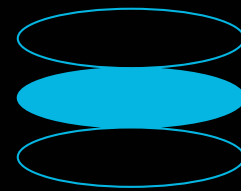




T. KUOE TRADING COMPANY LIMITED

Machinery Assembly Plant & Warehousing Project



Machinery Assembly Plant & Warehousing Project

Location: Plot No. 880 Block J, Msufini, Mlandizi Township, Kibaha District, Tanzania

Project Overview

This business plan outlines the strategy and financial projections for the establishment of a machinery assembly plant and warehousing facility in Mlandizi Township, Tanzania. The project aims to capitalize on the growing demand for industrial machinery and efficient warehousing solutions in the region.

T. KUOE Trading Co. Ltd

Business Plan

Machinery assembly plant & warehousing project

Executive Summary

T. KUOE Trading Company Limited is seeking strategic investment to establish a Machinery Assembly Plant and Warehousing Project in Mlandizi Township, Kibaha District, Tanzania. This project is designed to become a leading regional hub for the assembly, distribution, and servicing of heavy machinery, including loaders, excavators, bulldozers, rollers, graders, and backhoes, addressing the growing needs of Tanzania's construction, mining, and agricultural sectors.

Through a technical partnership with Yawei Machinery of China, a globally recognized manufacturer of construction equipment, T. KUOE Trading Company Limited will leverage advanced assembly technology, modern production practices, and quality control standards to deliver machinery that meets international performance and durability benchmarks. Our operations will combine efficient assembly processes with comprehensive warehousing and logistics services, ensuring timely delivery to clients across Tanzania and the broader East African region.

The company's competitive advantages are anchored in several key factors: cost-effective pricing, significantly faster delivery times, superior after-sales support, and flexible financing solutions, enabling both small and large-scale enterprises to access high-quality machinery without capital-intensive upfront costs.

This investment will not only provide a strong return for stakeholders but will also contribute to economic development and skills transfer, creating employment opportunities for local engineers, technicians, and logistics personnel. Furthermore, the facility will strengthen Tanzania's industrial capacity by reducing dependency on fully imported machinery, improving service response times, and fostering technical expertise in the local workforce.

By combining strategic location, technical expertise, and market-driven operations, T. KUOE Trading Company Limited is well-positioned to become a leading supplier and service provider of heavy machinery in Tanzania and the East African market, delivering both social impact and sustainable financial growth for investors.

1. Company Overview

- **Company Name:** T. KUOE Trading Company Limited
- **Certificate of Incorporation:** 178062743
- **Project Location:** Plot No. 880 Block J, Msufini, Mlandizi Township, Kibaha District, Tanzania
- **Ownership:**
 - Sun Huanxue – 80% (Foreign Investor)
 - Evaline Jublathe Mushi – 20% (Local Partner)

Mission: To become a leading provider of high-quality, affordable machinery and warehousing solutions in Tanzania, contributing to the nation's economic development and creating sustainable employment opportunities.

Vision: To be the preferred partner for construction, agriculture, and mining companies seeking reliable machinery and efficient logistics services in East Africa.

2. Project Description

The project is divided into two phases:

- **Phase 1: Warehousing Hub (6,800 sqm)**
 - Bonded and non-bonded storage
 - Inventory management
 - Customs clearance
 - Last-mile delivery
- **Phase 2: Machinery Assembly Plant**
 - Assembly of loaders, excavators, bulldozers, rollers, graders, backhoes, hydraulic/electrical systems, and spare parts. Manufacturing will be done using Semi-Knocked Down (SKD) and Completely-Knocked Down (CKD) models.
 - Planned Assembly Output:
 - Year 2: 30 units
 - Year 3: 60 units
 - Year 4: 90 units
 - Year 5: 120 units

3. Technical Partnership

We have established a technical partnership with **Yawei Machinery** of Qingzhou, China. Yawei Machinery brings 15+ years of experience in machinery manufacturing and assembly, offering:

- Advanced assembly-line technology

- Stringent quality control processes
- Expertise in cost reduction (15–20%)
- Ongoing technical support and training

Some of the products to be assembled include

The image shows a KUOE K935E wheel loader, a heavy-duty construction machine designed for material handling, earthmoving, and loading operations. It features large off-road tires, a spacious operator cabin, and a front-mounted bucket for scooping and lifting materials. The machine appears to be brand new, with protective wrapping still visible on some components, and is ready for deployment at a construction or mining site.



The image shows a KUOE forklift, a material-handling machine designed for lifting, moving, and stacking heavy loads in warehouses, factories, and construction sites. The forklift features a robust mast with dual lifting forks, durable tires, and an operator's cabin equipped with safety controls. The machine appears brand new, with protective coverings still on the seats, and is ready for operational deployment.

The image shows a fleet of KUOE forklifts neatly arranged inside a warehouse. These forklifts are brand new and designed for lifting, transporting, and stacking heavy loads in industrial, construction, and logistics environments. The machines feature sturdy dual lifting forks, durable tires, and open operator cabins. Their organized positioning indicates they are ready for deployment or awaiting delivery to clients.



The image shows a storage area containing various construction machinery spare parts and components. The parts are neatly arranged on wooden pallets and include leaf springs, metal plates, structural brackets, and boxed components. Some items are secured with green straps, while others are stored in wooden crates and cardboard boxes. The organized layout indicates that these parts are likely intended for maintenance, repair, or assembly of heavy equipment.

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The image shows a set of excavator and bulldozer track rollers used in heavy construction machinery. These rollers support and guide the machine's track chain, ensuring smooth movement and stability during operation. They are made of high-strength steel and painted yellow for durability and visibility. The rollers appear to be a mix of new and used components, prepared for maintenance or replacement purposes.

4. Market Analysis

The Tanzanian market for construction and agricultural machinery is estimated to be over **\$2.5 billion**. Key drivers include:

- Growing construction sector
- Expanding agricultural industry
- Increasing mining activities
- High import dependence

Market Segmentation:

- Construction: 45%
- Agriculture: 25%
- Mining/Industrial: 20%
- Other: 10%

Construction Sector:

- Road development projects
- Infrastructure investments
- Residential and commercial building booms

Mining/Industrial Sector:

- Expansion of mining operations
- Investments in industrial infrastructure
- Growing demand for heavy machinery

Agriculture Sector:

- Government initiatives to modernize farming
- Increasing demand for mechanized farming equipment
- Growth in agro-processing industries

Other:

- Forestry
- Logistics
- Other Infrastructure projects

5. Competitive Advantage

T. KUOE Trading Company Limited will differentiate itself through:

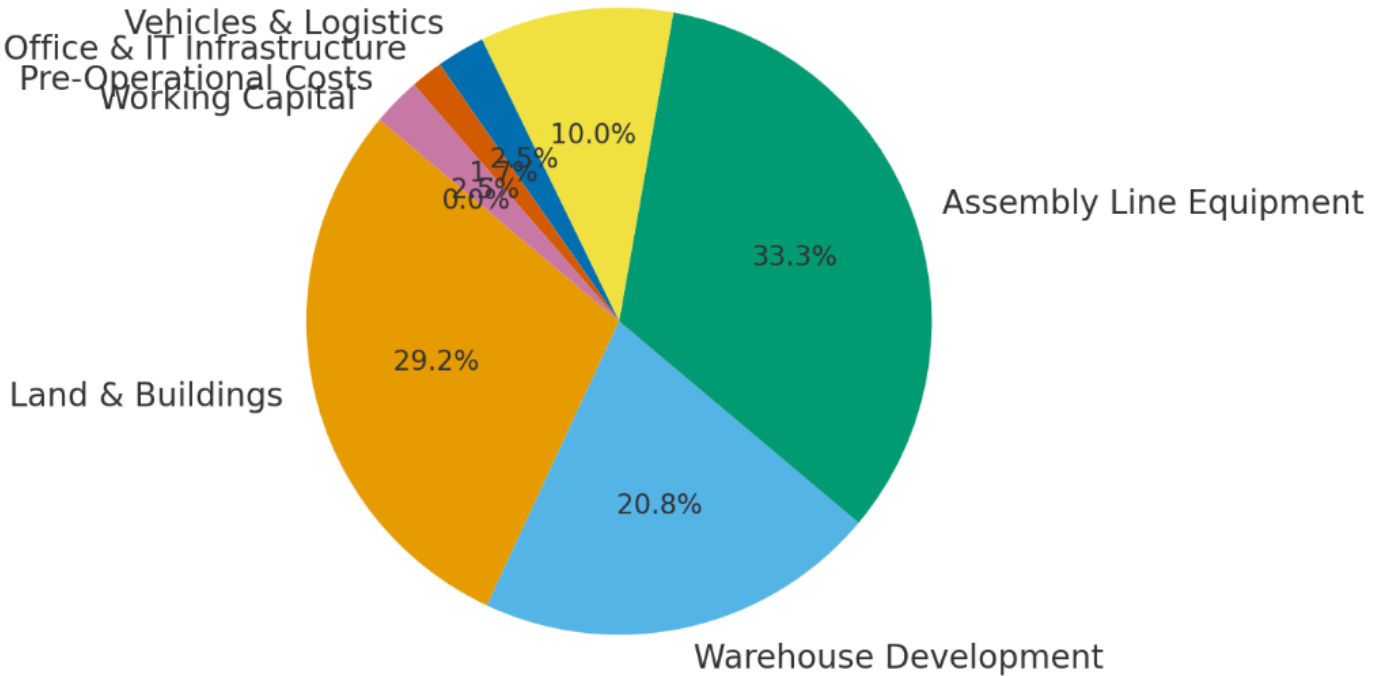
- **Lower Pricing:** Optimized assembly process and strategic sourcing will enable us to offer competitive prices.
- **Faster Delivery:** Local assembly and warehousing will significantly reduce lead times.
- **Superior After-Sales Service:** Dedicated service team providing maintenance, repairs, and spare parts.
- **Flexible Financing Options:** Partnering with financial institutions to offer tailored financing solutions to customers.

6. Investment Breakdown (USD 1.2M)

Investment Allocation (USD 1.2M)

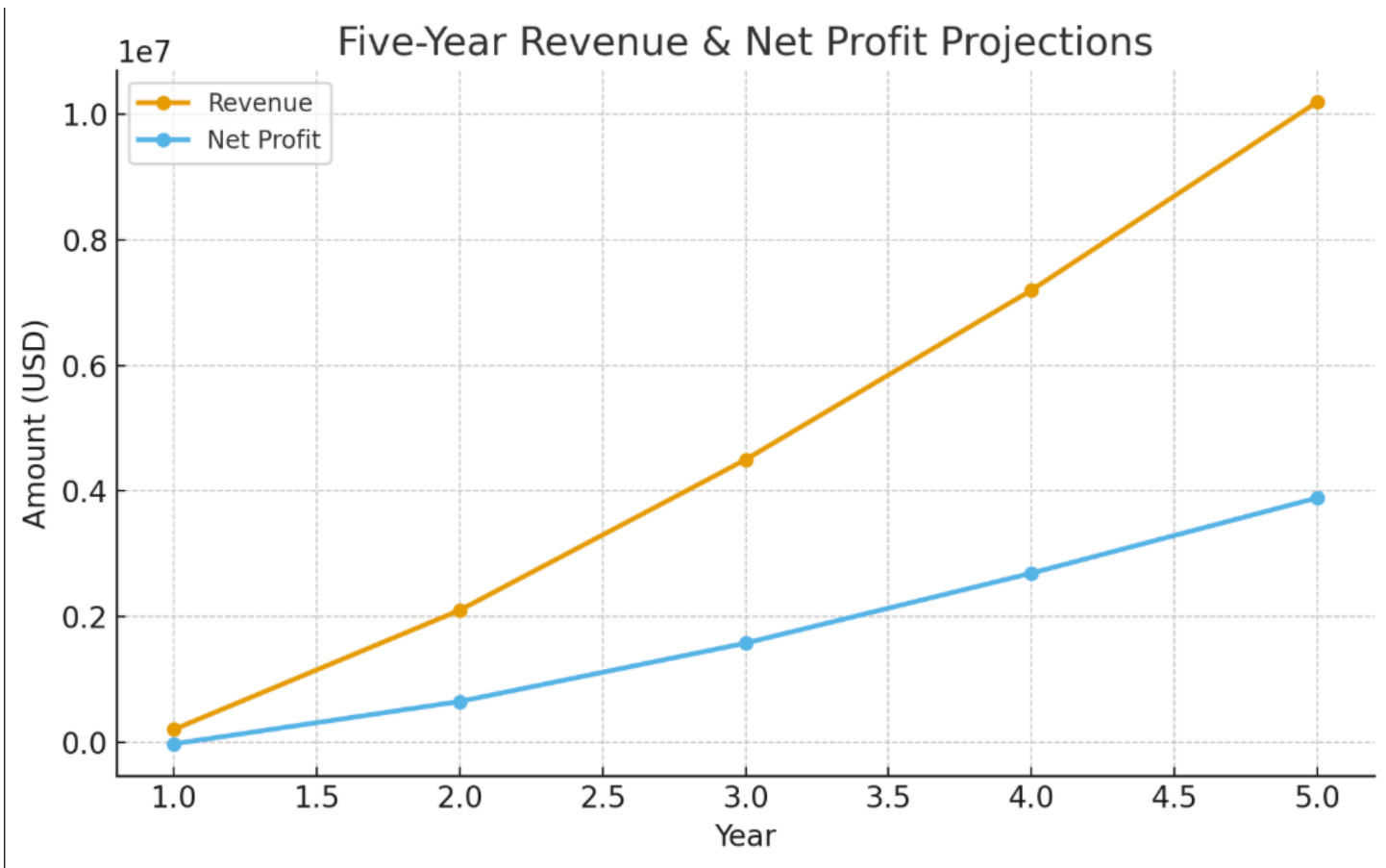
Machinery Components (Initial Stock)

Vehicles & Logistics
Office & IT Infrastructure
Pre-Operational Costs
Working Capital



Item	Amount (USD)
Land and Buildings	350,000
Warehouse Construction	250,000
Assembly Line Equipment	400,000
Components and Inventory	120,000
Vehicles	30,000
Office Equipment and IT Infrastructure	20,000
Pre-Operational Expenses	30,000

7. Financial Projections



The following table summarizes our projected financial performance over the next five years (USD):

Year	Units Sold	Revenue	Profit
Year 1	0	200,000	-30,000
Year 2	30	2,100,000	645,000
Year 3	60	4,500,000	1,575,000
Year 4	90	7,200,000	2,690,000
Year 5	120	10,200,000	3,890,000

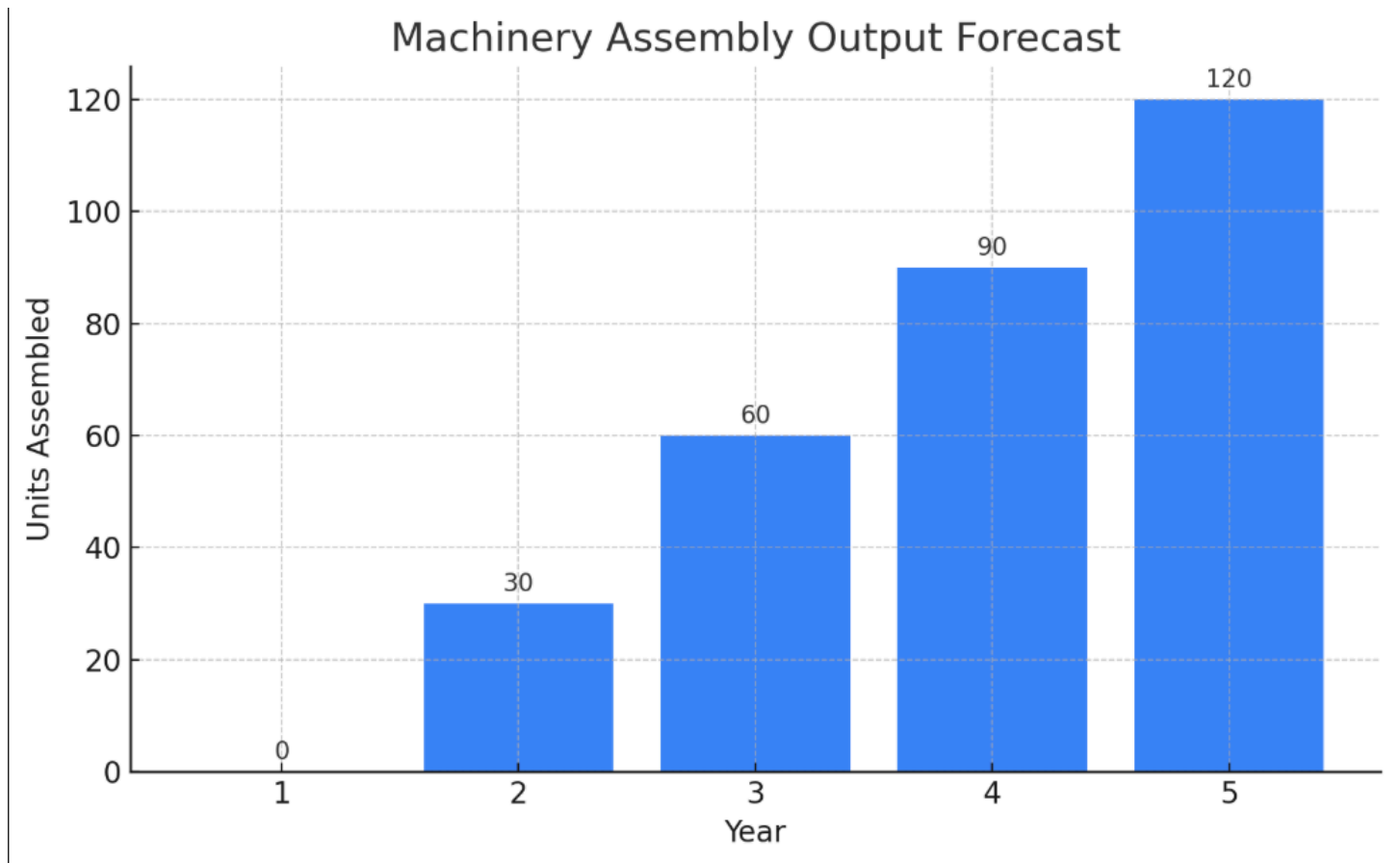
Key highlights:

- 5-year net profit: ≈ \$8.8 million
- Positive Net Present Value (NPV)

8. Production Capacity

Machinery Assembly Forecast Overview

The machinery assembly segment is projected to experience steady growth over the next 5 years, driven by increasing demand for construction, agricultural, and industrial equipment. The forecast includes assembling loaders, excavators, bulldozers, rollers, graders, and backhoes, leveraging both imported components and local assembly capabilities.



Key Highlights:

- **Production Capacity:** The plant is designed to assemble 30 units per month, scalable based on market demand.
- **Revenue Projection:** Annual revenue is expected to grow at 30% CAGR, reflecting market expansion and increased adoption of mechanized equipment.
- **Operational Costs:** Costs include imported parts, labor, utilities, and maintenance, with efficiency gains reducing per-unit costs over time.
- **Profitability:** Margins are expected to improve as the assembly process is optimized and local supply chains mature.
- **Market Drivers:** Urban development, infrastructure projects, and industrial growth in the region

9. Employment and Skills Transfer

This project will create significant employment opportunities for the local community:

- Phase 1 (Warehousing): **40 staff**
- Phase 2 (Assembly Plant): **120 staff**

We are committed to skills transfer through comprehensive training programs provided by Yawei Machinery, ensuring our workforce possesses the necessary expertise to operate and maintain the assembly plant.

10. Implementation Timeline

The implementation timeline will be as follows:

Phase	Activity	Start	End	Responsible
Phase 1	Land acquisition & warehouse construction	Oct 2025	Mar 2026	Directors
	Warehousing operations go-live	Apr 2026	Ongoing	Operations Team
Phase 2	Import & installation of assembly lines	Jan 2027	Jun 2027	Engineering Team
	Pilot assembly operations	Jul 2027	Dec 2027	Yawei Technicians
	Full-scale production	Jan 2028	Ongoing	Local Team

Conclusion

T. KUOE Trading Company Limited's **Machinery Assembly Plant & Warehousing Project** is positioned to become a leading contributor to Tanzania's industrial and construction sectors. By combining strategic partnerships, advanced assembly processes, and efficient warehousing and logistics operations, the company is well-equipped to meet the growing demand for construction machinery in the region.

The project demonstrates strong financial viability, promising sustainable revenue growth, operational efficiency, and attractive returns for investors. Beyond profitability, it will contribute to local economic development through job creation, skills transfer, and the strengthening of Tanzania's manufacturing and industrial capabilities.

With a firm commitment to **quality, innovation, and customer satisfaction**, T. KUOE Trading Company Limited is ready to deliver on its strategic objectives and realize the full potential of this venture. We are confident that this business plan provides a clear roadmap for success and look forward to engaging with partners and stakeholders to bring this vision to life.