

Business Plan

JAZA ENERGY INC



2025 ROCK PROJECT

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1 Executive Summary

1.1 Company & Project Concept

Jaza Energy Inc. is a foreign company incorporated in Canada on 8th January 2015 through the registration number 914711-0. The company also has been registered in Tanzania under the Company Act of 2002 on 19th September 2018, and bears Certificate of Compliance No. 137680734. The company belongs to the Renewable Energy sector.

Jaza Energy Inc. is the largest clean technology company that provides solar energy solutions to high growth emerging markets. Jaza's Energy Hub is the most cost-effective energy system for communities beyond the reach of the electricity grid.

Over 1.2 Billion people live without access to electricity, and over half of them live in Sub-Saharan Africa. In the same region, there are over half a billion cellphone users, many of which travel to grid-tied locations to pay vendors up to \$20/kWh for cellphone charging services. At these rates, the cost of charging a phone equals the cost of airtime for using the phone. Without access to electricity, households are lit by Kerosene, which is inefficient, unhealthy and expensive. Average household spending on Kerosene in East Africa varies between \$100 - \$200 annually, representing up to 20% of household earnings. Kerosene lighting and cellphone charging services cost households \$14B annually in Sub-Saharan Africa alone and \$27B globally. Kerosene lamps produce 244 Million tons of CO₂e emissions annually.

Jaza Energy builds clean and efficient energy hubs that provide electricity access to entire communities. At the hubs, customers charge portable battery packs which can be carried home to provide power for lights and phone charging. The energy hubs are solar powered and managed by proprietary controller hardware and cloud-based software. Users pay for energy using mobile money. Communities can be powered by a single system without requiring costly transmission and distribution systems, providing affordable pre-paid electricity for 1/8th the cost of kerosene to last mile customers.

Energy Hub - Solar powered energy hubs distribute prepaid energy to battery packs. Customers use mobile banking to text payment to the energy hub which charges battery packs. Customers carry the batteries home to power lights, cellphones and small appliances. Once the battery is discharged, customers return to the energy hub and complete another transaction. The hardware and software that power the energy hubs enable a small workforce to manage many distributed energy systems. Jaza Energy can scale the energy hubs to meet customer demand by increasing the solar generating capacity. Energy hubs are monitored and controlled remotely by using an online dashboard, tracking system use, customer interactions, energy transactions. System faults can be detected and diagnosed remotely, allowing for the rapid dispatch of service technicians.

Battery Packs - Charged battery packs provide in-home electricity. LED lights (3 W) and mobile phone chargers (10 W) are currently supported by battery packs. Battery packs last 4-5 days before requiring a recharge. Additional lights can be added as the demand for in-home electricity grows.

Future loads to be supported by the battery packs include TVs (15 W) and fans (8 W). Customers who require higher power and energy in their homes can also upgrade to wired interconnection.

Mobile Communications Platform - Customers manage their battery charging transactions with Jaza Energy through the company's mobile communications platform. Each customer creates an account that links to cloud based energy management software, that processes mobile banking payments and battery charging. The mobile communications platform also provides Jaza Energy with a direct link to customers, allowing the company to deploy surveys and account information.

1.2 Purpose of the Business Plan

This document has been prepared as a comprehensive business plan for the establishment of an energy hubs project. It outlines the project's objectives, scope, implementation strategy, financial projections, and anticipated impact on the energy sector. The purpose of this document is to provide a detailed roadmap for the successful execution of the project while demonstrating its viability and alignment with national energy development goals. Additionally, this business plan will be submitted to the Tanzania Investment Center (TIC) as part of the application process for the award of a Certificate of Incentives, which will facilitate investment benefits, tax incentives, and other support mechanisms necessary for the project's successful implementation.

1.3 Project Promoter

The management and operational responsibilities of the project will be undertaken by Jaza Energy Inc. (Tanzania), which functions as a branch entity under the ownership and control of Jaza Energy Inc. (Canada). Jaza Energy Inc. (Tanzania) will oversee the implementation, execution, and daily administration of the project in alignment with the strategic objectives set forth by its parent company.

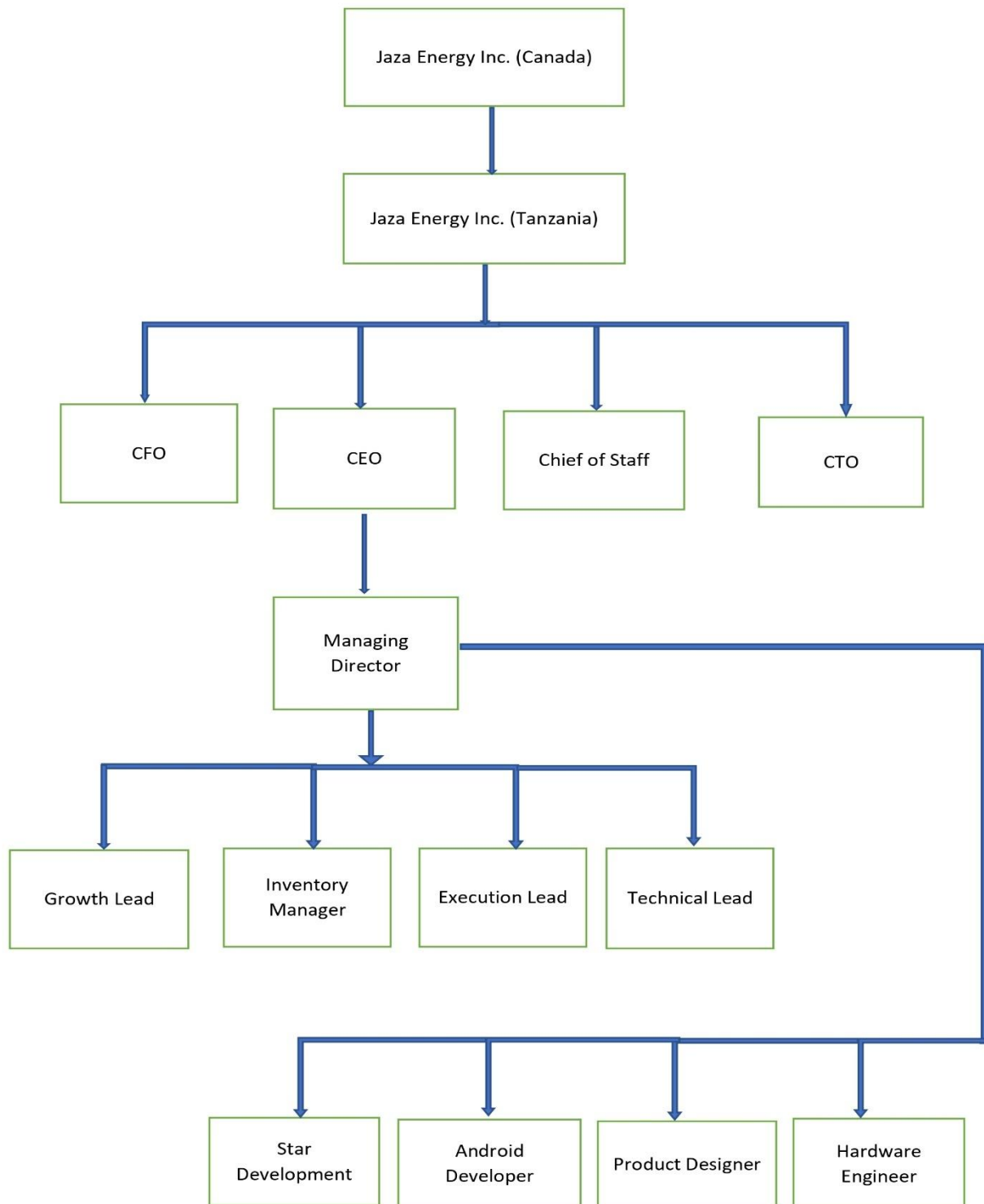
Jaza Energy Inc. (Canada), as the ultimate parent entity, holds the ownership rights over Jaza Energy Inc. (Tanzania) and provides governance, financial oversight, and strategic direction to its branch operations. The shareholding structure of Jaza Energy Inc. (Canada) is detailed below, outlining the percentage ownership held by each shareholder:

Name of the Shareholder	Nationality	Shares%
Jeff Bryan Schnurr	Canadian	50%
Sebastian Callaghan Manchester	Canadian	50%

1.4 Company Legality

Jaza Energy Inc. is a duly registered company as per the laws and regulations of Tanzania. The Company has also received various registrations and certificates including, certificate of compliance, Business License, Tax Identification Number, NSSF registrations, etc. The company has also applied for all other necessary licenses and registrations required as per the law of the Land.

1.5 Our Team & Organization Structure



1.6 Investment Structure

The total initial cost of the project is estimated at USD 3.9 million, which encompasses both capital expenditure and working capital requirements. Of this amount, approximately USD 3.4 million is allocated to capital expenditure, which will be used to acquire essential assets such as plant and machinery, furniture and fixtures, vehicles, and other necessary facilities required for the successful establishment and operation of the project. Additionally, a sum of USD 53,160 has been earmarked as working capital to cover day-to-day operational expenses, ensuring smooth business activities, cash flow management, and short-term financial obligations. The comprehensive project valuation considers all essential costs associated with infrastructure, equipment, and operational necessities, laying a strong foundation for the venture's sustainability and long-term success.

The entire investment is fully financed through a foreign loan, with no local funding or equity contributions involved. This means that all capital required for the project, including initial setup costs, operational expenses, and any associated financial obligations, is sourced exclusively from an international lender or financial institution.

According to the projected financial statements, the Company is anticipated to generate a revenue of approximately USD 1.2 million during its first full year of operations, which corresponds to the financial year 2025 (covering the period from January 2025 to December 2025). This revenue projection is based on the Company's expected market penetration, initial customer acquisition, and operational capacity within its first year.

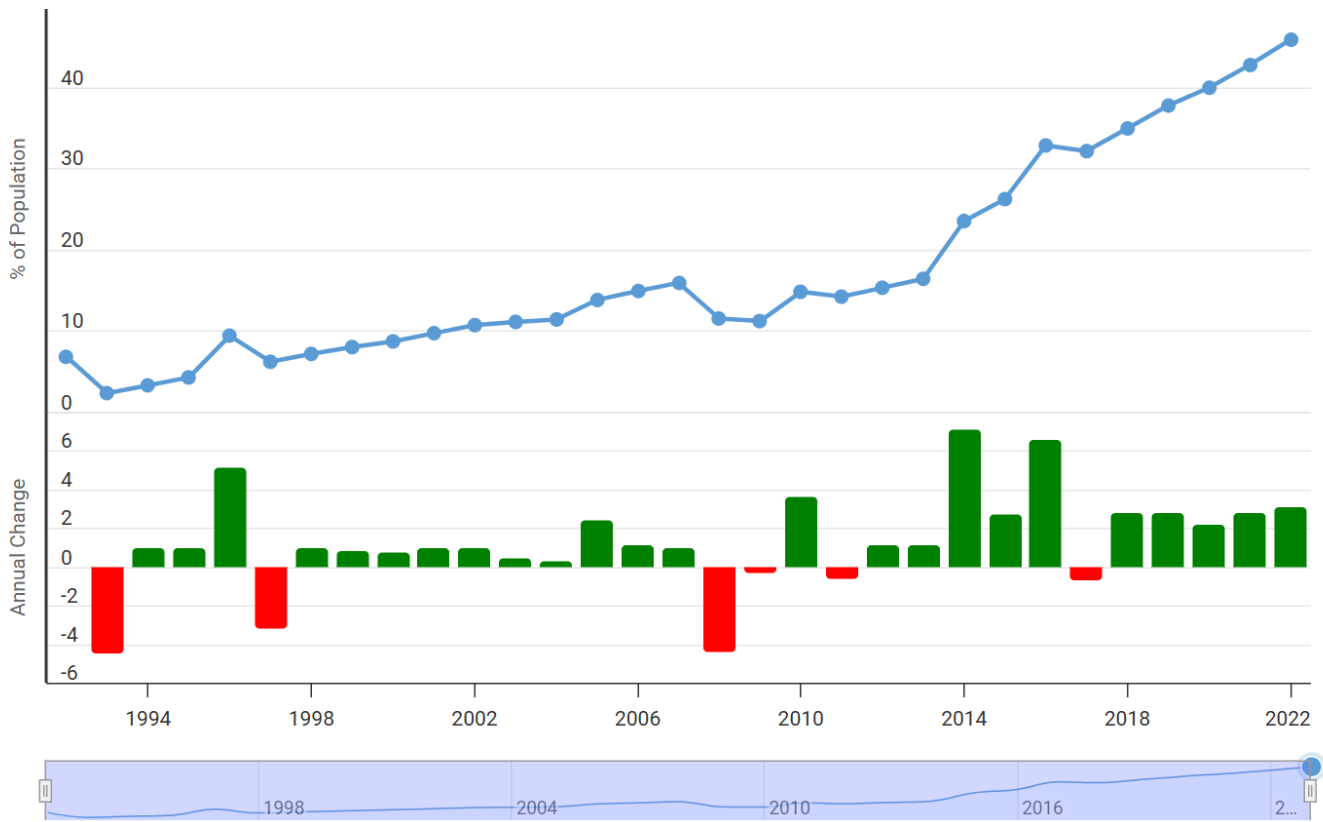
Looking ahead, the Company forecasts significant revenue growth in the subsequent years as it expands its operations, strengthens its market presence, and increases production and sales volumes. For the financial year 2026 (January 2026 to December 2026), the Company projects a revenue increase to approximately USD 3.4 million. This growth is expected to be driven by enhanced operational efficiency, increased demand for its products and services, and a broader customer base.

By the financial year 2027 (January 2027 to December 2027), the Company's revenue is projected to reach approximately USD 6.9 million. This substantial increase reflects the anticipated scaling of business activities, optimization of production processes, and the establishment of strong distribution channels. The Company expects that continued investment in infrastructure, workforce, and strategic partnerships will contribute to sustained revenue growth and long-term profitability.

2 Project Information

2.1 Rationale of the Project

Despite the steady increase in the percentage of the population with access to electricity in Tanzania, a significant portion of the country's residents still remained without electricity as of 2022. Data from that year indicates that approximately 54.2% of the Tanzanian population lacked access to electricity, highlighting the ongoing challenges in expanding energy infrastructure and ensuring nationwide electrification. While efforts have been made to enhance electricity distribution through rural electrification programs and investment in energy projects, a considerable gap persists, particularly in remote and underserved areas. Addressing these disparities requires continued investment in power generation, transmission, and distribution, as well as policies aimed at promoting affordability and accessibility for all citizens.



Jaza Energy develops sustainable and efficient energy hubs designed to provide electricity access to entire communities. These hubs allow customers to charge portable battery packs, which they can take home to power lights and charge mobile phones. The hubs operate on solar energy and are managed using advanced proprietary controller hardware and cloud-based software. Users make payments for electricity through mobile money, ensuring convenience and accessibility. By utilizing a single system to supply power without the need for expensive transmission and distribution infrastructure, Jaza Energy offers an affordable prepaid electricity solution, costing only one-eighth of the price of kerosene for customers in remote areas.

2.2 The Project

The Company is making a total investment of USD 20 million to fund the development and implementation of the project. This investment is structured to cover both capital expenditures (CapEx) and working capital requirements to ensure the successful launch and sustained operations of the project.

Out of the total investment, USD 3.4 million will be allocated towards capital expenditures (CapEx). These funds will be utilized for acquiring essential infrastructure, equipment, machinery, and other fixed assets required to establish and scale the project. The CapEx investment is aimed at enhancing operational efficiency, ensuring long-term sustainability, and facilitating future expansion.

The remaining USD 53,159.96 will be allocated to working capital. This portion of the investment will be used to cover day-to-day operational expenses, including procurement of raw materials, employee salaries, administrative costs, and other short-term financial obligations necessary to support smooth business operations.

The following table provides a detailed breakdown of the investment allocation for the project

INVESTMENT BREAKDOWN		
No.	Particulars	US\$
1	Plant	3,464,000.00
2	Vehicles	30,000.00
3	Furniture & Fittings	295,000.00
4	Others	100,000.00
5	Working Capital	53,159.96
Total		3,942,159.96

3 Products & Services

3.1 Demand/Supply Gap

Tanzania's energy sector presents a significant opportunity for solar energy solutions, particularly in addressing the existing demand-supply gap.

Current Energy Landscape

As of December 2024, Tanzania's total installed electricity generation capacity stood at approximately 3,404.20 MW, with the following composition:

No.	Particulars	Megawatt
1	Hydroelectric	2,011.27
2	Natural Gas	1,198.82
3	Heavy Fuel Oil (HFO) and Diesel	101.12
4	Solar Photovoltaics (PV):	5
5	Biomass and Co-generation	87.99

Despite these capacities, as of 2022, a large portion of the Tanzanian population still lacked access to electricity. Around 54.2% of the population did not have electricity, emphasizing the ongoing challenges in expanding the country's energy infrastructure and achieving nationwide electrification. Although there have been efforts to improve electricity distribution through rural electrification initiatives and investments in energy projects, significant gaps remain, especially in remote and underserved areas. Bridging these gaps will require sustained investment in power generation, transmission, and distribution, alongside policies focused on making electricity more affordable and accessible for all citizens.

In 2023, Tanzania experienced nationwide load shedding due to a 400 MW gap between electricity supply and demand. This shortfall was attributed to maintenance issues and the impacts of climate change on hydropower generation.

With an anticipated annual demand growth of 5% to 10%, Tanzania aims to diversify its energy mix by adding 2,463 MW of generation capacity from renewable sources, including solar, wind, geothermal, and hydro, by 2030.

Opportunities for Solar Energy Solutions

Decentralized renewable energy solutions, such as solar mini-grids and solar home systems, are considered cost-effective for increasing electricity access, especially in remote and rural areas.

The Tanzanian government supports solar development by removing value-added tax (VAT) and import taxes on main solar components, including panels, batteries, inverters, and regulators.

3.2 Business Modal

Revenue Model

Jaza Energy will generate revenue through pre-paid energy sales for battery pack charging via mobile money payments. Additional revenue will be generated by providing anchored load connectivity and through the sale of small appliances

Battery Pack Charging

The following table outlines the revenue generated through the sale pre-paid energy via battery pack charging. Each hub has been sized to provide electricity for 100 households, and the daily charge frequency outlined below is on a per hub basis.

Battery Pack Charging Revenue Per Hub

	Year 1	Year 2	Year 3	Year 4	Year 5
JazaPack Charging					
Charges per day	21	37	55	55	59
Cost per Charge	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30
Annual Charging Revenue	\$ 2,294.29	\$ 4,054.11	\$ 5,976.88	\$ 6,042.05	\$ 6,488.53
Monthly Charging Revenue	\$ 191.19	\$ 337.84	\$ 498.07	\$ 503.50	\$ 540.71
JazaPack Deposits	\$ 1,000.00	\$ -	\$ -	\$ -	

Additional Revenue - Knock-on offerings and Anchored Loads

In addition to battery pack charging, revenue will be generated by connecting customers to the energy hub through wired transmission and by selling customers small appliances.

Anchored Load Revenue per Hub

	Year 1	Year 2	Year 3	Year 4	Year 5
Anchored Load Energy					
Energy per day (Wh)	0	302	604	906	1208
Price per kWh (\$)	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50
Connection Fee	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
New Connections	0	2	2	2	2
Annual Connection Fee Revenue	\$ -	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Total Annual Revenue	\$ -	\$ 265.35	\$ 430.69	\$ 596.04	\$ 761.38

Small Appliance Sales per Hub

	Year 1	Year 2	Year 3	Year 4	Year 5
Small Appliance Sales					
TV Sale			\$ 150.00	\$ 150.00	\$ 225.00
Fan Sale			\$ 120.00	\$ 150.00	\$ 150.00
Total Appliance Sales			\$ 270.00	\$ 300.00	\$ 375.00

Total Projected Revenue per Hub

The following table outlines projected revenue per hub, including battery pack charging, anchored loads (Year 2) and the sale of small appliances (Year 3).

Total Revenue per Hub

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Revenue					
Total Annual Revenue	\$ 3,294.29	\$ 4,319.45	\$ 6,677.57	\$ 6,938.09	\$ 7,624.91
Total Monthly Revenue	\$ 274.52	\$ 359.95	\$ 556.46	\$ 578.17	\$ 635.41

Cost Model

CAPEX Costs - Energy Hub, Battery Packs and Small Appliances

The following tables outline the costs associated with the energy hubs, battery packs and small appliances.

Energy Hub System Costs

Hub System Costs	Size	Unit	Price/Unit	Total Price
PV Panels	2000	W	\$ 0.75	\$ 1,500.00
Batteries (Deep Cycle Lead)	15	kWh	\$ 150.00	\$ 2,250.00
Inverter	2000	W	\$ 0.30	\$ 600.00
Charge Controller	1600	W	\$ 0.35	\$ 560.00
Balance (Electrical)	1600	W	\$ 0.15	\$ 240.00
Balance (Mechanical)	1600	W	\$ 0.25	\$ 400.00
System Controller	-	-	-	\$ 200.00
Total				\$ 5,750.00

Battery Pack Costs

JazaPack Costs	Cost	Qty	Total Price
Battery	\$ 10.00	100	\$1,000.00
Wiring Kit	\$ 12.00	100	\$1,200.00
Total			\$2,200.00

CAPEX Costs per system (Energy Hub and Batteries)

Total CAPEX Per System	\$ 7,950.00
Households Per System	100
CAPEX Per Household	\$ 79.50

Small Appliance Costs

Appliances	Cost	Retail	Net
TV	\$ 85.00	\$ 100.00	\$ 15.00
Fan	\$ 12.00	\$ 18.00	\$ 6.00

3.3 Operation & Production Cost

ANNUAL OPERATION & PRODUCTION COST					
Projected Operating Costs					
	2025	2026	2027	2028	2029
	\$	\$	\$	\$	\$
Casual Labour & Allowances	229,143	458,286	504,115	554,526	609,979
Equipment Sales Commission	14,936	16,430	18,073	19,880	21,868
Energy Sales Commissions	62,321	68,553	75,408	82,949	91,244
Rent - Hub Land	43,065	47,372	47,372	47,372	47,372
Repairs and maintenance - Hubs	29,819	32,801	32,801	32,801	32,801
Supplies - Hubs	9,940	10,934	10,934	10,934	10,934
Advertising - Hubs	48,340	53,174	24,170	24,170	24,170
Uniforms	4,696	5,166	5,166	5,166	5,166
Airtime - Hubs	19,879	21,867	24,054	24,054	24,054
Security	8,350	9,185	9,185	9,185	9,185
Jaza Health Care	1,200	1,320	1,320	1,320	1,320
Salaries & Other Benefits	251,305	276,436	276,436	276,436	276,436
Consulting & Professional Services	143,164	157,480	71,582	71,582	71,582
General and Administration	86,162	94,778	94,778	94,778	94,778
Office Expenses	1,183	1,301	1,301	1,301	1,301
Vehicle Expenses	62,151	68,366	31,076	31,076	31,076
Travel and Meals	54,340	59,774	27,170	27,170	27,170
Capital Asset Write offs	42,144	46,358	46,358	46,358	46,358
Phone and Internet	3,362	3,698	3,698	3,698	3,698
Rent and service charge	3,396	3,736	3,736	3,736	3,736
Warehousing	19,200	21,120	0	0	0
Shipping & Freight	279,000	306,900	50,000	50,000	50,000
Hub Setup Costs	18,340	20,174	0	0	0
Expansion	3,580,303	3,938,333	0	0	0
Salaries & Other Benefits	317,145	348,860	348,860	348,860	348,860
Consulting & Professional Services	12,954	14,249	14,249	14,249	14,249
General and Administration	30,610	33,671	33,671	33,671	33,671
Office Expenses	54,683	60,151	60,151	60,151	60,151
Vehicle Expenses	25,970	28,567	28,567	28,567	28,567
Travel and Meals	40,753	44,828	20,377	20,377	20,377
R&D Supplies	120,000	132,000	0	0	0
Total	5,617,854.00	6,385,868.10	1,864,605.56	1,924,365.12	1,990,100.63

4 Projected Financial Statement

PROJECTED FINANCIAL STATEMENTS					
Projected Income Statement					
	YEAR 2027	YEAR 2028	YEAR 2029	YEAR 2030	YEAR 2031
	\$	\$	\$	\$	\$
SALES	2,791,252	3,098,290	3,470,085	3,886,495	4,391,739
COST OF SALES	279,125	309,829	347,008	388,649	439,174
GROSS MARGIN	2,512,126.98	2,788,460.95	3,123,076.26	3,497,845.41	3,952,565.32
OPERATING COSTS					
Casual Labour & Allowances	504,115	554,526	609,979	670,977	738,074
Equipment Sales Commission	18,073	19,880	21,868	24,055	26,460
Energy Sales Commissions	75,408	82,949	91,244	100,369	110,405
Rent - Hub Land	47,372	47,372	47,372	47,372	47,372
Repairs and maintenance - Hubs	32,801	32,801	32,801	32,801	32,801
Supplies - Hubs	12,027	13,230	14,553	16,008	17,609
Advertising - Hubs	10,934	10,934	10,934	10,934	10,934
Uniforms	5,166	5,166	5,166	5,166	5,166
Airtime - Hubs	24,054	24,053.59	24,053.59	24,054	24,054
Security	10,104	11,113.85	12,225.24	13,448	14,793
Jaza Health Care	1,320	1,320	1,320	1,320	1,320
Salaries & Other Benefits	276,436	276,436	276,436	276,436	276,436
Consulting & Professional Services	71,582	71,582	71,582	71,582	71,582
General and Administration	94,778	94,778	94,778	94,778	94,778
Office Expenses	1,301	1,301	1,301	1,301	1,301
Vehicle Expenses	31,076	31,076	31,076	31,076	31,076
Travel and Meals	27,170	27,170	27,170	27,170	27,170
Capital Asset Write offs	46,358	46,358	46,358	46,358	46,358
Phone and Internet	3,698	3,698	3,698	3,698	3,698
Rent and service charge	3,736	3,736	3,736	3,736	3,736
Shipping & Freight	50,000	50,000	50,000	50,000	50,000
Salaries & Other Benefits	348,860	348,860	348,860	348,860	348,860
Consulting & Professional Services	14,249	14,249	14,249	14,249	14,249
General and Administration	33,671	33,671	33,671	33,671	33,671
Office Expenses	60,151	60,151	60,151	60,151	60,151
Vehicle Expenses	28,567	28,567	28,567	28,567	28,567
Travel and Meals	44,828	44,828	20,377	20,377	20,377
TOTAL OPERATING EXPENSES	1,877,833	1,939,806	1,983,524	2,058,511	2,140,997
INCOME BEFORE TAXES	634,294	848,655	1,139,552	1,439,334	1,811,569
INCOME TAXES	(190,288)	(254,597)	(341,866)	(431,800)	(543,471)
NET INCOME	444,006	594,059	797,687	1,007,534	1,268,098

