



BREEZTEK

TECHNOLOGIES LTD

Business Plan

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Executive Summary

Introduction

Breeztek Technologies Limited is a registered company in Tanzania with registration no. 123919. With the business boom that is occurring in the Tanzanian market and the desire to improve overall profit margins, the company is planning to shift its target market from Telecom Sector to the larger commercial customers. This business plan will lay out our goals and tasks to make this transition successful and create enough market share to succeed in this highly competitive market.

The Company

Breeztek Limited is a total engineering infrastructure solutions company providing a broad range of engineering services to the Civil Construction, Power and Telecommunication sectors. We also undertake Integrated Projects combining two or more of these engineering needs including surveys, designs, project management and post installation support services for a complete and unified solution.

Breeztek Limited is one of the fastest and innovative growing construction companies in every country of its operations in Africa. Committed to excellence, Breeztek has grown to encompass works ranging from large-scale civil works in the Infrastructure sector to the construction of buildings and public works facilities for other sectors of the economy.

The Company has active branches in Nigeria, Tanzania, Uganda, and Namibia. Breeztek also has project footprints also span Ghana, Cote d'Ivoire, Guinea, Benin, Niger, Chad, Benin, and Cameroon

Services

Breeztek offers comprehensive services designed allow the company to do whatever it takes to finish a project. Some of these services include; Construction Solutions, Power Solutions, Telecoms & IT Solutions, Infrastructure, Buildings Complete facility construction solutions, Mechanical fabrication works HVAC solutions, Plumbing, Substation civil & Mechanical works, LV & MV works, Protection Systems, Power Backup and alternative energy Systems, OHTL solutions, Fiber Optic Solutions, Passive Telecom Cell Site Maintenance In-Building

Solutions, Active Equipment solutions for Telecom Operators and OEMs, Tower & telecom support equipment supply. In addition, skills Breeztek lacks can be subcontracted.

The Market

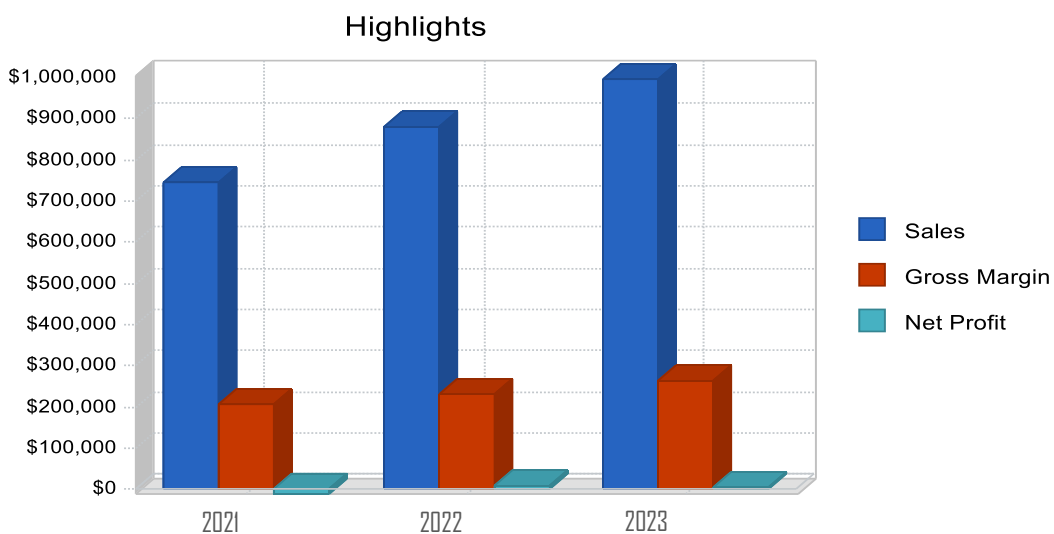
The Tanzania market is booming at this moment, overall business growth during the past five years has averaged approximately 5% and is expected to continue for at least the next five years. This makes for a very attractive market for Breeztek Technologies Limited .

We will be concentrating on the customers that will provide us with the greatest margin, in other words those clients desiring Civil and Building construction, . This is the fastest growing segment of commercial clients requiring our services. The other categories that we will serve include the Road Construction, the special facilities segment, and all other potential commercial clients and government entities.

Financial Considerations

Breeztek has only a small amount of debt and intends to stay that way. We expect to see increased profits from our market shift efforts by the end of Year 2. Over the next three years we expect lower profits as we make inroads into this tough market. We estimate that we will be able to reduce marginal costs and increase overall profitability by Year 3 or Year 4 as we grow and take advantages of economies of scale.

Chart: Highlights



Objectives

Breeztek Technologies Limited plans to:

- Significantly expand into the Government, commercial and office building contracting market to improve profit margins and increase local market share.
- Expand services and decrease costs by creating a permanent skilled labour crew, as well as adding a bookkeeper and an accountant to our staff.
- Begin to market and offer services in the Dodoma area in preparation for opening an office there in Year 4.

Mission

The mission of Breeztek is to be the preferred infrastructure solutions company renowned for cost effective communication solutions that ensure the highest possible operational availability for our valued customers.

Keys to Success

The local commercial construction market is booming at the moment. In order to achieve a defensible position in this environment, Breeztek must concentrate on the following tasks.

- Secure at least five large scale commercial contracts over the next three years.
- Expand our customer base through expansion into other geographic areas to retain a sufficient level of profitability.
- Increase marketing expenditures by 5%.

Company Summary

Breeztek Technologies Limited began its operation in Tanzania in 2016 with the sole aim of providing services for the Technology and Telecom Support Services. In 2018, the company applied and registered as Class 5 Civil and Class 4 Building Categories with the Contractor's Registration Board, and the company began to bid successfully for larger scale projects.

The company's management came to the conclusion that the firm had grown sufficiently to alter its primary target market from Telecom Support Services segment to the higher margin commercial and Heavy Civil construction segment. The company started plans to implement this change by the middle of Year 2.

As part of its growth and altered focus, BREEZTEK is planning on changing its class Four in Civil to a class One, allowing greater access to investment funds to fuel its growth.

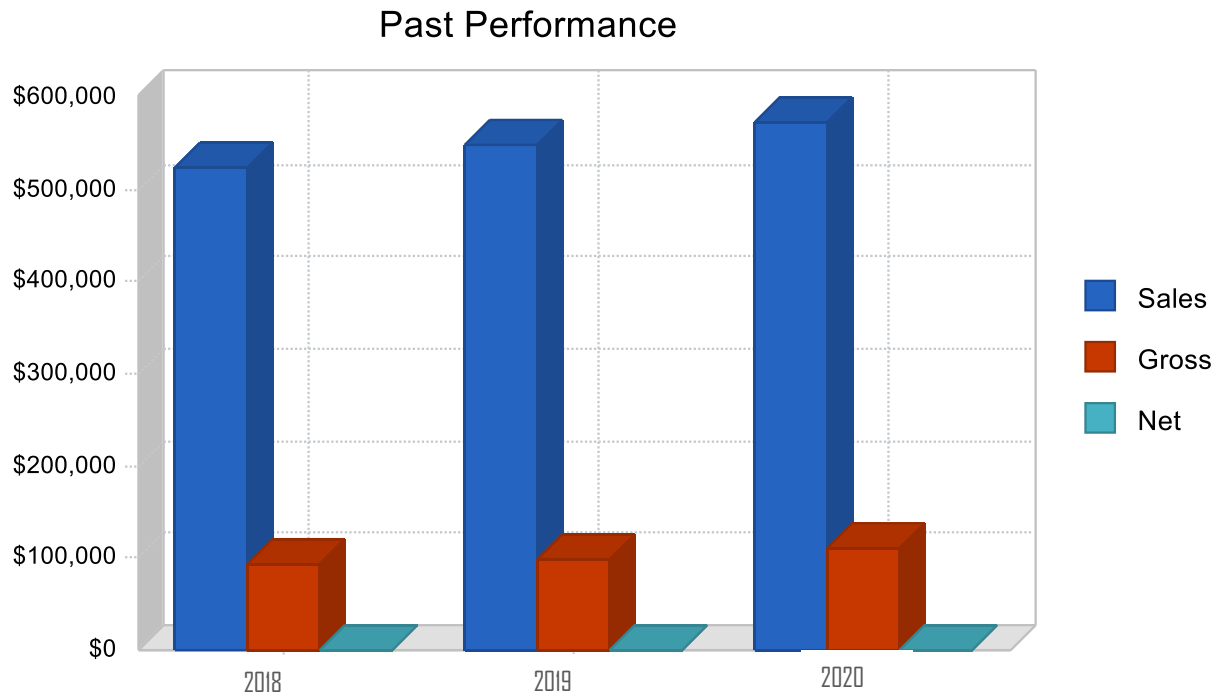
Company History

Breeztek Limited , began in Nigeria in 2013 when Mr. Francis Ekeng, s season entrepreneur with other business and booming enterprise in Nigeria, established Breeztek Limited. For the next four years the company grew slowly, working mostly on small scale residential projects while gaining a reputation for quality services and reliability. In 2018 the original company was merged with Servetek Engineering an established partner in Telecommunication Industry and Servetek Construction, a heavy and Civil Construction works merged with Breeztek, and the company began to bid successfully for larger projects. The company maintains a General Contractor's license in Nigeria.

Table: Past Performance

<i>Past Performance</i>	2018	2019	2020
Sales	\$523,276	\$547,870	\$571,976
Gross Margin	\$94,190	\$98,124	\$111,364
Gross Margin %	18.00%	17.91%	19.47%
Operating Expenses	\$41,129	\$43,063	\$44,957
Collection Period (days)	42	45	48
Balance Sheet			
	2018	2019	2020
Current Assets			
Cash	\$36,705	\$38,430	\$40,428
Accounts Receivable	\$18,215	\$22,403	\$23,157
Inventory	\$39,240	\$41,083	\$43,220
Other Current Assets	\$37,300	\$35,661	\$37,991
Total Current Assets	\$131,460	\$137,577	\$144,796
Long-term Assets			
Long-term Assets	\$18,540	\$19,411	\$20,421
Accumulated Depreciation	\$6,000	\$7,000	\$8,000
Total Long-term Assets	\$12,540	\$12,411	\$12,421
Total Assets	\$144,000	\$149,988	\$157,217
Current Liabilities			
Accounts Payable	\$23,300	\$22,600	\$25,400
Current Borrowing	\$17,000	\$18,000	\$20,000
Other Current Liabilities (interest free)	\$20,600	\$23,162	\$21,677
Total Current Liabilities	\$60,900	\$63,762	\$67,077
Long-term Liabilities			
Total Liabilities	\$17,438	\$18,164	\$19,039
Total Liabilities	\$78,338	\$81,926	\$86,116
Paid-in Capital	\$0	\$0	\$0
Retained Earnings	\$65,662	\$68,062	\$71,101
Earnings	\$0	\$0	\$0
Total Capital	\$65,662	\$68,062	\$71,101
Total Capital and Liabilities	\$144,000	\$149,988	\$157,217
Other Inputs			
Payment Days	15	15	15
Sales on Credit	\$156,983	\$164,361	\$171,593
Receivables Turnover	8.62	7.34	7.41

Chart: Past Performance



Company Ownership

Breeztek is a Limited Liability Company registered Tanzania with registration no. 123919. The company is fully local with 52% of the shares with local shareholders and 48% of the Shares with foreign owners. The company is expecting to alter to a Class One by 2023. This will create greater investment opportunities through the acquisition of investment capital from a limited number of shareholders.

Services

Breeztek offers a comprehensive package of services designed to allow the client to work with one of our managers and create a project the company can carry forward to completion. Some of the myriad services Breeztek offers are:

- Construction Solutions,
- Power Solutions, Telecoms & IT Solutions:
- Infrastructure, Buildings Complete facility construction solutions
- Mechanical fabrication works HVAC solutions, Plumbing
- Substation civil & Mechanical works
- LV & MV works

- Protection Systems
- Power Backup and alternative energy Systems
- OHTL solutions
- Fiber Optic Solutions
- Passive Telecom Cell Site Maintenance In-Building Solutions
- Active Equipment solutions for Telecom Operators and OEMs
- Tower & telecom support equipment supply

Market Analysis Summary

The Tanzania Market is booming at this moment, overall business growth over the past seven years has averaged approximately 9.5% and is expected to continue for at least the next four years. This constitutes an attractive market for Breeztek Technologies Limited .

We will be concentrating on the customers that will provide us with the greatest margin, in other words those clients desiring Civil and building construction. This is the fastest growing segment of all the commercial clients requiring our services. The other categories we will serve include the Substation Projects, Power Projects, and Special Engineering Construction, along with a segment we will call the general category, to serve all other potential commercial clients.

Market Segmentation

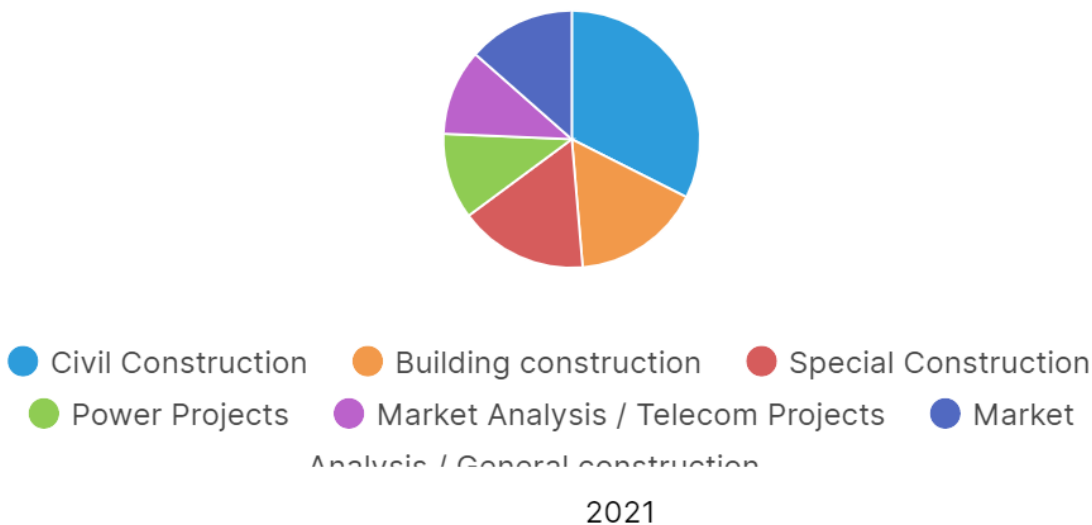
At the moment our potential list of clients includes all the various businesses in the Tanzania Market and its suburbs. We will concentrate on the customers that can provide us with the greatest margin, in other words those clients desiring Civil and building construction. This is the fastest growing segment of all the commercial clients requiring our services. The other categories that we will serve include the include the Substation Projects, Power Projects and Special Engineering Construction, the special facilities segment, such as gas stations, and theaters, and a category which we will call "general", encompassing all other potential commercial clients.

Table: Market Analysis

<i>Market Analysis</i>							
Potential Customers	Growth	2021	2022	2023	2024	2025	CAGR
Civil Construction	6%	900	954	1,011	1,072	1,136	6.00%
Building Construction	3%	450	464	477	492	506	3.00%
Special Construction	3%	450	464	477	492	506	3.00%
Power Projects	2%	300	306	312	318	325	2.00%
Telecom Projects	2%	300	306	312	318	325	2.00%
General construction	2.5%	375	384	394	404	414	2.50%
Total		2,775	2,877	2,984	3,096	3,213	

Chart: Market Analysis (Pie)

Pie Chart



Target Market Segment Strategy

Since Civil works and building construction has the highest average profit margin, we will focus most of our marketing and servicing toward these customers. Usually, these clients require the largest projects in scope, land use, and cost. In addition, they tend to be the most sensitive to completion times. Therefore, we plan to accommodate these clients through a well-established and expeditious work program, strict cost accounting and supply management, and intensive and comprehensive project management capitalizing on Breeztek's experience in the field.

Service Business Analysis

The Tanzania Market is booming at this moment, with overall business growth for the past five years averaging approximately 5%. This growth level is expected to continue for at least the next five years. One of the prime reasons for this growth is the Government of Tanzania policies to pursue National Development Vision 2025); East African Development Vision 2050; Africa Agenda 2063; Sustainable Development Goals 2030; Development Cooperation Framework; and other regional and international agreements. Tanzania is ideally situated to take advantage of these new visions and goals and is experiencing a boom to prove it. This makes for a very attractive market for Breeztek Technologies Limited .

The commercial construction industry is highly fragmented across the nation. More than 86% of all construction companies in the Tanzania consist of small "mom and pop" style companies employing less than ten individuals. Contrasted to this are the large companies that engage in "heavy" construction such as roads, shopping malls, etc. who often have a nationwide scope and employ several thousands of workers. This creates a highly competitive market with low profit margins. Companies wanting to create a defensible position in this market need some form of competitive edge, such as brand name, low-cost advantages, or size.

Competition and Buying Patterns

Currently we have three major competitors within the Tanzania area. These Class One to Class Four Contractors in the Civil Works Category, and Class one to Class Three Contractor in the Building Works categories. Each of these classes targets the same clients as Breeztek and each has a fine reputation for customer satisfaction and higher-class advantage. However, the market in Tanzania is growing so fast that the demand is currently greater than

supply. This is an excellent opportunity to gain market share and a defensible position in the industry.

Strategy and Implementation Summary

Breeztek plans to market itself through a variety of methods. Our plan will use referral systems, registered bodies, and published ads, leveraging of our pre-existing contacts with the local turnkey contractors, and industry contacts.

Breeztek has been able to gain a very advantageous supplier contract that will allow Breeztek to obtain its materials at a significant discount. This will allow the company to underbid its rivals and achieve a low-cost leadership role.

Competitive Edge

In the construction industry the primary ways to compete are through low cost or better project management. One of the most important processes for winning a contract is the bid process. Breeztek has a unique competitive edge over most of its competitors. We had established relationships with Direct Companies manufacturing construction products in Tanzania. Through this relationship, Breeztek has been able to gain a very advantageous supplier contract allowing Breeztek to obtain its materials at a significant discount. With this edge the company can underbid its rivals and achieve a low-cost leadership role.

Marketing Strategy

Breeztek plans to market itself through a variety of methods. First, the company will use a referral system with local businesses. We will also trade organizations and publish ads in a variety of commercial construction trade magazines. In addition, we will leverage our pre-existing contacts with the local companies and turnkey contractors. Finally, as a member of the local procurement organization, we will be updated on new projects let out for bid.

Sales Strategy

The most critical part of sales is not the marketing, but the bidding process, in which companies offer their designs, services, material quality, project timeline estimates, and costs. The company that offers the best combination of these variables is the most likely to get the contract. Therefore, very detailed project planning, including supply agreements, labor needs, subcontractors, presentation, and other factors, is crucial for Breeztek in winning

contracts. We will be designing a standardized method for doing this with all our contracts, with an emphasis on quality, timeliness, and low cost to outbid our competitors.

Sales Forecast

Sales forecasts are based on conservative estimates. We expect sales in 2021 to be lower than previously planned as we adjust to a new client base. After that, we expect sales growth to be much higher as we gain market share.

Table: Sales Forecast

<i>Sales Forecast</i>	2021	2022	2023
Sales			
New Construction	\$247,562	\$293,478	\$332,165
Repair work	\$250,414	\$293,478	\$332,165
Alteration work	\$245,760	\$293,478	\$332,165
Total Sales	\$743,736	\$880,434	\$996,495
Direct Cost of Sales	2021	2022	2023
New Construction	\$176,797	\$214,239	\$242,480
Repair work	\$181,004	\$214,239	\$242,480
Alteration work	\$177,723	\$220,109	\$249,124
Subtotal Direct Cost of Sales	\$535,525	\$648,586	\$734,085

Chart: Sales Monthly

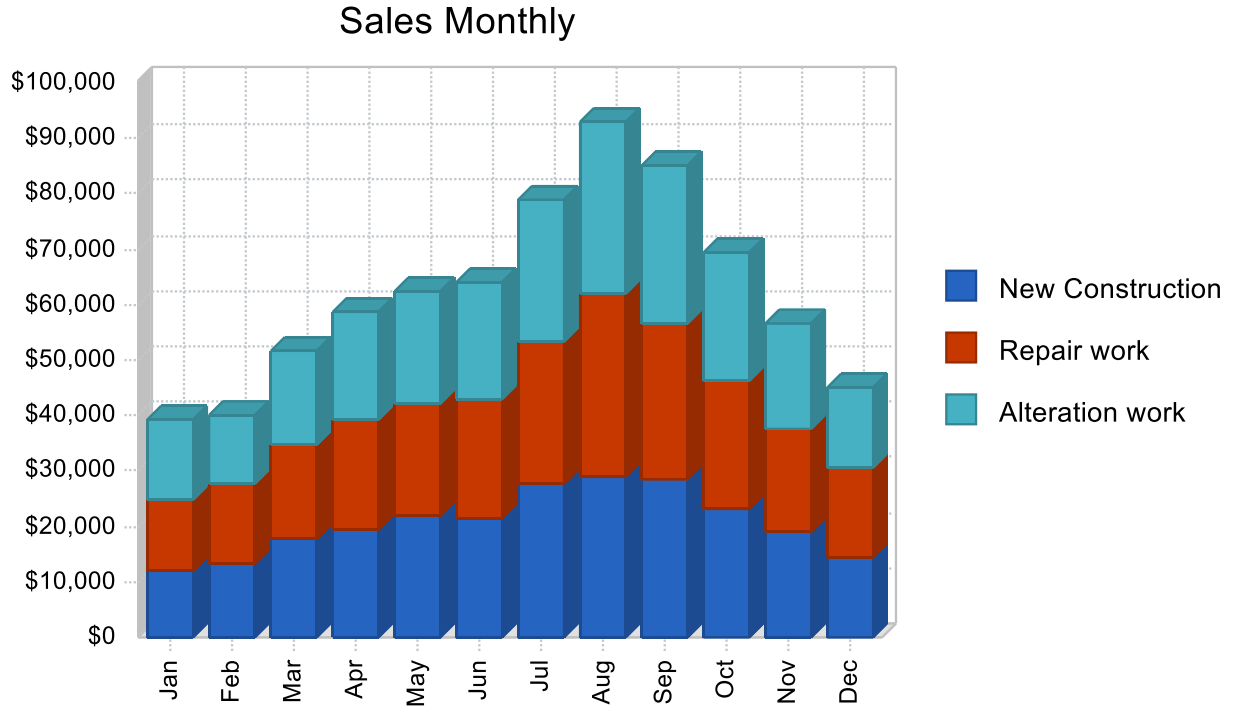
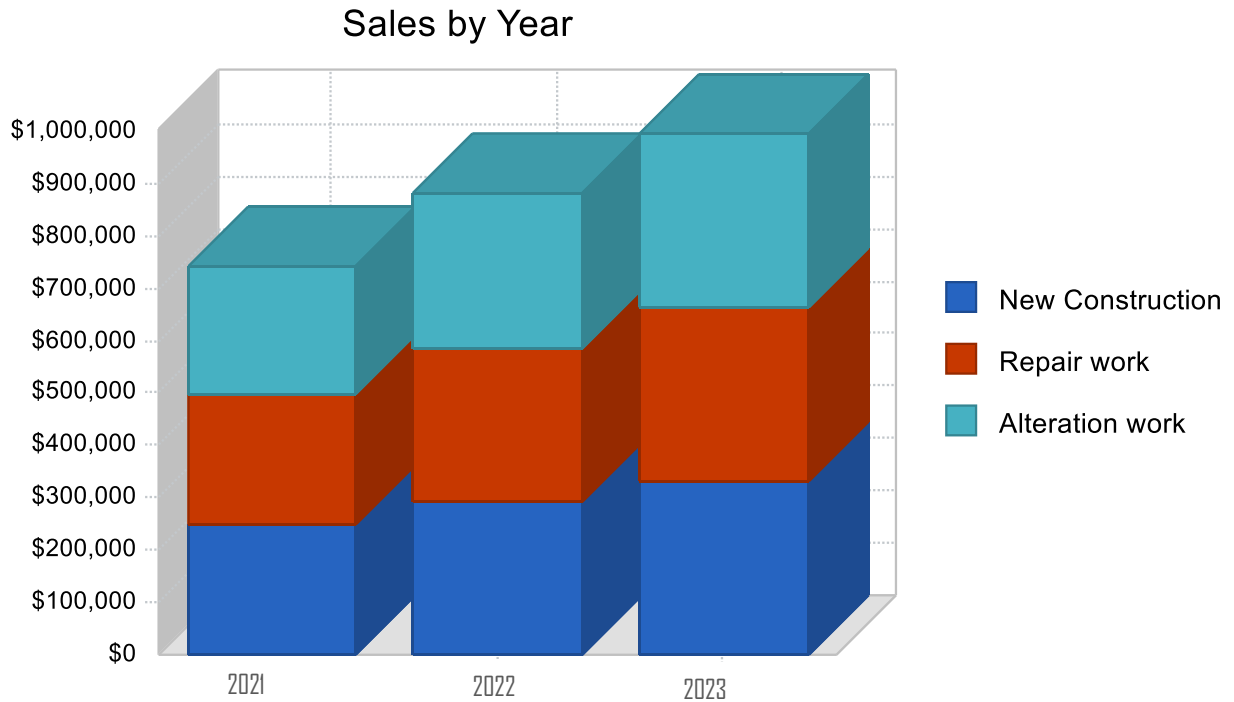


Chart: Sales by Year



Management Summary

Breeztek's management consists of Mr Francis Ekeng and Mrs Jemima Masimba. Mr. Francis Ekeng and Mrs Masimba will concentrate on client contacts and bidding along with overall management of the company. Engr Adebayo will be the company's Chief Technical Officer, coordinating all project management and concentrating on cost controls, suppliers, day-to-day project supervision, labor relations, etc. Mr Chinwendu Onwukwe will be our commercial manager, handling client satisfaction, invoicing, subcontract management, permitting, and general bookkeeping.

The company is planning to expand its personnel to add a number of project managers and engineers as soon as the number of projects increases. These managers and engineers will have the following duties:

- Direct supervision of all work at the job site.
- Quality control.
- Scheduling subcontractors and material deliveries.
- Verifying and ensuring that all work is done in accordance with plans.
- Ensuring that all work is performed in accordance with all OSHA guidelines.

Personnel Plan

Our personnel expansion will be focused on the number of temporary laborers we will employ. The table below gives our estimate of labor costs.

Table: Personnel

<i>Personnel Plan</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>
Management Level	5	5	7
Project Manager and Engineers	10	10	15
Project Supervisors and Heads	15	15	20
Contract Employees	30	30	40
Temporary employees	80	80	100
Total People	140	140	182
Total Payroll Costs	\$156,000	\$115,000	\$188,400

Financial Plan

The following sections are the financial projections for Breeztek Technologies Limited for the next three years. These tables represent a conservative estimate of revenues, expenses, and growth. We do not anticipate a significant increase in profits until 2023, as we will need time to penetrate our new market. We plan on basing dividend payouts on overall performance and health of the company and may decide to retain such earnings for future growth.

Important Assumptions

The following is our estimate of our financial assumptions based on previous experience.

Table: General Assumptions

<i>General Assumptions</i>	2021	2022	2023
Plan Month	1	2	3
Current Interest Rate	19.00%	19.00%	19.00%
Long-term Interest Rate	22.00%	22.00%	22.00%
Tax Rate	18.00%	18.00%	18.00%
Other	0	0	0

Break-even Analysis

Our break-even analysis is based on average monthly fixed costs, which in turn, is based on historical figures, plus our average price per project. This estimate is also based on experience, however because of our wide range of potential projects, its accuracy lessens. The average variable costs are based on industry standards.

Chart: Break-even Analysis

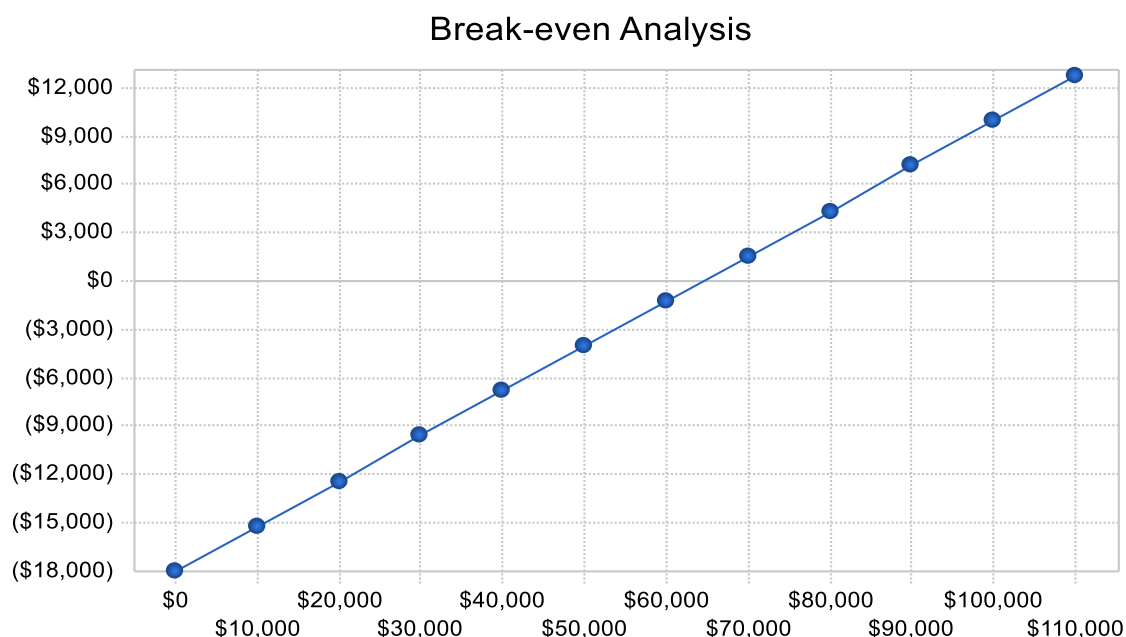


Table: Break-even Analysis

<i>Break-even Analysis</i>	
Monthly Revenue Break-even	\$64,451
Assumptions:	
Average Percent Variable Cost	72%
Estimated Monthly Fixed Cost	\$18,043

Projected Profit and Loss

The following is our best estimate of future revenues and costs, based on current market trends, past performance, and perceived revenue of our new target market. Readers will note that overall profits are quite low for 2021 and 2022. This is because we estimate we will be paying higher labor costs immediately and the overall revenues will lag somewhat. We will also have fewer initial clients as we attempt to exert our presence in the civil and building contracting market. However, we have anticipated this by buffering ourselves with sufficient cash reserves, and we estimate a significant increase in profitability within five years.

Chart: Profit Monthly

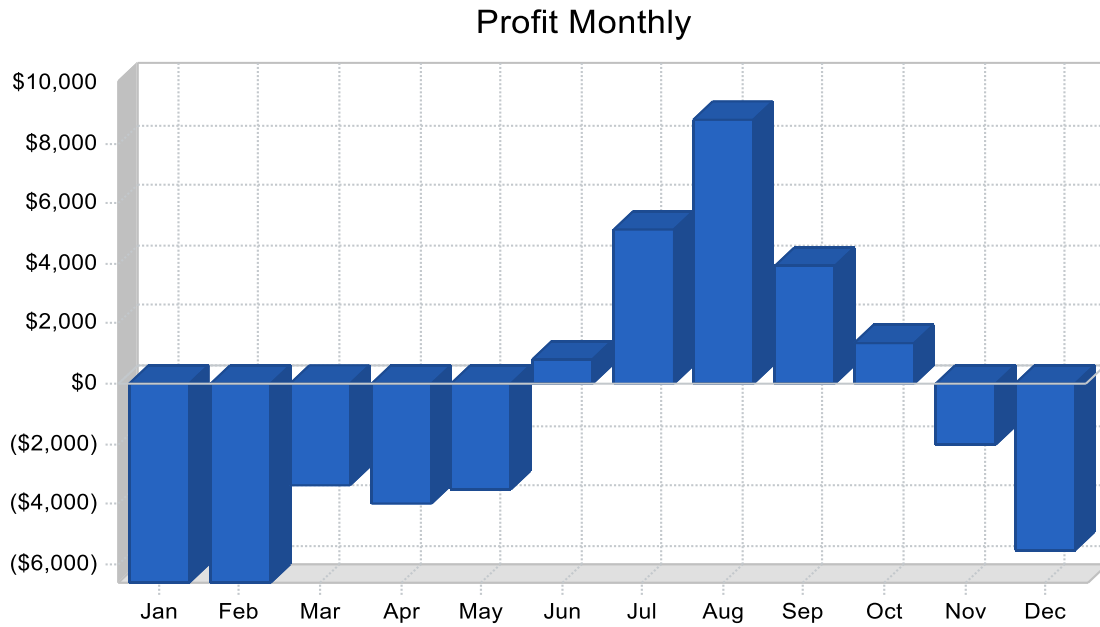


Chart: Profit Yearly

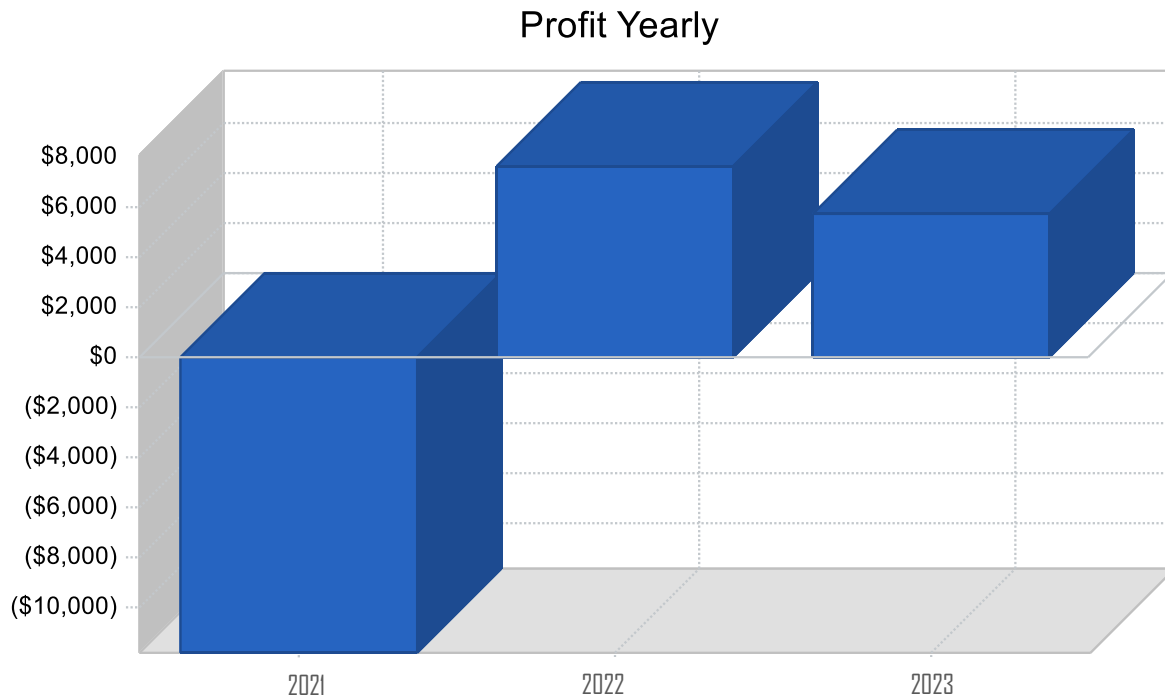


Chart: Gross Margin Monthly

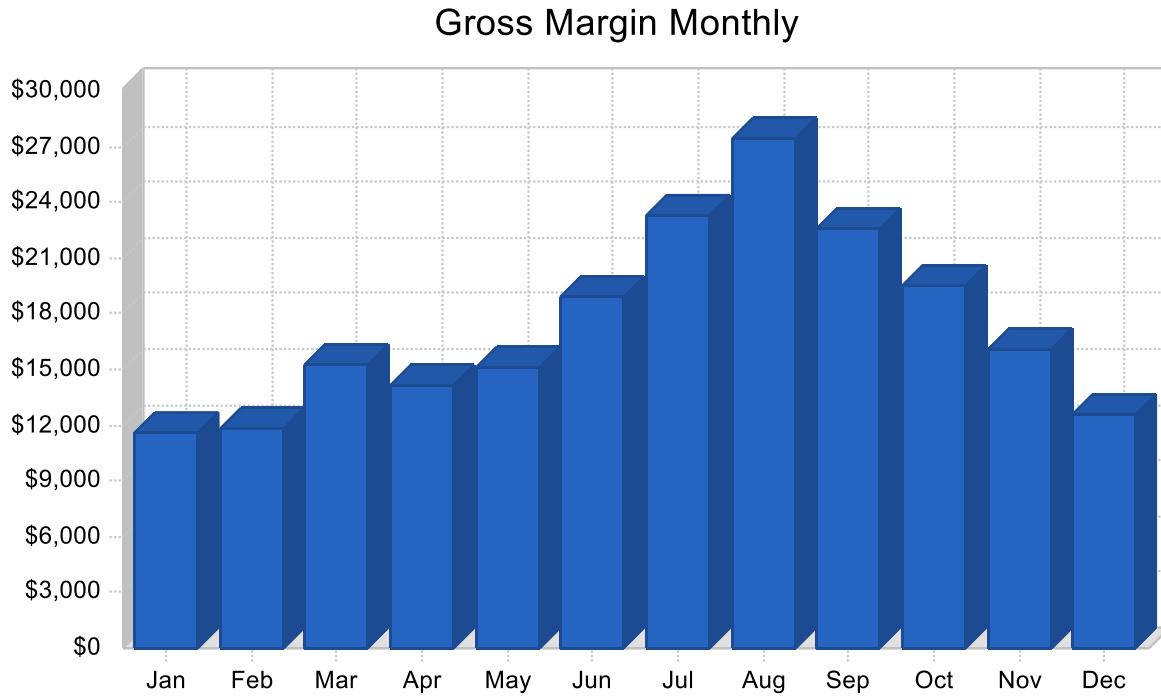


Chart: Gross Margin Yearly

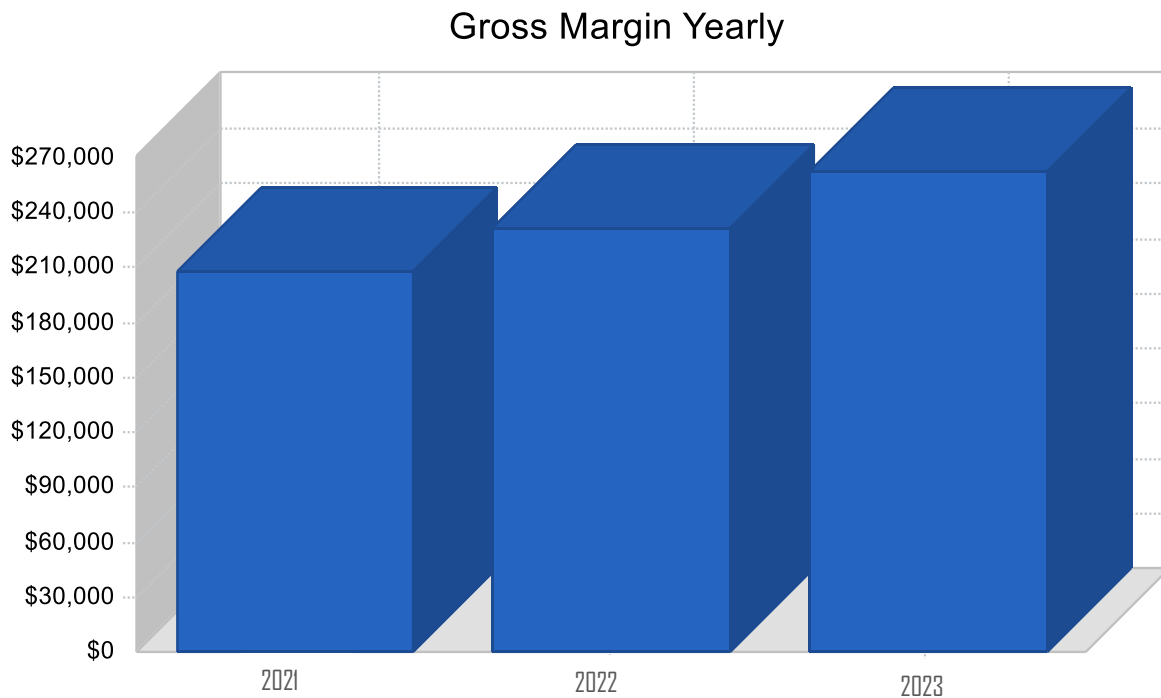


Table: Profit and Loss

<i>Pro Forma Profit and Loss</i>			
	2021	2022	2023
Sales	\$743,736	\$880,434	\$996,495
Direct Cost of Sales	\$535,525	\$648,586	\$734,085
Other Costs of Sales	\$0	\$0	\$0
Total Cost of Sales	\$535,525	\$648,586	\$734,085
Gross Margin	\$208,211	\$231,848	\$262,410
Gross Margin %	28.00%	26.33%	26.33%
Expenses			
Payroll	\$156,000	\$156,000	\$188,400
Sales and Marketing and Other Expenses	\$2,400	\$2,400	\$2,400
Depreciation	\$0	\$1,000	\$1,000
Rent	\$24,000	\$24,000	\$24,000
Utilities	\$1,320	\$1,320	\$1,600
Insurance	\$3,600	\$3,800	\$4,200
Payroll Taxes	\$27,000	\$27,000	\$27,000
Other	\$2,200	\$2,500	\$3,000
Total Operating Expenses	\$216,520	\$218,020	\$251,600
Profit Before Interest and Taxes	(\$8,309)	\$13,828	\$10,810
EBITDA	(\$8,309)	\$14,828	\$11,810
Interest Expense	\$3,498	\$2,964	\$2,564
Taxes Incurred	\$0	\$3,259	\$2,474
Net Profit	(\$11,807)	\$7,605	\$5,773
Net Profit/Sales	-1.59%	0.86%	0.58%

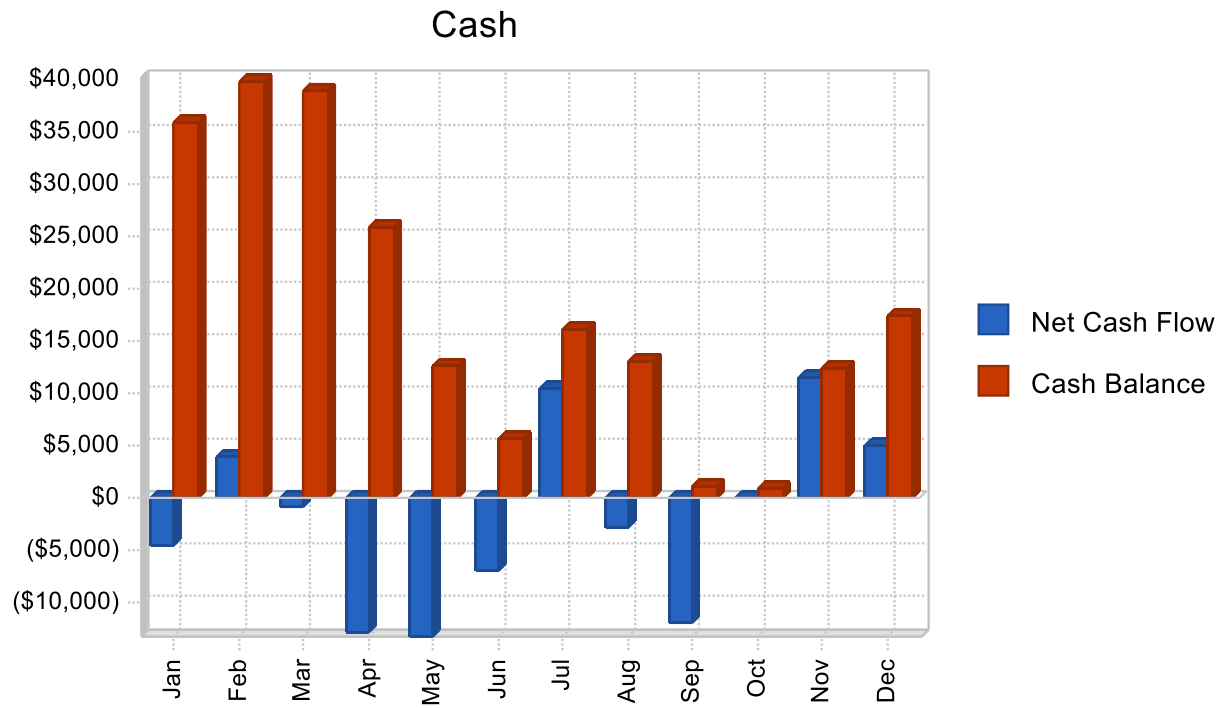
Projected Cash Flow

We do not expect to have any serious cash flow problems in the future. We plan on having all short-term debts paid off in 2021 and long-term debts by 2023. The declining cash account during the period covered by this plan and is to be expected as we build our new customer base. Once we reach a sufficient volume of sales, we will take advantages of economies of scale to decrease costs and improve profit margin.

Table: Cash Flow

<i>Pro Forma Cash Flow</i>	2021	2022	2023
Cash Received			
Cash from Operations			
Cash Sales	\$483,428	\$572,282	\$647,722
Cash from Receivables	\$248,641	\$301,751	\$343,339
Subtotal Cash from Operations	\$732,069	\$874,033	\$991,061
Additional Cash Received			
Sales Tax, VAT Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
Subtotal Cash Received	\$732,069	\$874,033	\$991,061
Expenditures	2021	2022	2023
Expenditures from Operations			
Cash Spending	\$156,000	\$156,000	\$188,400
Bill Payments	\$567,657	\$694,038	\$777,110
Subtotal Spent on Operations	\$747,657	\$874,038	\$989,510
Additional Cash Spent			
Sales Tax, VAT Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$5,000	\$2,000	\$2,000
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$2,400	\$2,000	\$2,000
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
Subtotal Cash Spent	\$755,057	\$878,038	\$993,510
Net Cash Flow	(\$22,988)	(\$4,005)	(\$2,449)
Cash Balance	\$17,440	\$13,435	\$10,986

Chart: Cash



Projected Balance Sheet

The following is a presentation of assets and liabilities. Because we have low debt, our net worth is higher than other comparable companies.

Table: Balance Sheet

<i>Pro Forma Balance Sheet</i>	2021	2022	2023
Assets			
Current Assets			
Cash	\$17,440	\$13,435	\$10,986
Accounts Receivable	\$34,824	\$41,224	\$46,659
Inventory Receivables	\$35,509	\$72,006	\$76,162
Other Current Assets	\$37,991	\$37,991	\$37,991
Total Current Assets	\$125,764	\$164,656	\$171,797
Long-term Assets			
Long-term Assets	\$20,421	\$20,421	\$20,421
Accumulated Depreciation	\$8,000	\$9,000	\$10,000
Total Long-term Assets	\$12,421	\$11,421	\$10,421
Total Assets	\$138,185	\$176,077	\$182,218
Liabilities and Capital	2021	2022	2023
Current Liabilities			
Accounts Payable	\$25,575	\$59,862	\$64,231
Current Borrowing	\$15,000	\$13,000	\$11,000
Other Current Liabilities	\$21,677	\$21,677	\$21,677
Subtotal Current Liabilities	\$62,252	\$94,539	\$96,908
Long-term Liabilities	\$16,639	\$14,639	\$12,639
Total Liabilities	\$78,891	\$109,178	\$109,547
Paid-in Capital	\$0	\$0	\$0
Retained Earnings	\$71,101	\$59,294	\$66,899
Earnings	(\$11,807)	\$7,605	\$5,773
Total Capital	\$59,294	\$66,899	\$72,671
Total Liabilities and Capital	\$138,185	\$176,077	\$182,218
Net Worth	\$59,294	\$66,899	\$72,671

Business Ratios

The following is a presentation of industry standard ratios vs. our own projections. Our Construction industry class is currently light civil and buildings. For the most part, we follow the industry averages. We expect to see higher growths than average over the next two years due to our new ventures. Also, our company is relatively debt-free, meaning we have higher than average net worth.

Table: Ratios

<i>Ratio Analysis</i>	2021	2022	2023	Industry Profile
Sales Growth	30.03%	18.38%	13.18%	4.60%
Percent of Total Assets				
Accounts Receivable	25.20%	23.41%	25.61%	24.47%
Inventory Receivables	25.70%	40.89%	41.80%	26.16%
Other Current Assets	27.49%	21.58%	20.85%	37.01%
Total Current Assets	91.01%	93.51%	94.28%	87.64%
Long-term Assets	8.99%	6.49%	5.72%	12.36%
Total Assets	100.00%	100.00%	100.00%	100.00%
Current Liabilities	45.05%	53.69%	53.18%	40.60%
Long-term Liabilities	12.04%	8.31%	6.94%	12.11%
Total Liabilities	57.09%	62.01%	60.12%	52.71%
Net Worth	42.91%	37.99%	39.88%	47.29%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	28.00%	26.33%	26.33%	15.22%
Selling, General & Administrative Expenses	29.58%	25.47%	25.75%	7.62%
Advertising Expenses	0.00%	0.00%	0.00%	0.24%
Profit Before Interest and Taxes	-1.12%	1.57%	1.08%	1.94%
Main Ratios				
Current	2.02	1.74	1.77	1.93
Quick	1.45	0.98	0.99	0.94
Total Debt to Total Assets	57.09%	62.01%	60.12%	4.32%
Pre-tax Return on Net Worth	-19.91%	16.24%	11.35%	56.40%
Pre-tax Return on Assets	-8.54%	6.17%	4.53%	9.90%
Additional Ratios	2021	2022	2023	
Net Profit Margin	-1.59%	0.86%	0.58%	n.a
Return on Equity	-19.91%	11.37%	7.94%	n.a

Activity Ratios				
Accounts Receivable Turnover	7.47	7.47	7.47	n.a
Collection Days	59	45	46	n.a
Inventory Turnover	10.91	12.07	9.91	n.a
Accounts Payable Turnover	22.20	12.17	12.17	n.a
Payment Days	28	21	29	n.a
Total Asset Turnover	5.38	5.00	5.47	n.a
Debt Ratios				
Debt to Net Worth	1.33	1.63	1.51	n.a
Current Liab. to Liab.	0.79	0.87	0.88	n.a
Liquidity Ratios				
Net Working Capital	\$63,512	\$70,117	\$74,889	n.a
Interest Coverage	-2.38	4.67	4.22	n.a
Additional Ratios				
Assets to Sales	0.19	0.20	0.18	n.a
Current Debt/Total Assets	45%	54%	53%	n.a
Acid Test	0.89	0.54	0.51	n.a
Sales/Net Worth	12.54	13.16	13.71	n.a
Dividend Payout	0.00	0.00	0.00	n.a

Appendix

Sales Forecast (With Monthly Detail)

<i>Sales Forecast</i>		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sales													
New Construction	0%	\$12,170	\$13,170	\$17,909	\$19,539	\$21,777	\$21,410	\$27,615	\$28,966	\$28,366	\$23,163	\$18,842	\$14,635
Repair work	0%	\$12,777	\$14,555	\$16,909	\$19,539	\$20,285	\$21,410	\$25,615	\$33,111	\$28,366	\$23,163	\$18,842	\$15,842
Alteration work	0%	\$14,222	\$12,170	\$16,909	\$19,539	\$20,285	\$21,410	\$25,615	\$30,861	\$28,366	\$23,163	\$18,842	\$14,378
Total Sales		\$39,169	\$39,895	\$51,727	\$58,617	\$62,347	\$64,230	\$78,845	\$92,938	\$85,098	\$69,489	\$56,526	\$44,855
Direct Cost of Sales													
New Construction		\$8,580	\$9,285	\$12,626	\$13,775	\$15,353	\$15,094	\$19,469	\$20,421	\$19,998	\$17,372	\$13,849	\$10,976
Repair work		\$9,008	\$10,261	\$11,921	\$15,338	\$15,924	\$15,094	\$18,059	\$23,343	\$21,275	\$16,330	\$13,284	\$11,169
Alteration work		\$10,027	\$8,580	\$11,921	\$15,338	\$15,924	\$15,094	\$18,059	\$21,757	\$21,275	\$16,330	\$13,284	\$10,136
Subtotal Direct Cost of Sales		\$27,614	\$28,126	\$36,468	\$44,451	\$47,200	\$45,282	\$55,586	\$65,521	\$62,547	\$50,032	\$40,416	\$32,281

General Assumptions (With Monthly Detail)

<i>General Assumptions</i>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Plan Month	1	2	3	4	5	6	7	8	9	10	11	12
Current Interest Rate	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%
Long-term Interest Rate	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%
Tax Rate	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%
Other	0	0	0	0	0	0	0	0	0	0	0	0

Profit and Loss Statement (With Monthly Detail)

<i>Pro Forma Profit and Loss</i>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sales	\$39,169	\$39,895	\$51,727	\$58,617	\$62,347	\$64,230	\$78,845	\$92,938	\$85,098	\$69,489	\$56,526	\$44,855
Direct Cost of Sales	\$27,614	\$28,126	\$36,468	\$44,451	\$47,200	\$45,282	\$55,586	\$65,521	\$62,547	\$50,032	\$40,416	\$32,281
Other Costs of Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$27,614	\$28,126	\$36,468	\$44,451	\$47,200	\$45,282	\$55,586	\$65,521	\$62,547	\$50,032	\$40,416	\$32,281
Gross Margin	\$11,555	\$11,769	\$15,259	\$14,166	\$15,147	\$18,948	\$23,259	\$27,417	\$22,551	\$19,457	\$16,110	\$12,574
Gross Margin %	29.50%	29.50%	29.50%	24.17%	24.29%	29.50%	29.50%	29.50%	26.50%	28.00%	28.50%	28.03%
Expenses												
Payroll	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000
Sales and Marketing and Other Expenses	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Utilities	\$110	\$110	\$110	\$110	\$110	\$110	\$110	\$110	\$110	\$110	\$110	\$110
Insurance	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Payroll Taxes	15% \$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250
Other	\$0	\$200	\$500	\$0	\$500	\$0	\$0	\$500	\$500	\$0	\$0	\$0
Total Operating Expenses	\$17,860	\$18,060	\$18,360	\$17,860	\$18,360	\$17,860	\$17,860	\$18,360	\$18,360	\$17,860	\$17,860	\$17,860
Profit Before Interest and Taxes	(\$6,305)	(\$6,291)	(\$3,101)	(\$3,694)	(\$3,213)	\$1,088	\$5,399	\$9,057	\$4,191	\$1,597	(\$1,750)	(\$5,286)
EBITDA	(\$6,305)	(\$6,291)	(\$3,101)	(\$3,694)	(\$3,213)	\$1,088	\$5,399	\$9,057	\$4,191	\$1,597	(\$1,750)	(\$5,286)
Interest Expense	\$320	\$314	\$309	\$304	\$299	\$294	\$289	\$284	\$279	\$274	\$269	\$264
Taxes Incurred	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit	(\$6,625)	(\$6,605)	(\$3,410)	(\$3,999)	(\$3,512)	\$794	\$5,111	\$8,773	\$3,912	\$1,323	(\$2,019)	(\$5,550)
Net Profit/Sales	-16.92%	-16.56%	-6.59%	-6.82%	-5.63%	1.24%	6.48%	9.44%	4.60%	1.90%	-3.57%	-12.37%

Cash Flow Statement (With Monthly Detail)

<i>Pro Forma Cash Flow</i>												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cash Received												
Cash from Operations												
Cash Sales	\$25,460	\$25,932	\$33,623	\$38,101	\$40,526	\$41,750	\$51,249	\$60,410	\$55,314	\$45,168	\$36,742	\$29,156
Cash from Receivables	\$11,579	\$12,035	\$13,718	\$14,101	\$18,185	\$20,559	\$21,843	\$22,651	\$27,760	\$32,437	\$29,602	\$24,170
Subtotal Cash from Operations	\$37,038	\$37,967	\$47,340	\$52,202	\$58,710	\$62,309	\$73,093	\$83,061	\$83,074	\$77,605	\$66,344	\$53,326
Additional Cash Received												
Sales Tax, VAT Received	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$37,038	\$37,967	\$47,340	\$52,202	\$58,710	\$62,309	\$73,093	\$83,061	\$83,074	\$77,605	\$66,344	\$53,326
Expenditures												
Expenditures from Operations												
Cash Spending	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Bill Payments	\$25,998	\$18,420	\$32,638	\$49,549	\$56,314	\$53,631	\$47,117	\$70,403	\$79,521	\$62,130	\$39,185	\$32,750
Subtotal Spent on Operations	\$40,998	\$33,420	\$47,638	\$64,549	\$71,314	\$68,631	\$62,117	\$85,403	\$94,521	\$77,130	\$54,185	\$47,750
Additional Cash Spent												
Sales Tax, VAT Paid Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$400	\$500	\$400	\$400	\$500	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Purchase Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$41,598	\$34,120	\$48,238	\$65,149	\$72,014	\$69,231	\$62,717	\$86,003	\$95,121	\$77,730	\$54,785	\$48,350
Net Cash Flow	(\$4,560)	\$3,847	(\$898)	(\$12,947)	(\$13,304)	(\$6,922)	\$10,375	(\$2,942)	(\$12,048)	(\$125)	\$11,559	\$4,976
Cash Balance	\$35,868	\$39,715	\$38,816	\$25,870	\$12,566	\$5,644	\$16,020	\$13,078	\$1,030	\$905	\$12,464	\$17,440

Balance Sheet (With Monthly Detail)

<i>Pro Forma Balance Sheet</i>													
	Starting Balances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Assets													
Current Assets													
Cash	\$40,428	\$35,868	\$39,715	\$38,816	\$25,870	\$12,566	\$5,644	\$16,020	\$13,078	\$1,030	\$905	\$12,464	\$17,440
Accounts Receivable	\$23,157	\$25,288	\$27,215	\$31,602	\$38,017	\$41,654	\$43,575	\$49,327	\$59,204	\$61,228	\$53,113	\$43,295	\$34,824
Inventory	\$43,220	\$30,376	\$30,939	\$40,114	\$48,896	\$51,920	\$49,810	\$61,144	\$72,073	\$68,802	\$55,035	\$44,458	\$35,509
Other Current Assets	\$37,991	\$37,991	\$37,991	\$37,991	\$37,991	\$37,991	\$37,991	\$37,991	\$37,991	\$37,991	\$37,991	\$37,991	\$37,991
Total Current Assets	\$144,796	\$129,522	\$135,860	\$148,524	\$150,774	\$144,131	\$137,020	\$164,482	\$182,347	\$169,051	\$147,044	\$138,207	\$125,764
Long-term Assets													
Long-term Assets	\$20,421	\$20,421	\$20,421	\$20,421	\$20,421	\$20,421	\$20,421	\$20,421	\$20,421	\$20,421	\$20,421	\$20,421	\$20,421
Accumulated Depreciation	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Total Long-term Assets	\$12,421	\$12,421	\$12,421	\$12,421	\$12,421	\$12,421	\$12,421	\$12,421	\$12,421	\$12,421	\$12,421	\$12,421	\$12,421
Total Assets	\$157,217	\$141,943	\$148,281	\$160,945	\$163,195	\$156,552	\$149,441	\$176,903	\$194,768	\$181,472	\$159,465	\$150,628	\$138,185
Liabilities and Capital													
Current Liabilities													
Accounts Payable	\$25,400	\$17,352	\$30,995	\$47,669	\$54,518	\$52,087	\$44,782	\$67,733	\$77,424	\$60,817	\$38,086	\$31,868	\$25,575
Current Borrowing	\$20,000	\$19,600	\$19,100	\$18,700	\$18,300	\$17,800	\$17,400	\$17,000	\$16,600	\$16,200	\$15,800	\$15,400	\$15,000
Other Current Liabilities	\$21,677	\$21,677	\$21,677	\$21,677	\$21,677	\$21,677	\$21,677	\$21,677	\$21,677	\$21,677	\$21,677	\$21,677	\$21,677
Subtotal Current Liabilities	\$67,077	\$58,629	\$71,772	\$88,046	\$94,495	\$91,564	\$83,859	\$106,410	\$115,701	\$98,694	\$75,563	\$68,945	\$62,252
Long-term Liabilities	\$19,039	\$18,839	\$18,639	\$18,439	\$18,239	\$18,039	\$17,839	\$17,639	\$17,439	\$17,239	\$17,039	\$16,839	\$16,639
Total Liabilities	\$86,116	\$77,468	\$90,411	\$106,485	\$112,734	\$109,603	\$101,698	\$124,049	\$133,140	\$115,933	\$92,602	\$85,784	\$78,891
Paid-in Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retained Earnings	\$71,101	\$71,101	\$71,101	\$71,101	\$71,101	\$71,101	\$71,101	\$71,101	\$71,101	\$71,101	\$71,101	\$71,101	\$71,101
Earnings	\$0	(\$6,625)	(\$13,231)	(\$16,641)	(\$20,640)	(\$24,152)	(\$23,357)	(\$18,247)	(\$9,474)	(\$5,561)	(\$4,238)	(\$6,257)	(\$11,807)
Total Capital	\$71,101	\$64,476	\$57,870	\$54,460	\$50,461	\$46,949	\$47,744	\$52,854	\$61,627	\$65,540	\$66,863	\$64,844	\$59,294
Total Liabilities and Capital	\$157,217	\$141,943	\$148,281	\$160,945	\$163,195	\$156,552	\$149,441	\$176,903	\$194,768	\$181,472	\$159,465	\$150,628	\$138,185
Net Worth	\$71,101	\$64,476	\$57,870	\$54,460	\$50,461	\$46,949	\$47,744	\$52,854	\$61,627	\$65,540	\$66,863	\$64,844	\$59,294

