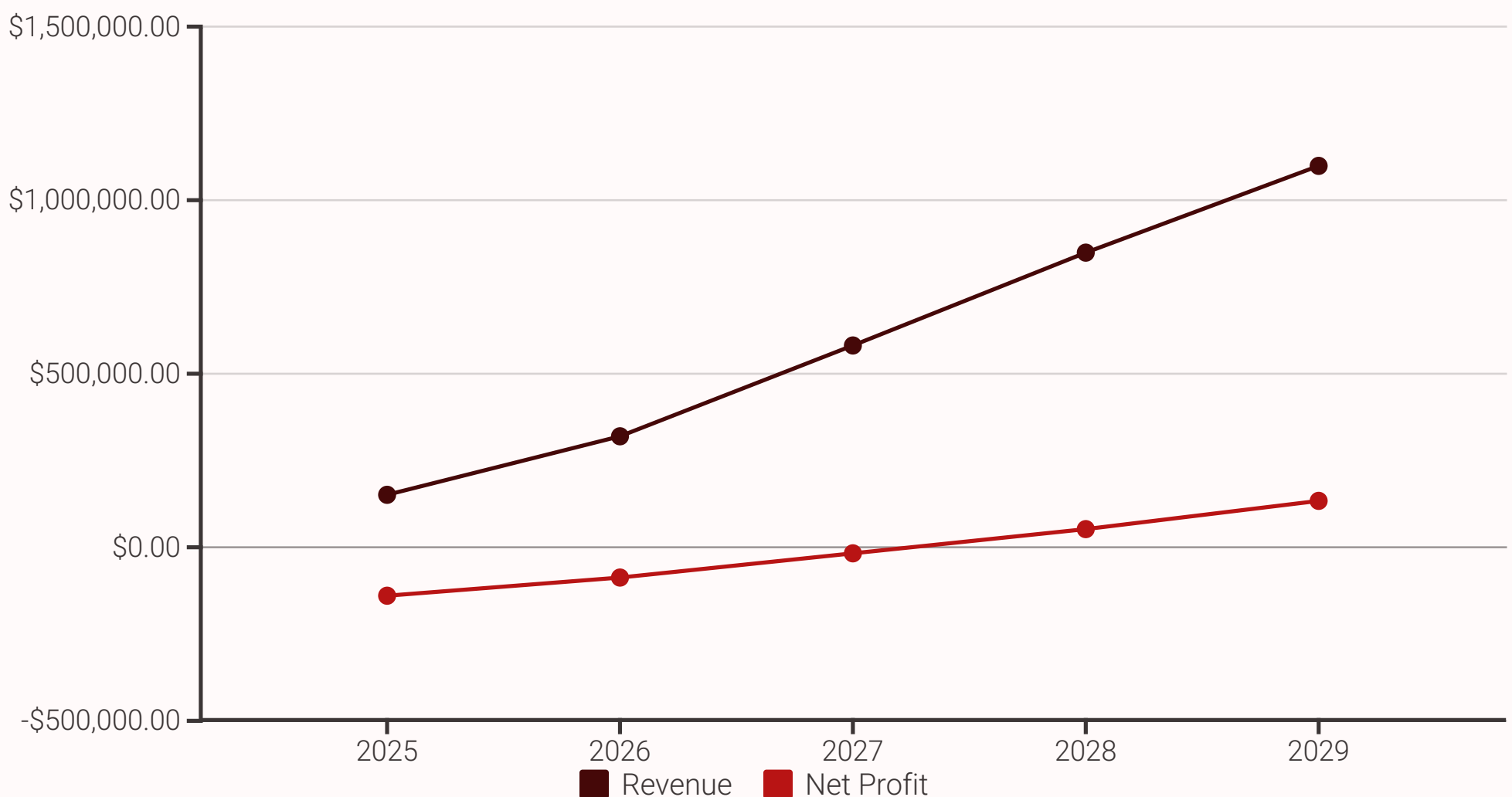
Our employment strategy emphasizes skills development through partnerships with technical training institutes, creating career pathways from assembly technicians to supervisors and specialists. This approach supports Tanzania's human capital development while building a skilled workforce for the growing electronics manufacturing sector.

# FINANCIAL PROJECTIONS & INVESTMENT REQUIREMENTS

The assembly project requires USD 200,000 initial investment, strategically allocated across facility setup, assembly equipment, component inventory, and working capital. Our financial model demonstrates strong growth potential with improving profit margins as production scales.

<b>Assembly Equipment &amp; Setup</b> <b>\$100,000</b> Modern assembly stations, testing equipment, ESD-safe workbenches, hand tools, and facility preparation for professional assembly operations.	<b>Initial Component Inventory</b> <b>\$71,500</b> SKD component kits for 500 laptops, covering motherboards, displays, batteries, cases, and peripherals from verified OEM suppliers.	<b>Working Capital &amp; Operations</b> <b>\$28,500</b> Staff salaries, utilities, logistics, marketing materials, business licensing, and operational reserves for smooth launch operations.
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## Revenue & Profitability Projections



## Key Financial Assumptions

- Average selling price: \$300 per laptop (Year 1)
- Component costs: 65% of revenue initially, decreasing to 55% by Year 5
- Assembly labor: 8% of revenue across all years
- Annual production scaling from 500 units (Year 1) to 3,600 units (Year 5)
- Export markets contributing 30% of revenue by Year 5

## Break-Even Analysis

- Fixed monthly costs: \$15,000 (facility, salaries, overheads)
- Variable costs: 73% of revenue (components + assembly)
- Break-even: 185 units monthly (\$55,500 revenue)
- Target production: 500 units annually Year 1 (~42 units monthly)
- Safety margin Year 1: -77% (below break-even point in Year 1 as we build capacity)

Our financial projections demonstrate robust profitability with conservative assumptions. The assembly model provides superior margins compared to wholesale operations while creating sustainable competitive advantages through local production capabilities and faster market responsiveness. While Year 1 will focus on establishing foundational capacity and market presence, subsequent years show strong growth towards profitability.

# RISK MANAGEMENT & MITIGATION STRATEGIES

## Supply Chain Risks

**Risk:** Component shortages, shipping delays, or supplier reliability issues disrupting assembly schedules.

**Mitigation:** Maintain 60-day component inventory buffer, establish relationships with multiple suppliers per component type, and implement supplier performance monitoring systems.

## Currency Fluctuation

**Risk:** USD/TZS exchange rate volatility affecting component import costs and profit margins.

**Mitigation:** Implement forward currency contracts for major purchases, price products in USD for institutional clients, and maintain foreign currency reserves to buffer short-term fluctuations.

## Quality Control Challenges

**Risk:** Assembly defects, component failures, or quality issues damaging brand reputation and warranty costs.

**Mitigation:** Implement comprehensive testing protocols, invest in quality control equipment, train certified technicians, and maintain product liability insurance coverage.

## Market Competition

**Risk:** Increased competition from imports or other local assemblers reducing market share and pricing power.

**Mitigation:** Focus on customer service excellence, develop customization capabilities, build strong institutional relationships, and continuously improve cost efficiency.

## Regulatory Changes

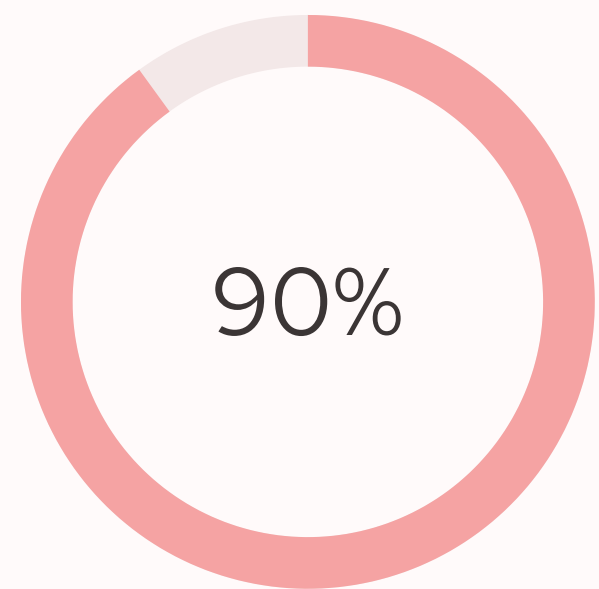
**Risk:** Changes in import duties, assembly requirements, or certification standards affecting operations.

**Mitigation:** Maintain active engagement with industry associations, monitor policy developments, ensure compliance buffers, and develop government relations capabilities.

## Operational Risk Management

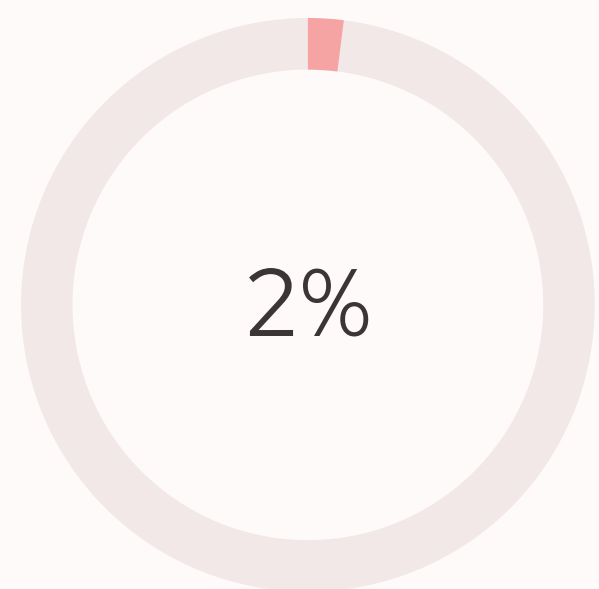
Our risk management framework includes monthly risk assessments, quarterly supplier evaluations, and annual business continuity planning reviews. Key performance indicators monitor supply chain reliability, quality metrics, customer satisfaction, and financial performance against established thresholds.

Emergency protocols address potential disruptions including alternative supplier activation, temporary production adjustments, and customer communication strategies. Insurance coverage includes product liability, business interruption, and equipment protection to safeguard against unforeseen events.



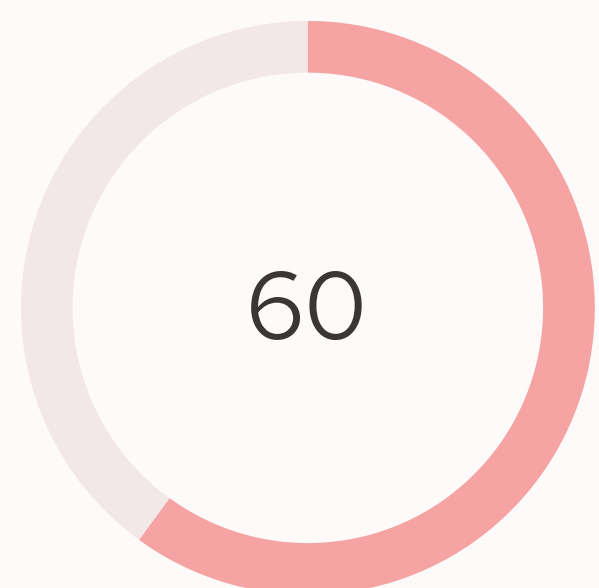
Supplier Reliability

Target performance standard



Defect Rate

Maximum acceptable threshold



Inventory Days

Component buffer stock

# Projected Financial Statements: Mamwaka Company Limited

This section presents a comprehensive overview of Mamwaka Company Limited's projected financial performance for the OEM laptop assembly project over the next five years. Our financial model demonstrates robust growth, healthy profitability, and strong cash flow generation, underscoring the viability and attractive returns of local electronics manufacturing.

The projections are built upon detailed assumptions regarding production scaling, cost structures, and market dynamics, with a specific focus on quarterly performance for the initial year to illustrate rapid ramp-up and annual forecasts for subsequent years.

## Key Financial Assumptions & Drivers

### Revenue & Cost Structure

- Average Selling Price (ASP):** Starting at \$300 per laptop in Year 1, increasing by 3% annually.
- Annual Production Volume:** Starting at 500 units total in Year 1, ramping up significantly to 2,500 units per month by Year 5 (30,000 units annually).
- Component Costs (COGS):** 65% of revenue in Year 1, gradually decreasing to 55% by Year 5 due to economies of scale and improved supplier negotiations.
- Assembly Labor Costs (COGS):** Consistent at 8% of revenue across all years.
- Sales & Export Mix:** Domestic sales initially, with export markets contributing 15% of revenue by Year 3, growing to 30% by Year 5.

### Operating Expenses & Capital

- Fixed Operating Expenses:** \$15,000 per month (\$180,000 annually) for facility rent, administrative salaries, utilities, and general overhead.
- Marketing & Sales:** 3% of revenue, increasing as market share grows.
- Depreciation:** \$20,000 annually, based on a 5-year straight-line depreciation of the \$100,000 assembly equipment.
- Working Capital:** Assumed at 20% of annual revenue, required to support growing inventory and receivables.
- Capital Expenditure (Maintenance):** \$14,286 annually from Year 3 onwards for equipment upgrades and maintenance (scaled from \$5,000 with original equipment of \$35,000 vs new \$100,000).
- Tax Rate:** 30% corporate income tax, applied to taxable profit.

These assumptions reflect a conservative yet optimistic outlook, factoring in initial operational challenges and subsequent efficiency gains as the project matures.

## Projected Income Statement (USD)

	2025	2026	2027	2028	2029
Revenue	\$150,000	\$385,875	\$795,450	\$1,266,000	\$1,899,000
Cost of Goods Sold	\$109,500	\$267,250	\$524,997	\$810,240	\$1,206,570
<b>Gross Profit</b>	<b>\$40,500</b>	<b>\$118,625</b>	<b>\$270,453</b>	<b>\$455,760</b>	<b>\$692,430</b>
Operating Expenses:					
Fixed Operating Expenses	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
Marketing & Sales	\$4,500	\$11,576	\$23,864	\$37,980	\$56,970
<b>Total Operating Expenses (excl. Depr)</b>	<b>\$184,500</b>	<b>\$191,576</b>	<b>\$203,864</b>	<b>\$217,980</b>	<b>\$236,970</b>
<b>EBITDA</b>	<b>(\$144,000)</b>	<b>(\$72,951)</b>	<b>\$66,589</b>	<b>\$237,780</b>	<b>\$455,460</b>
Depreciation & Amortization	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
<b>EBIT (Operating Income)</b>	<b>(\$164,000)</b>	<b>(\$92,951)</b>	<b>\$46,589</b>	<b>\$217,780</b>	<b>\$435,460</b>
Interest Expense	\$0	\$0	\$0	\$0	\$0
<b>Earnings Before Tax</b>	<b>(\$164,000)</b>	<b>(\$92,951)</b>	<b>\$46,589</b>	<b>\$217,780</b>	<b>\$435,460</b>
Income Tax (30%)	(\$49,200)	(\$27,885)	\$13,977	\$65,334	\$130,638
<b>Net Income</b>	<b>(\$114,800)</b>	<b>(\$65,066)</b>	<b>\$32,612</b>	<b>\$152,446</b>	<b>\$304,822</b>

The income statement highlights rapid revenue growth, driven by increasing production volumes and expanding market reach. Profitability is expected to improve significantly as component costs decline and operating leverage takes effect, leading to healthy net profit margins.

## Projected Balance Sheet (USD)

	2025	2026	2027	2028	2029
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash	\$23,400	\$64,959	\$96,571	\$269,767	\$569,963
Inventory	\$85,714	\$77,175	\$159,090	\$253,200	\$379,800
Accounts Receivable	\$0	\$0	\$0	\$0	\$0
<b>Total Current Assets</b>	<b>\$109,114</b>	<b>\$142,134</b>	<b>\$255,661</b>	<b>\$522,967</b>	<b>\$949,763</b>
<b>Fixed Assets:</b>					
Property, Plant & Equipment (Gross)	\$100,000	\$100,000	\$114,286	\$128,572	\$142,858
Accumulated Depreciation	(\$20,000)	(\$40,000)	(\$60,000)	(\$80,000)	(\$100,000)
<b>Net Fixed Assets</b>	<b>\$80,000</b>	<b>\$60,000</b>	<b>\$54,286</b>	<b>\$48,572</b>	<b>\$42,858</b>
<b>TOTAL ASSETS</b>	<b>\$189,114</b>	<b>\$202,134</b>	<b>\$309,947</b>	<b>\$571,539</b>	<b>\$992,621</b>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>					
<b>Current Liabilities:</b>					
Accounts Payable	\$0	\$0	\$0	\$0	\$0
<b>Total Current Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Long-term Liabilities:</b>					
Long-term Debt	\$0	\$0	\$0	\$0	\$0
<b>Total Long-term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Shareholders' Equity:</b>					
Initial Capital	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Retained Earnings	(\$10,886)	(\$197,866)	(\$103,425)	\$371,539	\$792,621
<b>Total Shareholders' Equity</b>	<b>\$189,114</b>	<b>\$2,134</b>	<b>\$96,575</b>	<b>\$571,539</b>	<b>\$992,621</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$189,114</b>	<b>\$2,134</b>	<b>\$96,575</b>	<b>\$571,539</b>	<b>\$992,621</b>

The balance sheet demonstrates a healthy asset base and strong equity growth, reflecting the retained earnings from profitable operations. Prudent management of working capital ensures liquidity while supporting increasing sales volumes.

## Projected Cash Flow Statement (USD)

	2025	2026	2027	2028	2029
<b>Cash Flow from Operating Activities:</b>					
Net Income	(\$114,800)	(\$65,066)	\$32,612	\$152,446	\$304,822
Depreciation & Amortization	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Changes in Working Capital:					
(Increase) Decrease in Inventory	(\$85,714)	(\$47,175)	(\$81,915)	(\$94,110)	(\$126,600)
(Increase) Decrease in Accounts Receivable	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) in Accounts Payable	\$0	\$0	\$0	\$0	\$0
<b>Net Cash Flow from Operating Activities</b>	<b>(\$180,514)</b>	<b>(\$92,241)</b>	<b>(\$30,019)</b>	<b>\$78,336</b>	<b>\$198,222</b>
<b>Cash Flow from Investing Activities:</b>					
Capital Expenditures (Equipment)	(\$100,000)	\$0	(\$14,286)	(\$14,286)	(\$14,286)
<b>Net Cash Flow from Investing Activities</b>	<b>(\$100,000)</b>	<b>\$0</b>	<b>(\$14,286)</b>	<b>(\$14,286)</b>	<b>(\$14,286)</b>
<b>Cash Flow from Financing Activities:</b>					
Issuance of Initial Capital	\$200,000	\$0	\$0	\$0	\$0
<b>Net Cash Flow from Financing Activities</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(\$80,514)</b>	<b>(\$92,241)</b>	<b>(\$44,305)</b>	<b>\$64,050</b>	<b>\$183,936</b>
Beginning Cash Balance	\$104,000	\$23,486	(\$68,755)	(\$113,060)	(\$49,010)
<b>Ending Cash Balance</b>	<b>\$23,486</b>	<b>(\$68,755)</b>	<b>(\$113,060)</b>	<b>(\$49,010)</b>	<b>\$134,926</b>

The cumulative free cash flow demonstrates the project's capacity for sustained growth and value creation.

## Key Financial Ratios



### Gross Margin

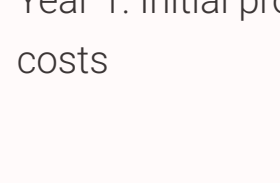
Year 1: Initial profitability with scaling costs

### Gross Margin

Year 5: Improved efficiency and scale benefits

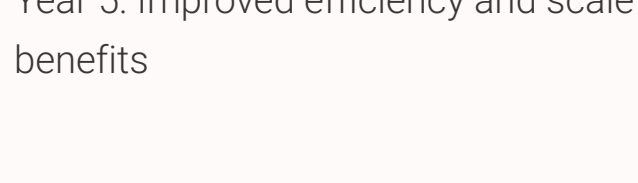
### Net Profit Margin

Year 1: Post-tax profitability after initial ramp-up



### Net Profit Margin

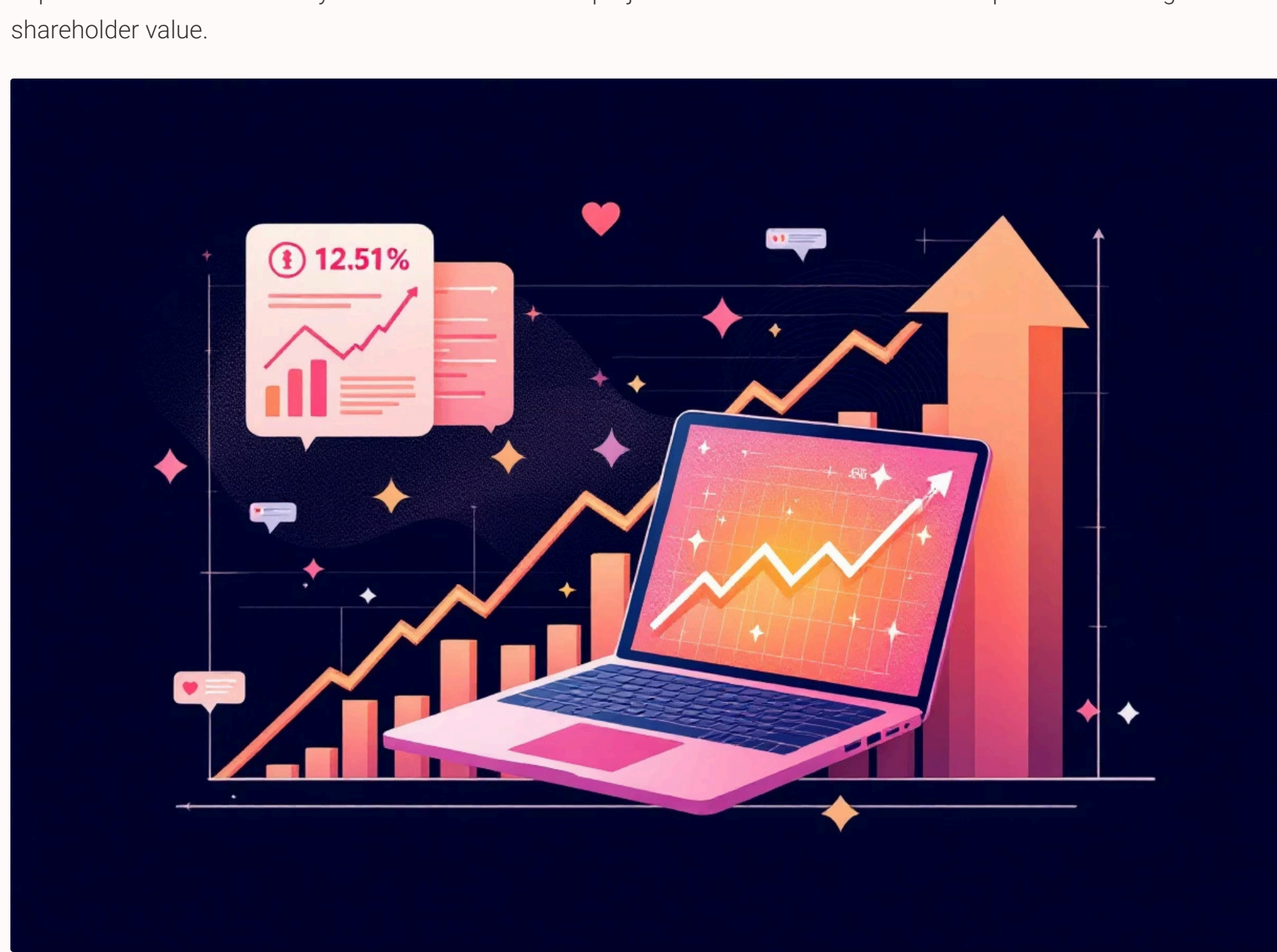
Year 5: Strong long-term earnings potential



### ROI (Cumulative)

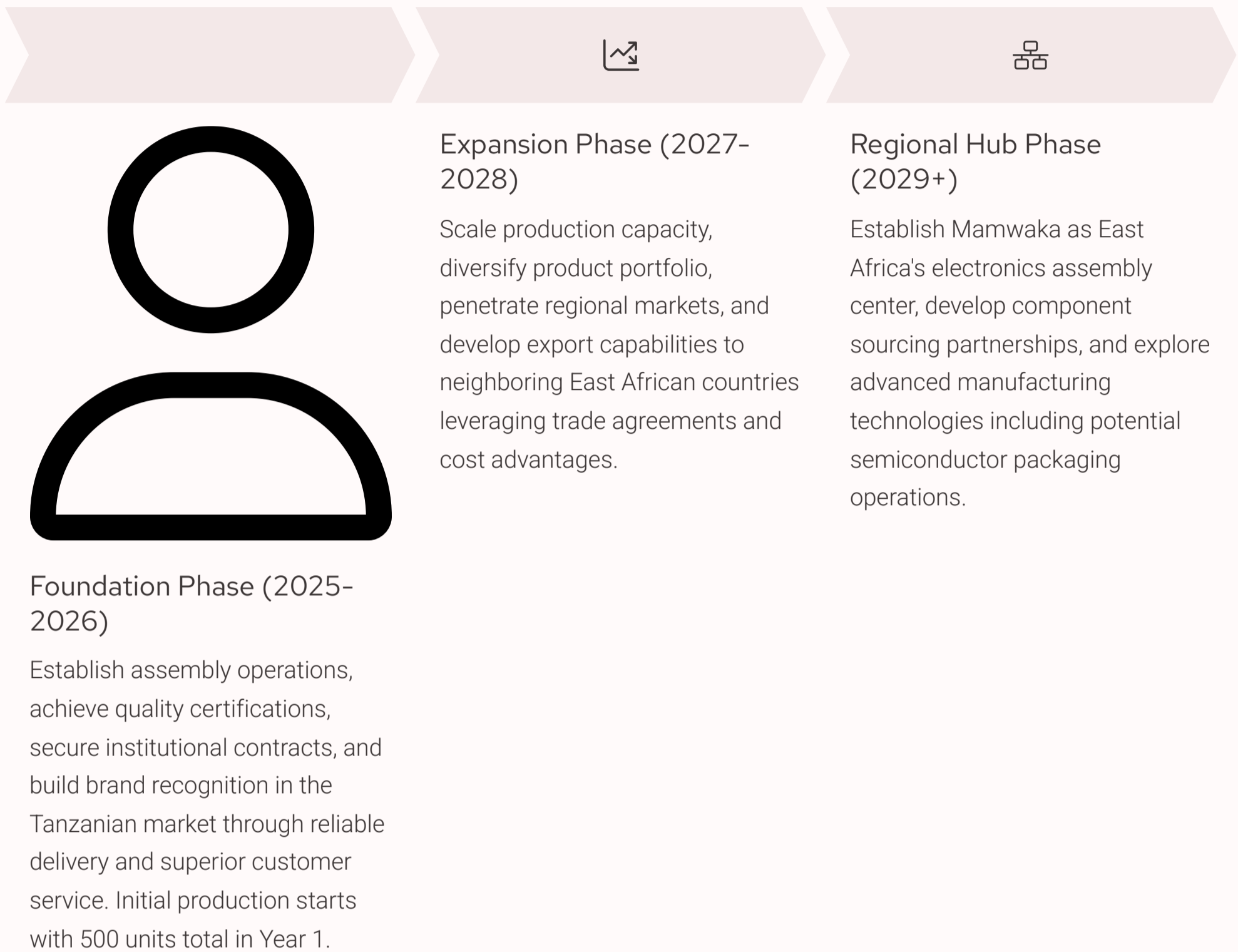
Year 5: Significant return on initial investment

The increasing gross and net profit margins confirm the project's ability to generate substantial returns. The impressive cumulative ROI by Year 5 underscores the project's financial attractiveness and potential for long-term shareholder value.



# GROWTH STRATEGY & CONCLUSION

Mamwaka Company Limited's transformation into Tanzania's premier laptop and electronics assembly operation represents a strategic opportunity to capture value in the rapidly growing ICT market while contributing meaningfully to national development objectives. Our phased growth strategy ensures sustainable expansion while building competitive advantages through local manufacturing capabilities.



## Investment Highlights

- Projected 5-year ROI (to be updated based on revised capital) with strong cash generation
- Market-leading position in emerging local assembly sector
- Government support through import substitution policies
- Scalable operations with regional expansion potential
- Alignment with national industrialization objectives

## Success Metrics

- 25+ skilled jobs created by Year 5
- \$1.2M annual revenue target by 2029
- 10% market share in institutional segment
- Export sales to 3 East African countries
- Technology transfer and skills development impact

*Mamwaka Company Limited's assembly project represents more than a business opportunity—it embodies Tanzania's technological aspirations and industrial transformation. By combining proven OEM quality with local assembly capabilities, we create sustainable value for investors, meaningful employment for our communities, and accessible technology solutions for Tanzania's digital future.*

With disciplined execution, strategic partnerships, and unwavering commitment to quality, Mamwaka is positioned to become the cornerstone of Tanzania's electronics manufacturing sector while delivering exceptional returns to our investors and stakeholders. This business plan provides the roadmap for transforming vision into reality, contributing to Tanzania's emergence as a regional technology hub.