

MANUFACTURING AFRICA



Manufacturing Africa aims to reduce poverty in Africa by attracting £1.2 billion of foreign direct investment into manufacturing and creating 90,000 jobs over 7 years (2019-2026). The programme is funded by the UK government through the Foreign, Commonwealth & Development Office (FCDO)



Enhancing Local Production of Essential Medical Supplies

Initially founded in 2018 as a financial technologies company, Aleka Holdings Limited pivoted into medical supplies manufacturing, producing quality ISO-certified surgical masks at the height of the COVID-19 pandemic in 2021. The company has since expanded its product portfolio to include medical plasters (band-aids and adhesive plaster rolls) that it sells in Tanzania and Mozambique.

The company sources its raw materials from China and India. It produces 80,000 pieces of plaster per day and 32,000 pieces of masks per month and is working towards a target of producing 1.2 million pieces of plaster per day.

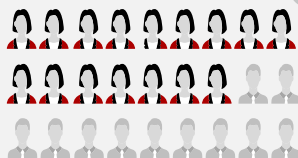
The main off-takers of Aleka's products are the Government through the Medical Store Department (MSD), wholesalers and retailers in Tanzania's mainland and Zanzibar, private health facilities, humanitarian organizations and international clients mainly in Mozambique.

Imported products constitute over 95% of the Tanzanian medical supplies market, and no local company manufactures the products. Aleka products compete with imported products, primarily produced in India and China. Imported products are, however, subject to import tax, making them more expensive than locally produced products over time as local producers become efficient. The pricing advantage and Aleka's first-mover status give it an edge.



47

Current
employees



36%

Women in senior
management



79

employees
after
expansion

THE CHALLENGE

The company plans to expand into new product lines, including elastic gauze rolls and in vitro rapid testing kits for Malaria, Hepatitis B&C, HIV, etc. **Aleka is seeking \$8.3 million for the expansion of its production facility.**

To achieve its next growth phase, the company needs support articulating future market opportunities and understanding key growth areas through commercial analysis. In addition, the company needs fundraising specialists who understand large-scale equity/debt growth raises in East Africa, a skill that MA brings to the table.

MA SUPPORT

The Programme is delivering the following support to Aleka:



Financial modelling

– This comprised of strategic guidance on preparation of a detailed financial model with detailed projections, analysis and ideal capital structure proposal.



Information

Memorandum – A marketing deck outlining the key areas of the deal designed to meet the need of investors.



Corporate Finance Close Out – Support on guidance on deals process, approaching investors and negotiation strategy, and potentially pitch practice session, data room preparation guidance and suggestions and contacts of investors known to MA.



Medica Band Aids Plaster



Medica Adhesive Plaster Roll



Aleka 3 Ply Surgical masks

IMPACT

MA support will expediate investment close-ability: With MA support, the company will be able to go to market early with a high quality and complete package of information i.e. investor facing investment memorandum, financial model, and investor hitlist. Given the high demand for medical supplies and a growing investor interest in the sector, the MA support will expediate the investment process into the company.

The expansion will improve supply of medical supplies in Tanzania and an additional 32 direct jobs, and 30 indirect jobs.

This programme is funded by UK aid from the UK government; however, the views expressed do not necessarily express the UK government's official policies.

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