

**BUSINESS PLAN**

**FOR**

**MANUFACTURING**

**OF**

**LED DISPLAY**

**AND**

**LCD DISPLAY SCREEN**

**Showworld optoelectronics  
tanzania company limited  
P. o.box2479  
Dar es salaam.**

## EXECUTIVE SUMMARY

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED** a private business company incorporated in the United Republic of Tanzania with Certificate of incorporation No. 173 710 941 issued on 8<sup>TH</sup> April 2024.

The proposed business plan is of LED display screen and LCD display at **Rigion: Dar es salaaam , plot no 197, Mbezi industrial area.**

The proposed new project shall cost US\$ 680,000 and creating new employment of 25 local people and 3 foreign people.

## LEGAL STATUS AND COMPANY BACKGROUND BRIEF

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED** bears the certificate No. 173 710 941 issued in 2024 by BRELA. The shareholders of **SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED**, the shareholders of this newly formed company are YANG SHAOBO and YANG XIAODONG both are people registered in China.

The company is owned by three shareholders,namely:-

<b>Name</b>	<b>%ofShares</b>	<b>Nationality</b>
YANG SHAOBO	90	China
YANG XIAODONG	10	China

## **LOCATION.**

The new project is located at **Rigion: Dar es salaaam , plot no 197, Mbezi industrial area.**

## MISSION

Prompt and professionally high-quality service delivery to customers, aimed at ensuring that they realize the highest value for money, thereby increasing the market share and seizure of every available opportunity for the company's growth.

## Core Values

Service provision with commitment, integrity and creativity while treating each customer as if they were the company's only customer

## BANKERS

The company is currently maintaining bank account of the following bank.

NMBBANK

## AUDITED REPORTS

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED** will maintain good financial reports which will be audited by reputable auditor firm

## BASIS OF THE BUSINESS PLAN

A study based on rapid appraisal surveys was conducted prior to, and as the basis of preparation of this plan, the surveys were based on the following objectives and approach:

## Study Objectives:

- a) To analyze the relevant market and other factors impacting up on the supply and demand led display screen and LCD display
- b) To carry on the business of selling led display screen and LCD display.
- c) Design and installation services for comprehensive product technical solution, local production and assembly of LED display and LCD display.
- d) To provide supporting documentation required for manufacturing of LED display and LCD display, also in accessing credit facilities required in the financing of the investment capital.

## Study Approach:

- a) Participatory: Semi- structured interview and discussion were held with the Company's Directors, stakeholders in packaging works and related businesses
- b) Physical visits to the company's main business premises
- c) A brief market survey on LED display and LCD display industries in Tanzania, Characteristics of demand and the general market structure .
- d) Conduction of profitability/viability test of the investment, using the appropriate financial projections for the initial period of five years proposed for the business operations.

# THE PROJECT

## Project Concept

The project involves establishing a new MANUFACTURING OF LED DISPLAY AND LCD DISPLAY industry; this will include construction of and installations of modern machines, purchasing vehicles, new generator etc.

The planned production capacity is 120 , which is 100 units for LED display and 20 units for LCD display .

Project planned business project will entail the following main activities:

- Making shopping visit to Tanzania, China and other supplier countries to identify the suitable and appropriate machinery for the planned project.
- Ordering of the material for production machinery, motor vehicles and their assorted and equipment from China and other overseas suppliers and entering into agreements for the purchase/ acquisition of those assets.
- Consigning the purchased machinery and motor vehicles including all the equipment and accessories from countries of their origin to Tanzania
- Clearing of all the purchased goods from the ports of entry and transporting them to the company's premises in Dar es salaam
- Installation of the machinery, registration, insuring and licensing of the vehicles ready for deployment in the company's business

# Project Objectives

## Development Objectives:

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED** aims at playing a significant role in the participation of the company in the efforts to maximize exploitation of the largely existing business potential in manufacturing industry particularly in LED DISPLAY SCREEN AND LCD DISPLAY SCREEN.

## Immediate Objectives:

- a) To manufacture LED DISPLAY SCREEN AND LCD DISPLAY SCREEN production capacity is units 100 for LED display screen and 20 number of units for LCD display screen per year.
- b) Creating employment opportunities to skilled and semi-skilled Tanzanians in industrial operations, including their supplies and distribution in the company's business.
- c) Selling the product produce and sell them to customer and get profit.

# OVERVIEW OF THE MANUFACTURING SECTOR

- **The economy**

Tanzania is one of the fastest growing economies in Africa, thanks to the sustained economic reforms which are being undertaken since the late 1980's.

The country's economy has been constantly growing since mid-1990 by average of 5.9%, and now growing at average of 7% which make Tanzania economy to be among the fastest growing economy in Africa and world at large. The overall vision is to transform the sector of the economy from the present level of per capital GDP of about US\$867 to medium developed country with an average per capital GDP of around US\$2,500 (National Development Vision 2025), the GDP from manufacturing 926,333 TZS million.

- **Manufacturing Industry**

Tanzania manufacturing sector contributes 5.6% to the country GDP in 2014 with \$2.69bn compared to \$1.47bn in 2009, representing an increase of 82%.

Tanzania's manufactured goods imports tripled over the past 5 years increasing from US\$497.7m in 2010 to US\$1.4 billion in 2015 accounting for 25% of Tanzania's total exports value

## LED DISPLAY SCREEN AND LCD DISPLAY

If you need signage for an outdoor or brightly lit environment, LED displays are typically more suitable due to their high brightness and better visibility in sunlight. LCD displays may be a better choice for indoor settings with controlled lighting conditions

The global LED display screen market size was USD 8135.8 million in 2022 and the market is projected to touch USD 13125.9 million by 2032 at a CAGR of 4.9% during the forecast period.

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED** is poised to exploit to the maximum, the anticipated development in this Sector for its own enhanced growth.

## BUSINESS ENVIRONMENT ANALYSIS;

### Internal Approach;

#### Management:

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED** as a corporate entity is managed under the Board of Directors. Day to day management of its conducted under the company's Managing Director who will be assisted by directors, Managers, senior officers etc.

The Managing Director will be closely assisted by well qualified professionals in the manufacturing of LED and LCD display , industrial management and operations. The company managers, heads of departments and operational staff for the production machines will be recruited for their competence, experience and good track record in their respective fields and in previous employments.

## External Environment:

### The market:

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED** policy aim at two objectives:

- Further penetration/entrenchment into the market's main Segments to increase and retain larger market share
- Early investment cost recovery to enhance economic viability Of the company's business and expedite its growth.

The policy will be hinged on continual conduction of market surveys as a way of establishing current market situations and also as the means of enabling the company to develop marketing strategies which will facilitate achievement of set out sales goals, on monthly and annual basis. Surveys will enable the company to identify the potential market for its products and plan strategies for its penetration.

## Market Potential:

As explained in the topic above, the demand for LED and LCD display is on the rise, is one of fastest growing sectors in the country, with new rise consumer goods industries and products every day.

LED Display Market" research analysis offers a comprehensive evaluation of key market segments categorized by product type, application, and geography. It is divided into the Size and Growth Rate of each regional market. Furthermore, the report includes extensive data on major players in the market and outlines their strategies for sustaining market share. Additionally, it furnishes fundamental insights into emerging trends and technological advancements within the market. This thorough examination empowers our clients with a deeper understanding of the global LED Display market, enabling them to make well-informed investment decisions based on reliable information

## Competition:

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED** is expecting to face competition from existing industries which controls a sizeable market share of paper products in Tanzania, the company plan to increase market share by investing in a new and bigger manufacturing industry with production capacity of 120 units per year,that is 100 units for LED display and 20 units for LCD display

## PROJECT OPERATING COSTS

In order to realize its intended objective, the project operating costs will vary based on total revenue.

# REVENUE ASSUMPTIONS

- For the purpose of this project all revenue will come from LED and LCD product produced and sell them to customer.
- The annual revenue to grow by different percentages depending on market demand annually
- Revenue projections are based on experiences gained by the firm for being in the market for five years now.

## CONCLUSION AND RECOMMENDATION

### Conclusion

The project is viable and profit able throughout the project period, after the foregoing economic and financial evaluation of the project; we strongly recommend that **SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED** Board of Directors approval and accept the business proposal. The new project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED**

<b>PARTICULAR</b>	<b>US\$</b>
Land and Buildings	100,000.00
Machinery & Equipment	200,000.00
Motor Vehicles	40,000.00
Furniture & Fixtures	10,000.00
Pre exp	15,000.00
Others	15,000.00
Working Capital	300,000.00
<b>TOTAL</b>	<b>680,000.00</b>

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED**

**FINANCIAL PROJECTIONS SUMMARY FROM 2024 TO 2028**

**PROJECTED STATEMENT OF PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME FOR 5 YEARS**

DETAILS					
CURRENCY	USD	USD	USD	USD	USD
SALES					
<b>TOTAL INFLOW</b>	<b>770,000</b>	<b>912,000</b>	<b>923,00</b>	<b>1,229,300</b>	<b>1,230,000</b>
<b>COST OF SALES</b>					
Opening Inventory	0	330,260	350,689	356,000	299,890
Add: Production Cost	532,650	536,230	588,700	600,890	680,000
Less: Closing Inventory	-330,260	-350,689	-356,000	-299,890	-370,000
	<b>202,390</b>	<b>515,801</b>	<b>583,389</b>	<b>657,000</b>	<b>609,890</b>
<b>GROSS PROFIT</b>	<b>567,610</b>	<b>296,199</b>	<b>589,800</b>	<b>572,300</b>	<b>620,110</b>
<b>OPERATING EXPENSES</b>					
Administration Expenses	120,000	123,005	110,200	195,000	190,000
Sales and Distribution Expenses	109,200	110,000	107,850	108,000	90,985
Finance Cost	120,210	123,100	120,000	124,000	100,000
Depreciation Expense	12,000	12,055	10,008	10,009	10,100
-	0	0	0	0	0
<b>TOTAL OPERATING EXPENSES</b>	<b>361,410</b>	<b>368,160</b>	<b>348,058</b>	<b>437,009</b>	<b>391,085</b>
-					
<b>PROFIT FOR THE YEAR</b>	<b>206,200</b>	<b>206,229</b>	<b>241,742</b>	<b>135,291</b>	<b>229,025</b>

**SHOWORLD OPTOELECTRONICS TANZANIA COMPANY LIMITED**  
**FINANCIAL PROJECTIONS SUMMARY FROM 2024 TO 2027**

DETAILS	2024	2025	2026	2027	2028
CURRENCY	USD	USD	USD	USD	USD
ASSETS					
NON-CURRENT ASSETS					
PPE	74,000	75,000	76,000	77,000	80,000
TOTAL NON-CURRENT ASSET	74,000	75,000	76,000	77,000	80,000
CURRENT ASSET					
Inventory	230,460	250,689	256,000	299,890	340,000
Trade Receivables	60,000	64,000	65,000	66,800	67,780
Working Capital	300,000	300,000	300,000	300,000	300,000
Cash and Cash Equivalent	30,000	35,600	35,800	36,900	37,000
TOTAL CURRENT ASSET	620,460	650,289	656,800	703,590	744,780
TOTAL ASSETS	694,460	725,289	732,800	780,590	824,780
EQUITY AND LIABILITIES					
EQUITY					
Share Capital	300,000	300,000	300,000	300,000	300,000
Retained Earnings	90,909	92,455	93,100	125,000	126,890
TOTAL EQUITY	390,909	392,455	393,100	425,000	426,890
LIABILITIES					
Trade Payables	118,382	133,340	142,540	155,800	197,910
Other Payables	185,169	199,494	197,160	199,790	199,980
TOTAL LIABILITIES	303,551	332,834	339,700	355,590	397,890
TOTAL EQUITY AND LIABILITIES	694,460	725,289	732,800	780,590	824,780