

KWM Business Plan



*Proudly Delivering
Quality, Design, and Service.*

Table of Contents

I. Executive Summary	
II. Company Overview	
III. Industry and Market Analysis	
IV. Market Trends	
V. Demand Mapping and Segmentation	
VI. Financial Projection	
VII. Financial Projection Charts	
VIII. SWOT Analysis	
IX. Our Products and Services Portfolio	
X. Management and Staffing	
XI. Risk and Mitigation	
XII. Conclusion	

Executive Summary



KWM Motors Tanzania Limited is a registered Tanzanian company engaged in motorcycle manufacturing, and sales, with a growing after-sales service network. The company is strategically positioned to capture Tanzania's rapidly expanding motorcycle market by assembling locally, thereby reducing costs, creating jobs, and enhancing industrial capacity.



The total equity investment of TZS 2.5 billion supports the establishment of a semi-automated manufacturing assembly plant at Chang'ombe, Temeke, targeting production of 10,000 units in 2025 and scaling to 40,000 units by 2029. Revenue is projected to grow from TZS 33 billion in 2025 to TZS 130 billion in 2029, with profitability rising steadily over the five years.



KWM's strategy focuses on affordability, durability, and strong service support to capture boda-boda riders, delivery companies, and fleet buyers. By Year 5, KWM aims to become a leading manufacturing assembler and distributor in Tanzania's motorcycle industry.

Company Overview

Company Name: KWM Motors Tanzania Limited

Legal Status: Limited Liability Company (Registered with BRELA)

TIN: 165-625-390

Keeway Motors (Tanzania) Limited is part of the globally recognized Keeway Group, – one of the world’s largest motorcycle manufacturers. The company imports, assembles, and distributes a range of Keeway-branded motorcycles and scooters across Tanzania, focusing on durability, affordability, and modern design.

Keeway has established a strong and growing presence in Tanzania’s motorcycle market through sales outlets and after-sales services serving both individual riders and corporate fleet operators. Its product lineup includes 100cc to 300cc models designed for commuter, delivery, and utility purposes, with popular units such as the Keeway RR300.

The company is strategically positioned to meet Tanzania’s increasing demand for affordable transport and logistics solutions, particularly in the boda-boda and last-mile delivery sectors. Backed by international expertise and efficient supply chains, Keeway emphasizes quality assurance, customer satisfaction, and reliable service support.

Keeway continues to expand its spare parts distribution, service centers, and dealership network across the country, contributing to employment creation, industrial growth, and the government’s broader goal of promoting local assembly and value addition within the automotive sector.

Industry & Market Analysis

Industry Overview

Tanzania's two-wheeler sector has expanded rapidly over the past decade, driven by urbanization, last-mile delivery growth, and improved road connectivity. Imports of motorcycles and cycles reached significant values in recent years, and local assembly has become a credible pathway to reduce costs, create jobs, and localize value addition. Government policy actively promotes industrialization and local assembly through the Investment and Special Economic Zones framework (TISEZA). The East African Community (EAC) Common External Tariff provides the tariff structure applicable to complete bikes and components, while duty remission schemes and investment incentives can improve project viability when the company qualifies.

Key structural features of the Tanzanian market.

- Demand drivers: affordable personal mobility, ubiquitous boda-boda taxi services, and growing B2B delivery/logistics demand in cities and regional hubs.
- Supply pattern: Tanzania primarily sources Completely Knocked Down (CKD) / Semi-Knocked Down (SKD) kits and complete units from Asia (notably China and India). Local assembly players differentiate via pricing, parts availability, and service.
- Policy tailwinds: TISEZA facilitation, fiscal incentives for qualifying manufacturing/assembly projects, and a harmonized EAC tariff regime for components vs. fully built units.
- Operating environment: nationwide road network improvements, expansion of digital commerce and mobile money, and availability of trained mechanics through VETA and private institutes

Market Trends

Tanzania's motorcycle market continues to grow steadily, driven by economic expansion, rising urbanization, and the increasing need for affordable, flexible transport solutions. Motorcycles have become a cornerstone of mobility for personal transport, logistics, and small-scale business operations across both urban and rural areas. These trends present major opportunities for KWM Motors to leverage local assembly, modern service networks, and digital integration to capture market share and shape the next phase of Tanzania's mobility landscape.

Key Market Trends

1. Boda-Boda as Essential Urban and Peri-Urban Transport

Motorcycle taxis are the backbone of daily mobility, especially in dense areas like Dar es Salaam, Mwanza, Arusha, Dodoma, and Mbeya.

They serve as primary feeder modes for commuters and goods, ensuring steady demand for 100–150cc entry-level models.

2. Growth of Last-Mile Delivery and Fleet Purchases

The rise of e-commerce, courier, and food delivery services is driving bulk fleet orders.

Companies now seek standardized fleet specifications, service contracts, and financing options, boosting B2B motorcycle sales.

3. Shift Toward Local manufacturing assembly and Reliable After-Sales

Price-sensitive consumers prefer brands offering locally assembled models with faster spare parts access.

Reliable warranties, maintenance support, and strong service networks increase brand loyalty.

4. Digital Enablement

Expanding smartphone and internet penetration fosters app-based dispatch, GPS tracking, and digital payment systems.

These innovations support fleet efficiency, safety, and structured rider management, enabling new business models for operators.

Market Trends

Key Market Trends

5. Safety and Compliance Awareness

Growing focus on rider training, helmets, insurance, and maintenance is creating sustained demand for genuine parts and accessories.

This trend enhances long-term after-sales opportunities for KWM Motors.

6. Fuel-Cost Sensitivity and Efficiency

Focus

Fluctuating fuel prices influence rider economics, prompting preference for fuel-efficient 100–125cc motorcycles.

Maintenance programs emphasizing economy and reliability appeal to commercial riders seeking lower operating costs.

Demand Mapping & Segmentation

Tanzania's motorcycle market demonstrates diverse customer segments driven by varying mobility, income, and operational needs. Understanding these segments is essential for targeted product design, pricing, and distribution strategies. KWM Motors focuses on aligning its product offerings and services to the specific demands of professional riders, fleet operators, and individual commuters, ensuring optimal market penetration and sustained growth.

A. Professional riders (boda-boda associations).

- Primary need: low total cost of ownership (TCO), high uptime, easy financing, and strong resale value.
- Product fit: 100–125cc models with durable suspension, reinforced carrier, and extended-service intervals.
- Service hooks: affordable service packages (every 3,000–4,000 km), mobile service units, and guaranteed parts availability.

B. Corporate & Institutional Fleets (logistics, couriers, utilities, security, NGOs).

- Primary need: standardized specs, predictable maintenance, telematics, and SLA-based service.
- Product fit: 125–150cc models with fleet accessories (cargo box, phone mount, GPS). Annual framework contracts preferred.

C. Individual commuters (urban & secondary cities).

- Primary need: affordability, fuel economy, simple servicing.
- Product fit: 100–125cc commuter bikes with 2–3 year finance options via MFIs/mobile-money partners.

D. Government & Projects (public health, agriculture extension, rural programs).

- Primary need: durable mixed-terrain bikes with basic toolkits and training for operators.
- Product fit: 125–200cc with upgraded suspension/tyres and spares kits supplied per lot.

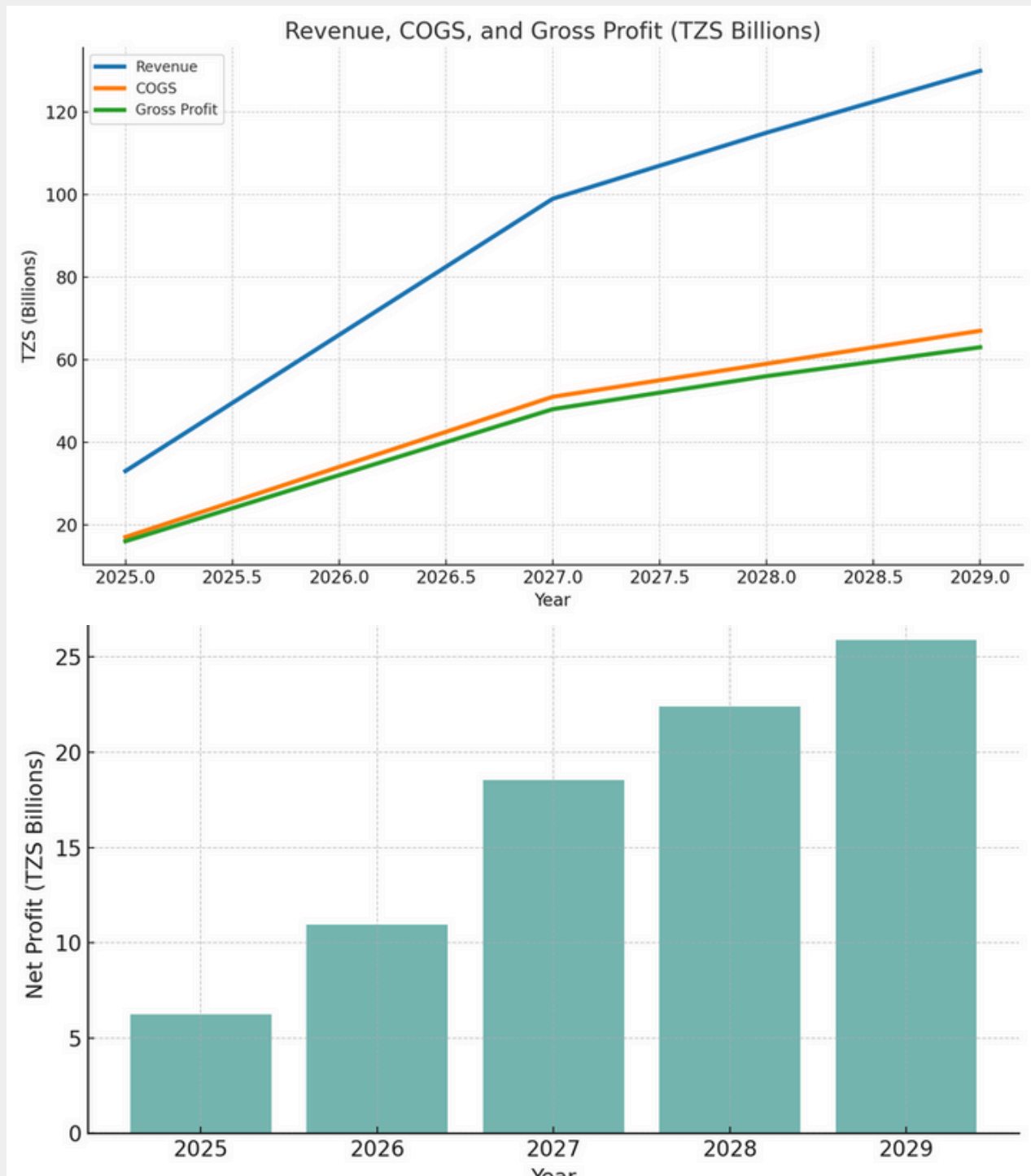
Financial Projection

The five-year financial projection for KWM Motors (Tanzania) Limited demonstrates strong growth potential driven by increased production capacity and expanding market coverage.

Revenue is expected to rise from TZS 33 billion in 2025 to TZS 130 billion by 2029, supported by efficient cost management and growing brand recognition. Net profit margins improve steadily over the period, reflecting enhanced operational efficiency, localized sourcing, and strong demand for both conventional and electric motorcycles.

Year	Revenue	COGS	Operating Cost	Gross Profit	Profit Before Tax	Net Profit
2025	33,000,000,000	17,000,000,000	7,062,900,000	16,000,000,000	8,937,100,000	6,255,970,000
2026	66,000,000,000	34,000,000,000	16,332,030,000	32,000,000,000	15,667,970,000	10,967,579,000
2027	99,000,000,000	51,000,000,000	21,531,718,000	48,000,000,000	26,468,282,000	18,527,797,400
2028	115,000,000,000	59,000,000,000	24,000,000,000	56,000,000,000	32,000,000,000	22,400,000,000
2029	130,000,000,000	67,000,000,000	26,000,000,000	63,000,000,000	37,000,000,000	25,900,000,000

Financial Projection Charts



Key Assumptions

- Average selling price: TZS 3,300,000
- Average cost per unit: TZS 1,700,000
- Corporate tax: 30%
- Exchange rate: 1 USD = 2,600 TZS
- Shareholder capital: USD 1,000,000

SWOT Analysis

Strengths (S) ■

- Local manufacturing assembly advantage reduces import costs and increases competitiveness.

- Strong shareholder capital base (USD 1,000,000) provides stable financial foundation.

- Experienced management team with proven operational expertise.

- Strong after-sales and service network enhancing customer retention.

- Strategic location in Mikocheni, Dar es Salaam near port and logistics networks.

- Growing brand reputation and product quality.

Opportunities (O) ■

- Rising motorcycle demand in both urban and rural markets.

- Government industrialization agenda and incentives for local assembly plants.

- Electric mobility growth offers a chance to introduce electric scooters and tricycles.

- Expansion potential into EAC and SADC regional markets.

- Partnerships with microfinance institutions to increase affordability and sales.

- Localization of spare parts to reduce forex exposure and improve availability.

SWOT Analysis

Weaknesses (W) ■	Threats (T) ■
<ul style="list-style-type: none">• Initial production scale limits ability to meet large market demand.	<ul style="list-style-type: none">• Strong market competition from established international motorcycle brands.
<ul style="list-style-type: none">• Dependence on imported CKD kits exposes company to supply delays.	<ul style="list-style-type: none">• Exchange rate volatility may increase import and assembly costs.
<ul style="list-style-type: none">• Limited brand history – requires time to build market trust and awareness.	<ul style="list-style-type: none">• Regulatory or tax policy changes could affect import and operational costs.
<ul style="list-style-type: none">• High setup and maintenance costs for equipment and compliance.	<ul style="list-style-type: none">• Credit default risks under hire-purchase financing schemes.
<ul style="list-style-type: none">• Continuous need for skilled technical staff and training.	<ul style="list-style-type: none">• Supply chain disruptions due to global logistics or port delays.
<ul style="list-style-type: none">• Relatively high operating costs during the initial scaling phase.	<ul style="list-style-type: none">• Economic slowdowns reducing consumer purchasing power.

Our Products & Services Portfolio

Facility and Capacity

The main assembly facility is located in Mikocheni, Dar es Salaam, with the capacity to scale from 10,000 units in 2025 to 30,000 units by 2027.

A. Motorcycle Manufacturing

KWM Motors assembles motorcycles ranging from 100cc to 200cc, designed for delivery, passenger transport, and institutional fleet use.

The manufacturing assembly process utilizes Completely Knocked Down (CKD) and Semi-Knocked Down (SKD) kits imported from certified Original Equipment Manufacturers (OEMs) in Asia, ensuring consistent product quality and cost efficiency.

Key product categories include:

- **Commuter Bikes (100–125cc):** For everyday riders and boda-boda operators seeking fuel efficiency and low maintenance costs.
- **Cargo & Delivery Models (125–150cc):** Enhanced with reinforced carriers, side boxes, and heavy-duty suspension for commercial logistics, food delivery, and courier applications.
- **Rural & Fleet Models (150–200cc):** Engineered for mixed terrain and government/NGO projects such as agriculture, health outreach, and security patrols.

Each unit is tested under local road conditions before dispatch, ensuring compliance with Tanzania Bureau of Standards (TBS) regulations. KWM also plans to gradually integrate local component suppliers (batteries, tyres, cables) to increase Tanzanian content and qualify for additional industrial incentives.

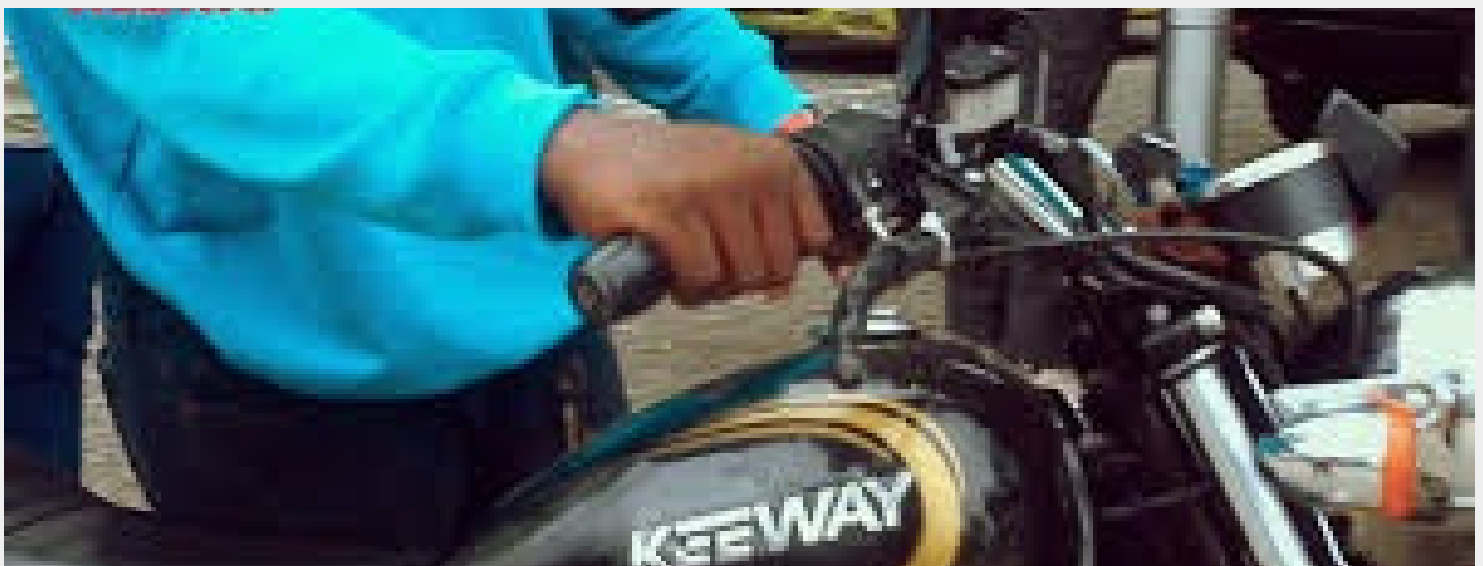
Our Products & Services Portfolio

C. After-Sales Services

KWM Motors places heavy emphasis on customer retention and long-term satisfaction through comprehensive after-sales services that extend beyond standard warranties.

Key offerings include:

- **Warranty Programs:** Standard 12-month/20,000 km warranty covering manufacturing defects, with optional extended warranties for fleet clients.
- **Service Contracts for Fleets:** Annual or mileage-based maintenance agreements that include preventive checks, oil changes, and replacement of critical parts. Fleet contracts are managed with Service Level Agreements (SLAs) guaranteeing uptime and response times.
- **Mobile Service Units:** Branded service vans equipped with essential tools and parts to handle on-site repairs in key regions, minimizing downtime for fleet clients and boda-boda operators.
- **Authorized Service Centers:** KWM is establishing authorized service points in Dar es Salaam, Dodoma, Mwanza, Arusha, and Mbeya, with trained mechanics to handle warranty, maintenance, and diagnostics.

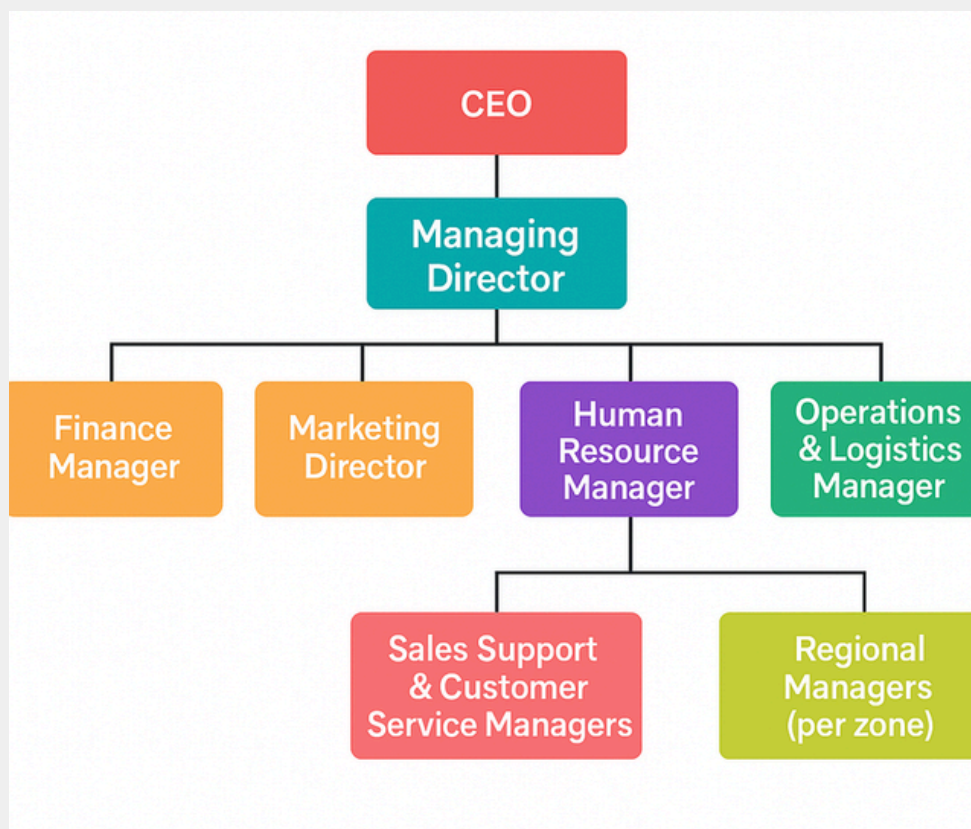


Management & Staffing

KWM Motors (Tanzania) Limited is led by a strong management team with expertise in manufacturing, finance, marketing, logistics, and customer relations. The leadership structure ensures effective decision-making and operational efficiency, guided by the CEO and Managing Director.

Key roles include the Finance Manager overseeing budgets and reporting, the Marketing Director driving brand growth, the HR Manager managing recruitment and training, and the Operations & Logistics Manager coordinating assembly and distribution.

The company currently employs 257 staff, projected to exceed 400 by 2027 as operations expand. KWM prioritizes continuous professional development, offering regular technical and customer-service training to uphold international quality and performance standards.



Risk and Mitigation

Risk	Impact	Mitigation Strategy
Exchange Rate Volatility	Increases cost of imported CKD parts and materials.	Maintain multi-currency accounts, use forward cover, and negotiate fixed-term supplier pricing.
Market Competition	Price pressure from low-cost imports and established brands.	Differentiate through product reliability, after-sales service, and localized brand promotion.
Regulatory & Tax Changes	Adjustments in import duty, VAT, or incentive policies may affect margins.	Maintain active communication with TISEZA, and TRA; ensure compliance readiness.
Supply Chain Disruptions	Delays in receiving kits or components from overseas suppliers.	Diversify suppliers, establish local sourcing where possible, and maintain buffer inventory.
Operational Downtime	Equipment failure or production halts reducing output.	Implement preventive maintenance schedules and maintain backup critical equipment.

Risk and Mitigation

Risk	Impact	Mitigation Strategy
Workforce Risks	Low productivity, high turnover, or safety incidents.	Invest in HR retention programs, continuous training, and enforce OSHA safety standards.
Technology & System Failures	Disruptions in assembly automation or data management.	Use reliable ERP systems and maintain regular IT audits and system backups.
Credit & Cash Flow Risks	Delayed payments from distributors or corporate clients.	Strengthen credit control policies and maintain adequate working capital reserves.
Environmental & Compliance Risks	Non-compliance with environmental or waste management regulations.	Adopt proper waste disposal systems and conduct periodic environmental audits.
Political & Policy Instability	Changes in government priorities or trade policies.	Diversify markets regionally (EAC) and engage in public-private dialogue through TNBC.

Conclusion

KWM Motors Tanzania Limited represents a solid, forward-looking investment in Tanzania's growing mobility and manufacturing sectors. The company's focus on local manufacturing assembly, after-sales service, and value addition aligns directly with national goals under Vision 2025 and the TISEZA industrialization agenda. Over the next five years, KWM is positioned to drive meaningful economic impact – creating jobs, enhancing technical capacity, and reducing dependence on imported fully built motorcycles.

With a dedicated management team, reliable suppliers, and a scalable business model, KWM Motors offers both financial sustainability and social value. The company's strong operational foundation and equity-based structure ensure flexibility and resilience in a dynamic market. By 2029, KWM aims to stand as one of Tanzania's leading motorcycle assemblers – a brand built on quality, innovation, and national pride.

