

2021

MHL

MAJESTIC HOLDINGS LIMITED

BUSINESS PLAN

**PREPARED FOR CONSTRUCTION OF COMMERCIAL
WAREHOUSE/INDUSTRIAL SHEDS FOR LEASE**

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1.0 EXECUTIVE SUMMARY

1.1 Company & Project concept

The Majestic Holdings Limited is a limited Company incorporated in Tanzania under the Company Act of 2002. The Company was incorporated 1st March, 2020, and bears Certificate of Incorporation #141165038, the Company belongs to real estate industry.

Our goals and objectives are straightforward and seek to ensure we run a professional, profitable and ethical company, building relationships with customers, suppliers and other investors.

1.2 Company Goals and Objectives:

Majestic Holdings Limited aims to:

- To develop and operate commercial building/ warehouses and industrial parks for leasing to the Manufacturers.
- Manage the project by human resource policies which encourage and reward individual and unified effort and achievement, provide training and personal development opportunities and create a working environment in which staff can feel a real sense of job involvement.
- Achieve levels of profit sufficient to provide for reinvestment and suitable returns to shareholders and investors.
- Seek to comply with all statutory legislation and other external relevant authorities. Define and keep under review Company policy, allowing flexibility for local requirements.
- Adopt best commercial practice and ethical standards in dealing with clients, suppliers of goods and services and other contacts.

1.3 Purpose of feasibility report

This document is prepared to serve the purpose as a feasibility study for Majestic Holdings Limited for construction of warehouses to lease to the Manufacturing companies as well as to be submitted to TIC for an award of TIC Certificate of Incentives. The implementation of this project will comprise the following activities:-

- Construction of one warehouse with covering 5000 square meters.
- Construction of second warehouse with 15,000 square meters.
- Importation of steel structures building for both 5000 sq meters and 15,000 Sq Meters.
- Equipping the warehouses with all required equipment and facilities.

1.4 The project Developers,

The project will be managed and operated by Majestic Holdings Limited. The Company has already signed an agreement with box manufacturing company in Dar es Salaam to use the warehouses for the expansion of their project. The land is covering 20,480 square feet.

Developing Company of this project is owned by local Tanzanian entrepreneurs with diversified business in Tanzania. Majestic Holdings Limited maintains the following share distribution

NAME OF SHAREHOLDERS	NATIONALITY	SHARES %
Suhaila Shabbar Ker mali	Tanzanian	51 %
Sheni MBandali	Tanzanian	49 %

1.5 Company Legality,

Legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, Tax Identification Number, and value added Tax certificates justify that Majestic Holdings Limited is operating within the ambit of the law of the Land.

1.6 Project Organization Structure,

the management of is Majestic Holdings Limited constituted by the following organization set up - Board of Directors, Managing Director who is responsible on the supervision on the entire operations of the Company, a company accountant, a General Manager who will be supervising general affairs of the project operation.

1.7 Investment Structure,

the project is estimated to cost 5,000,000\$ the money covers value of land and building structures but also allocated fund include investment in equipment, furniture and fittings, pre expenses and working Capital. The equity which shall be contributed by the shareholders is 5,000,000 \$ equivalent to 100 %. However a financial policy of the Company states that the profits generated will be re-invested.

Forecasted financial information, financial information of Majestic Holdings Limited is projected within five years. The company projected profit and Loss, account shows a respectable turnover of more than 52,196\$ in the second year. The profits gained on fifth year are projected to be 65,506\$. The projected balance sheet, shows the net worth increase of more than 1,044,538\$ in the second year of operation and more than 1,050,221\$ in the 3rd year of the usefully lifetime of the implementation during which the business will be evaluated again.

2 0 PROJECT INFORMATION

2 1 RATIONALE OF THE PROJECT

Tanzania like many other Sub-Saharan Africa countries achieved its independence with a severely underdeveloped economy and extremely limited infrastructure. However, Tanzania has made concerted efforts to improve its economy, raise living standard of its people and create a conducive environment for private sector development & investment. Since early 1980s, governments of developing countries have been supporting and implementing strategies of encouraging competitive free markets, privatization of state owned enterprises (parastatals), move from closed (no trade) to open (trading) economies and opening up the domestic economy through free trade and attracting foreign direct investment. This was done as a way of recognizing the lead role that private sector can play in economic development. The ultimate outcomes of major reforms have led to the opening up of Manufacturing Investment in large cities like Dar es - Salaam, Mwanza, Tanga and Arusha.

The 4th Government is aggressively spearheading industrialization which goes hand in hand with developing infrastructures that support industrialization like roads, railway, and energy generation infrastructure as well creation of industrial economic zones.

The Majestic Holdings Limited Ltd have decided aggressively to go into this massive project because they have been impressed by the Government of Tanzania's realization of the important role played by the private sector for the country's economic and social development. The existing potential industrialization in Tanzania motivated project promoters to invest in the investment of warehouses facilities to lease to the Manufacturers in Tanzania.

2 2 THE PROJECT

The management of The Majestic Holdings Limited Ltd intended to invest 5,000,000\$ as the investment cost for the entire project. See table no 1 below shows the investment breakdown of the project.

Table no 1

Investment plan						
Planning years >>	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
Investment	USD	USD	USD	USD	USD	Total Investment
Land & Building	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Plant & Machinery	0	0	0	0	0	0
Equipment	0	0	0	0	0	0
Motor Vehicles	0	0	0	0	0	0
Furniture&Fixtures	0	0	0	0	0	0
Others	0	0	0	0	0	0
Total investment	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000

2.3 TECHNICAL REQUIREMENTS OF THE PROJECT

The Majestic Holdings Limited during implementation phase will require the following facilities:

- Importation of the steel structure buildings/Prefabricated buildings with 5000sq meters and 15,000sq meters coverage without any obstacles
- Construction of a slab of 5000sq meters and 15,000sq meters for erecting up imported prefabricated building
- Installation of 800 KVA transformer to support the Plant & Machinery and Factory requirements
- Electrical Installation works
- Equipping the project with all necessary equipment like forklift.
- Employing 16 direct labour and 90 indirect labour employees.

2.4 FINANCING STRUCTURE

The Majestic Holdings Limited Ltd is proposing to have the following cost investment structure for the implementation of expansion plan of this project;

Table no. 2

Financing plan					
Planning years >>	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Shareholders equity	USD	USD	USD	USD	USD
Equity contribution (or withdrawal)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Share capital	1,000,000	2,000,000	3,000,000	4,000,000	5,000,000
Long-term loans from bank					
Loans drawn at the beginning of the year	0	0	0	0	0
Repayments made at the end of the year	0	0	0	0	0
Basis for interest calculation - end of year	0	0	0	0	0
Interest rate	0%	0%	0%	0%	0%
Interest expenses	0	0	0	0	0
Loan balance: year end	0	0	0	0	0

2.5 RAW MATERIAL SUPPLY

Eighty percent (60%) of the raw materials used in the production will be imported from China and India, whereas 40% of the construction materials will be procured locally.

3.0 PERFORMANCE OF CONSTRUCTION SECTOR

The construction industry is a sector of the economy that transforms various resources into constructed physical economic and social infrastructure necessary for socio-economic development. It embraces the process by which the said physical infrastructure are planned, designed, procured, constructed or produced, altered, repaired, maintained, and demolished.

The constructed infrastructures include ; Buildings, Transportation systems and facilities which are airports, harbours, highways, subways, bridges, railroads, transit systems, pipelines and transmission and power lines, Structures for fluid containment, control and distribution such as water treatment and distribution, sewage collection and treatment distribution systems, sedimentation lagoons, dams, and irrigation and canal systems and Underground structures, such as tunnels and mines.

The industry comprises of organizations and persons who include companies, firms and individuals working as consultants, main contractors and sub-contractors, material and component producers, plant and equipment suppliers, builders and merchants. The industry has a close relationship with clients and financiers. The government is involved in the industry as purchaser (client), financier, regulator and operator.

The contribution construction industry to real GDP in Tanzania increased to 5.5% in 2004 from 5.2% in 2003. The construction industry itself grew by the same rate of 11.0% in 2004 as it was in 2003. This growth continued to be contributed by construction, maintenance and rehabilitation of roads and bridges, construction of residential houses, land development and other commercial buildings.

The total capital formation by construction of buildings is estimated to be more than T.Shs. 1,980,905/= million in 2011. Out of this the contribution of non-residential buildings has been the highest at about 54%. It is an indicator that more amount of investment is being put into the non-residential segment and the supply for the residential segment has been lower as compared to the demand.

Share of capital formation by construction of Buildings - 2004 In 2004, the contractor's Registration Board (RRB) registered 722 contractors compared to 654 in 2003, an increase of 10.4% in 2004, a total of 6,641 title deeds were registered. Out of which, 4,826 were of the 20,000 Dar es Salaam Plot Project. A total of 46,648 certificates were recognized by the Registrar of Titles and recorded in the computer. In 2004, even NHC built 213 residential houses in Dar es Salaam, Mwanza and Arusha. In addition, NHC continued to construct 14 business houses in joint venture with other investors.

From the detailed information above it becomes apparent that the demand and construction of the non-residential complex is increasing. The stakeholders of construction industry opine that there is a big gap between the demand and supply.

and hence requires numbers of commercial industrial parks as nests for industries establishment to be built

3 1 CONSTRUCTION POLICY

The National Construction Industry Policy takes into account of the fact that the realisation of the objectives and goals of the identified priority sectors such as education, health, water, agriculture, manufacturing, tourism, mining, energy, construction, land and good governance operates on the availability of reliable, strong and competitive local construction industry which is capable of delivering quality services to its stakeholders. New investments in the construction and rehabilitation of infrastructure will be given priority parallel with the maintenance of the existing constructed facilities so as to enable speedy development of the other sectors which depend upon the performance of the local construction industry. The interim policy is anticipated to provide guidance towards the increased involvement of the local construction industry in construction activities.

The Construction Industry Policy emphasises the development of an efficient and self-sustaining roads network that is capable of meeting the diverse needs for construction, rehabilitation and maintenance of civil works for trunk, regional, districts and feeder roads network through the involvement of private sector. Public sector involvement in the enhancement of housing infrastructure and other constructed facilities to assist in the mobilization of financial resources as well as capital investment will be emphasized. The pursuance of all the above general goals will be carried out in tandem with all the other key national sectoral policies, e.g. agricultural policy, land policy, investment policy, industry and trade policy, energy policy, housing policy, health, education and all other sectoral policies which have direct or indirect impact on the construction sector.

3 2 IMPACT OF THE PROJECT

The proposed project will result into the following social and economic impacts:

- Create an opportunity for manufacturers for ready made warehouses for easy establishment of industries.
- The project will provide employment for more than 16 people
- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc.

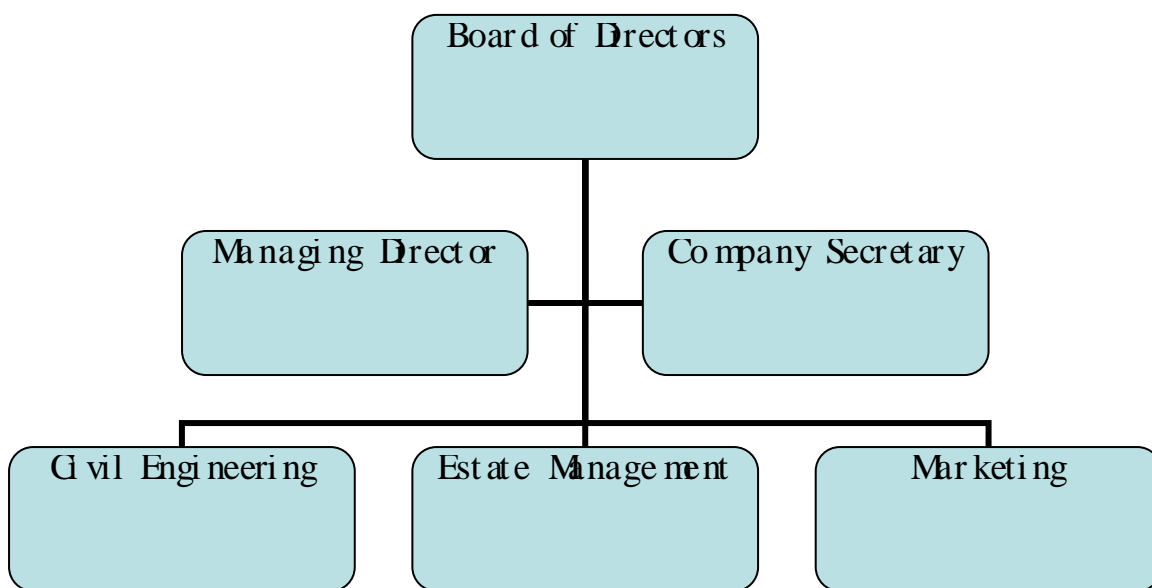
4.0 MANAGEMENT AND ORGANIZATION STRUCTURE

4.1 PROPOSED PERSONNEL

The organization of the envisaged manpower for the proposed project is divided into three departments namely, Estate Development, Estate Marketing and Structural & Civil Engineering

The personnel falling under the Estate Development shall include the Estate Manager, Account Clerk, Clerical Staff, and Watchmen. Those falling under the Estate Marketing shall be the Marketing Officer and the Sales staff. Those falling under Structural & Civil Engineering shall be Chief Engineer and Technical Officer.

4.2 ORGANIZATION CHART



4.3 STAFF TRAINING

The project is expected to employ a total of 16 people as Director Labour. During Construction the total labour force to be employed will be 90. For training and educational purpose all administration and operational procedures will be written down in manuals.

4.4 RECRUITMENT

It has been agreed that the initial personnel to be employed by this project will be those with sufficient experiences and must have worked in reputed estate companies. Posts that require professional training the personnel thus employed shall have been trained from recognized institutions.

5.0 PROJECTS ENGINEERING & TECHNOLOGY

5.1 OPERATIONALIZATION OF THE PROJECT

The envisaged project will be managed and owned by a limited liability company with its head office in Pugu Road Plot No. 1 nearby Toyota Motors Dar es Salaam. However its operations shall be carried out throughout the United Republic of Tanzania. According to the company's objectives the company may open branches anywhere in the United Republic of Tanzania and outside the country.

The project is expected to be a warehouse since it will provide premises to manufacturer who would like to establish factories in Dar es Salaam.

5.1 LOCAL CONDITIONS

Dar es Salaam City is a fast expanding and growing Metropolitan City with several industries based in Dar es Salaam which require necessary infrastructures among others warehouses to lease for factories establishment.

Dar es Salaam City is the gateway to inland regions in Tanzania, and tend to attract and consolidate number of business and investment activities made by for companies in Tanzania.

5.2 TECHNICAL REQUIREMENTS OF THE PROJECT

During the project implementation the project shall technically require development and setting up of the following facilities:

- Construction of first warehouse with installed capacity of 5000 sq Meters
- Construction of second warehouse with installed capacity of 15,000 sq Meters
- Equipping the projects with all modern facility such as elevators etc.

5.3 TECHNOLOGICAL INPUTS

The necessary inputs, which include the construction hardware, are abundantly available in the City of Dar es Salaam. However as this is a complex project and calls for several special inputs (prefabricated building and steel structure building) which have to be imported from outside the country, the sponsors are advised to apply for a certificate of investment incentives from the Tanzania Investment Centre.

6 MARKET INFORMATION

6.1 MARKETING DEMAND

The current increasing demand trend for ready-made industrial parks is caused by many factors. The factors governing the demand for commercial warehouse are as follows: -

- Trade liberalization and move of the Government to industrial economy where by the Government great emphasis in value addition
- Economic Growth which currently Tanzania is in Medium Economy Country.

On the other hand, the demand for warehouses has been growing due to -

- The increase in of designated areas for development industrial parks.
- Demand of foreign of Investors who are looking ready-made warehouses/industrial shades to establish their manufacturing project

Other reasons for the increasing demand are due to -

- The specific locations of the premises, such as locations which are located close to ports and main roads.

6.2 ASSUMPTIONS IN ASSESSING FUTURE DEMAND

- In assessing the future demand for rental premises in urban centers of Tanzania and the potential market share, the following assumptions have been made:
- The demand for rental premises shall continue to increase for the next 7-10 years.
- the demand for commercial premises is high than residential premises and fetches more rents.
- Fetchable rent is directly proportional to demand.

6.3 JUSTIFICATION OF THE PROJECT

Majestic Holdings Limited has decided aggressively to invest into this project of establishing commercial warehouses which will accommodate manufacturers for lease. The Company has been impressed by the Government of Tanzania's realization of the important role played by the manufacturing Industry in the country's economic and social development. But also has confidence that as Dar es Salaam City is growing metropolitan city which keeps on receiving investors both foreigners and locals with different business interests who might need commercial warehouses to let

6.4 MARKETING STRATEGY

The plan is to attract Small, Medium and Large Investors who could require reasonable sq Meters to accommodate their factories establishment. Industrial shades building will be of high quality finish with installed all necessary facilities and provision of standby utilities such as water, electricity and the communication systems. The project sponsors will ensure maximum maintenance schedule and to ensure all services are in good working order at all times.

- Building services and Standby Facilities: -

The building services will include electricity, water supply, telecommunications, air-conditioning, drainage and IT network. An underground and overhead water tanks with water pumps will increase reliability and adequacy of water supply.

6.5 SWOT ANALYSIS

6.5.1 The Strength

The strength of Majestic Holdings Limited depends on the experiences of managing other projects managed by sister companies. They include:-

- Strong leadership from directors
- Small team, fleet footed and able to move quickly.
- Experienced and focused Management team
- Quality products and services
- Skills in best commercial practice and ethical standards in dealing with clients

6.5.1 Weakness

The main hindrance likely to face the company is lack of sufficient funding. This has been a critical problem to most of small business in the United Republic of Tanzania. The Company will revolve its revenue from the first day of operation as per company policy.

6.5.2 Opportunities

Majestic Holdings Limited capitalizes the optional advantage of the following:-

- Stable economic and political environment
- The increased attractiveness of the country as a quality tourist destination of choice and investment.
- Investment friendly government policies including:- Market liberalization, Lucrative investment incentive packages, Provisional of land and on aid off site infrastructure, Duty exemption on capital goods

6.5.3 Threats

Most threatening and detrimental tactics to the company operation include the following:-

- ❖ The taxation system, there still duplicity of taxes.
- ❖ Unpredictability of investment incentives facilitation system
- ❖ Unfair competitive practices among stakeholders such as negative publicity, manpower draining and agent/client poaching.

6.6 Pricing strategy

Majestic Holdings Limited will determine the pricing structure for number of square metres occupied by the tenants.

Majestic Holdings Limited intends to offer best quality services that comply to the price charged as indicated earlier; there is a market segment that has spending power and can afford this pricing. Therefore, this pricing will reflect the targeted market.

segment in focus. After the 3 years of operations the company will analyze its pricing structure once again to reflect the cost of the various components of its products and will adjust accordingly.

6.7 Sales and Marketing Communication

Under the implementation plan the following sales and marketing communication approaches will be carried out:- Real estate agency and Marketing through the Internet.

7.0 INVESTMENT AND FINANCING

7.1 SUMMARY OF CAPITAL COSTS

The planned project does not require any investment in terms of leverages for executing the activities. The essential requirement is in hard cash capital for implementing the intended buildings constructions. The sponsor plan to construct industrial shades/warehouses at Kisarawe II Kigamboni. The Company will require a total of 5,000,000 USD to implement the project as shown in the table below

Investment plan						
Planning years >>	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
Investment	USD	USD	USD	USD	USD	Total Investment
Land & Bulding	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Plant & Machinery	0	0	0	0	0	0
Equipment	0	0	0	0	0	0
Motor Vehicles	0	0	0	0	0	0
Furniture&Fixtures	0	0	0	0	0	0
Others	0	0	0	0	0	0
Total investment	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000

Note: The investment cost include acquisition cost of the land and cost of construction

6.2 FINANCIAL VIABILITY:-

Our analysis of the financial viability of the project indicates that the operations of the proposed project are profitable and that they can generate sufficient cash to meet both short and long-term financial obligations. We have assumed that the sponsors will put more effort to ensure the project operates at rated capacity immediately after completion of construction this minimize the stagnation period

6.3 FUNDAMENTAL ASSUMPTIONS

In preparing the financial projections we made the following assumptions:-

- The operating period for which the viability of the project is evaluated is five years
- The capital costs of the project **5,000,000 USD** as can be seen in the in annex table
- All calculations throughout the evaluation period have been taken at constant prices. We have assumed the capital expenditure to be incurred between first year to fifth year of the project implementation
- The project shall come into operation on 2024

(e) Economic depreciation has been calculated based on the useful lifetime of the various capital items as can be seen below

6.4 PROJECT PROFITABILITY:-

The projected profit and loss statements of the envisaged project it shows that the initial net profit in the first year will be 52,196 USD. The *annexure I* schedule demonstrates that the same profits will rise to 65,196 USD at the end of the five year of operations. The rise in profit is quite encouraging.

6.5 LIQUIDITY PROJECTIONS:-

Detailed cash flow forecasts are shown in *Appendix II*. These projections take into account the assumed sources and applications of funds over the planned period and show the ability of the project to meet its financial obligations and capital expenditure requirements. In the first year of operations there is a cash inflow to - **16,326 USD**

However the whole cash generations seems to be reasonable with funds building up from **87,013 USD** in the second year of operation and accumulated to over **662,289 USD** at the end of the fifth year.

Our forecast shows a healthy cash position for the project during the review period and therefore we believe that the project will be able to honour its short and longer term obligations without any undue hardships.

6.6 BALANCE SHEET PROJECT

Our balance sheet calculations shown in annex where the strength of the balance sheet demonstrates an attractive debt; equity ratio.

6.7 FINANCIAL REVIEW-

Our financial review of the project demonstrates that:-

- a) The project is profitable
- b) The liquidity position of the project is sound and that it should be able to meet its financial obligations without any undue difficulties
- c) The operations are financially viable

6.8 THE NATIONAL ECONOMIC BENEFITS:-

The project has a number of economic benefits such as:-

- Employment during construction is anticipated to be 90 casual labour 16 direct labours who will be employed
- Revenue to the Government through rent withholding tax and property tax
- Indirect taxes from import duty on imported materials
- Increment of accommodation

6 9 7 CONCLUSI ONS: -

The de mand for Co mmercial warehouses and industrial shades in the City of Dar es Salaam is high and will remain so for a many years to come. The city is expanding at fast pace because it is the main gateway of Tanzania Inlands Regions, its temperate climate plus accessibility to the rest of world are another attractions which attract a lot of Foreign Investors who wish to establish their offices here than any where else. Further more as the investment keep flowing in Dar es Salaam demand for rental premises shall increase two folds. The demand for commercial, residential and office premises in the City of Dar es Salaam proposed project is therefore quite viable and should be supported

**MAJESTIC HOLDINGS LIMITED
PROJECTED FINANCIAL STATEMENTS FOR THE PERIOD OF FIVE
YEARS**

APPENDIX 1

MAJESTIC HOLDINGS LIMITED					
PROJECTED INCOME STATEMENT					
Planning years >>	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Total net sales	330,000	386,000	440,000	488,000	538,000
Workspace Sq. Metres	110,000	146,000	180,000	188,000	238,000
Security Deposit by Sq. Meters	220,000	240,000	260,000	300,000	300,000
Total revenues	330,000	386,000	440,000	488,000	538,000
Cost of goods sold COGS	130,366	134,588	138,900	143,265	147,766
Utilities	3,300	3,860	4,400	4,880	5,380
salaries	122,066	125,728	129,500	133,385	137,386
Other costs	5,000	5,000	5,000	5,000	5,000
Gross profit	199,634	251,412	301,100	344,735	390,234
Selling, general and administrative expenses SG&A	65,068	83,082	85,005	86,985	89,025
Salaries	47,468	64,082	66,005	67,985	70,025
Workspace	6,000	6,000	6,000	6,000	6,000
Marketing & sales expenses	6,600	8,000	8,000	8,000	8,000
General office and utilities expense	5,000	5,000	5,000	5,000	5,000
Operating profit / EBITDA	134,566	168,330	216,095	257,750	301,209
Depreciation	40,000	80,000	120,000	160,000	200,000
Interest expenses (loan from bank)	0	0	0	0	0
Interest income from investments (bank deposit)	0	240	480	720	960
Extraordinary charges (or incomes)	20,000	11,000	9,000	9,000	9,000
Currency exchange adjustments					
Fees and provisions	10,000	5,000	5,000	5,000	5,000
Other	10,000	6,000	4,000	4,000	4,000
Income tax	22,370	23,199	26,129	26,625	27,663
Net profit (or loss)	52,196	54,371	61,447	62,845	65,506

APPENDI X II

MEJESTIC HOLDINGS LIMITED					
PROJECTED BALANCE SHEET					
Planning years >>	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Long-term assets					
Fixed assets: property, plant and equipment	960,000	1,880,000	2,760,000	3,600,000	4,400,000
Long-term financial investments		0	0	0	0
Goodwill	0	0	0	0	0
Total long-term assets	960,000	1,880,000	2,760,000	3,600,000	4,400,000
Current assets					
Cash & cash equivalents (current account)	-16,328	87,013	236,501	428,583	662,289
Deposit account	6,000	12,000	18,000	24,000	30,000
Accounts receivable	81,370	95,178	108,493	120,329	132,658
Inventories	42,860	44,248	45,666	47,101	48,581
Total current assets	113,902	238,440	408,660	620,012	873,527
Total assets	1,073,902	2,118,440	3,168,660	4,220,012	5,273,527
Long-term liabilities					
Long-term loans	2,541,078	5,059,580	7,464,373	9,741,496	11,709,698
Total long-term liabilities	2,541,078	5,059,580	7,464,373	9,741,496	11,709,698
Current liabilities					
Accounts payable	32,145	33,186	34,249	35,326	36,436
Other provisions	0	0	0	0	0
Total current liabilities	32,145	33,186	34,249	35,326	36,436
Shareholders equity					
Share capital	1,000,000	2,000,000	3,000,000	4,000,000	5,000,000
Reserves	2,610	5,328	9,630	15,914	22,465
Retained earnings (or - accumulated losses)	39,147	79,925	124,781	168,773	214,627
Total shareholders' equity	1,041,757	2,085,254	3,134,411	4,184,687	5,237,092
Total liabilities & equity	1,073,902	2,118,440	3,168,660	4,220,012	5,273,527

APPENDI X III

MEJESTIC HOLDING LTD					
PROJECTED BALANCE SHEET					
Planning years >>	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Long-term assets					
Fixed assets: property, plant and equipment	960,000	1,880,000	2,760,000	3,600,000	4,400,000
Long-term financial investments		0	0	0	0
Goodwill	0	0	0	0	0
Total long-term assets	960,000	1,880,000	2,760,000	3,600,000	4,400,000
Current assets					
Cash & cash equivalents (current account)	-16,328	87,013	236,501	428,583	662,289
Deposit account	6,000	12,000	18,000	24,000	30,000
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Inventories	42,860	44,248	45,666	47,101	48,581
Total current assets	113,902	238,440	408,660	620,012	873,527
Total assets	1,073,902	2,118,440	3,168,660	4,220,012	5,273,527
Long-term liabilities					
Long-term loans	2,541,078	5,059,580	7,464,373	9,741,496	11,709,698
Total long-term liabilities	2,541,078	5,059,580	7,464,373	9,741,496	11,709,698
Current liabilities					
Accounts payable	32,145	33,186	34,249	35,326	36,436
Other provisions	0	0	0	0	0
Total current liabilities	32,145	33,186	34,249	35,326	36,436
Shareholders equity					
Share capital	1,000,000	2,000,000	3,000,000	4,000,000	5,000,000
Reserves	2,610	5,328	9,630	15,914	22,465
Retained earnings (or - accumulated losses)	39,147	79,925	124,781	168,773	214,627
Total shareholders' equity	1,041,757	2,085,254	3,134,411	4,184,687	5,237,092
Total liabilities & equity	1,073,902	2,118,440	3,168,660	4,220,012	5,273,527

APPENDIX IV

MAJESTIC HOLDINGS LIMITED					
Investment plan					
Planning years >>	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Investment	USD	USD	USD	USD	USD
Land & Bulding	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Plant & Machinery	0	0	0	0	0
Equipment	0	0	0	0	0
Motor Vehicles	0	0	0	0	0
Furniture&Fixtures	0	0	0	0	0
Others	0	0	0	0	0
Total investment	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Fixed assets accumulated: at cost	1,000,000	2,000,000	3,000,000	4,000,000	5,000,000
Depreciation					
Land & Bulding	40,000	80,000	120,000	160,000	200,000
Plant & Machinery	0	0	0	0	0
Equipment	0	0	0	0	0
Motor Vehicles	0	0	0	0	0
Furniture&Fixtures	0	0	0	0	0
Others	0	0	0	0	0
Total depreciation	40,000	80,000	120,000	160,000	200,000
Total depreciation accu	40,000	120,000	240,000	400,000	600,000
Net asset book value	960,000	1,880,000	2,760,000	3,600,000	4,400,000
Depreciation period: linear, in years					
Land & Bulding	25				
Plant & Machinery	25				
Equipment	20				
Motor Vehicles	20				
Furniture&Fixtures	3				
Others	5				

APPENDI X V

MAJESTIC HOLDINGS LIMITED					
Reconciliation of shareholders equity					
Planned Year	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
		USD	USD	USD	USD
Beginning shareholders's Equity	0	1,062,635	2,127,880	3,177,038	4,227,314
Net Profits (Loss)	52,196	54,371	61,447	62,845	65,506
Equity Contribution	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Dividends paid	-10,439	-10,874	-12,289	-12,569	-13,101
Ending shareholders Equity	1,062,635	2,127,880	3,177,038	4,227,314	5,279,719
Additional reserves	2,610	2,719	4,301	6,285	6,551
Divedend paid	10,439	10,874	12,289	12,569	13,101
Retained nearning(or accumulated losses)	39,147	40,778	44,856	43,992	45,854

APPENDI X VI

MAJESTIC HOLDING LIMITED					
Calculation of income tax					
Planning years >>	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	USD	USD	USD	USD	USD
Net profit after extraordinary items	74,566	77,330	87,095	88,750	92,209
Income tax rate	30%	30%	30%	30%	30%
Net loss carried forward	0	0	0	0	0
Taxable income	74,566	77,330	87,095	88,750	92,209
Income tax	22,370	23,199	26,129	26,625	27,663

Ratio summary sheet					
planning years >>	Year 1	Year 2	Year 3	Year 4	Year 5
Liquidity ratios					
Current ratio	3.5	7.2	11.9	17.6	24.0
Quick test ratio	2.2	5.9	10.6	16.2	22.6
Efficiency ratios					
Inventory turnover -days	120.0	120.0	120.0	120.0	120.0
Accounts receivable turnover -days	90.0	90.0	90.0	90.0	90.0
Accounts payable turnover -days	90.0	90.0	90.0	90.0	90.0
Fixed asset turnover	0.3	0.2	0.2	0.1	0.1
Total asset turnover	0.3	0.2	0.1	0.1	0.1
Profitability ratios					
Gross profit margin	0.6	0.7	0.7	0.7	0.7
Net profit margin	0.2	0.1	0.1	0.1	0.1
Operating profit margin	0.4	0.4	0.5	0.5	0.6
Return on assets	0.0	0.0	0.0	0.0	0.0
Return on equity	0.1	0.0	0.0	0.0	0.0
Dividend payout	0.2	0.2	0.2	0.2	0.2
Solvency ratios					
Debt to equity ratio	0.0	0.0	0.0	0.0	0.0
Total assets to equity ratio	1.0	1.0	1.0	1.0	1.0
Total assets to total liabilities ratio	33.4	63.8	92.5	119.5	144.7
Capitalisation ratio	0.00	0.00	0.00	0.00	0.00
Interest coverage ratio	0.00	0.00	0.00	0.00	0.00

Salaries - Cost of goods sold COGS

Personnel Funtion / cate	Number of employees					Expected annual salary inc	Annual salary (1)/ employee 0					Social ins as % of sales	Training e as % of sales	Fringe benefits as % of salary	Total cost / employee 0					Total cost / category 0				
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5				YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Project manager	1	1	1	1	1	3%	5,000	5,150	5,305	5,464	5,628	20.00%	5.00%	2.00%	6,350	6,541	6,737	6,939	7,147	6,350	6,541	6,737	6,939	7,147
Equipment maintenance	2	2	2	2	2	3%	7,200	7,416	7,638	7,868	8,104	20.00%	2.00%	2.00%	8,928	9,196	9,472	9,756	10,049	17,856	18,392	18,943	19,512	20,097
Civil workers	3	3	3	3	3	3%	18,000	18,540	19,096	19,669	20,259	20.00%	5.00%	2.00%	22,860	23,546	24,252	24,980	25,729	68,580	70,637	72,757	74,939	77,187
Engineers	2	2	2	2	2	3%	12,000	12,360	12,731	13,113	13,506	20.00%	1.00%	1.00%	14,640	15,079	15,532	15,998	16,477	29,280	30,158	31,063	31,995	32,955
Subtotal	8	8	8	8	8															122,066	125,728	129,500	133,385	137,386

Salaries - Selling, general and administrative expenses SG&A

Personnel Funtion / cate	Number of employees					Expected annual salary inc	Annual salary (1)/ employee 0					Social ins as % of sales	Training e as % of sales	Fringe benefits as % of salary	Total cost / employee 0					Total cost / category 0				
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5				YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Estate Manager	1	1	1	1	1	3%	7,000	7,210	7,426	7,649	7,879	20.00%	5.00%	3.00%	8,960	9,229	9,506	9,791	10,085	8,960	9,229	9,506	9,791	10,085
Procurement manager	1	2	2	2	2	3%	6,000	6,180	6,365	6,556	6,753	20.00%	2.00%	2.00%	7,440	7,663	7,893	8,130	8,374	7,440	15,326	15,786	16,260	16,748
Marketing and sales spec	1	2	2	2	2	3%	5,800	5,974	6,153	6,338	6,528	20.00%	4.00%	2.00%	7,308	7,527	7,753	7,986	8,225	7,308	15,054	15,506	15,971	16,450
Accountants	1	1	1	1	1	3%	7,200	7,416	7,638	7,868	8,104	20.00%	4.00%	1.00%	9,000	9,270	9,548	9,835	10,130	9,000	9,270	9,548	9,835	10,130
Security staffs	2	2	2	2	2	3%	6,000	6,180	6,365	6,556	6,753	20.00%	2.00%	1.00%	7,380	7,601	7,829	8,064	8,306	14,760	15,203	15,659	16,129	16,613
Subtotal	6	8	8	8	8															47,468	64,082	66,005	67,985	70,025
Total	14	16	16	16	16															169,534	189,810	195,505	201,370	207,411

PROJECTED SALES

Product name	YEAR 1			YEAR 2			YEAR 3			YEAR 4			YEAR 5		
	Unit price	No. Articles	USD	Unit price	No. Articles	USD	Unit price	No. Articles	USD	Unit price	No. Articles	USD	Unit price	No. Articles	USD
Workspace Sq. Metres	5.5	20,000	110,000	7.3	20,000	146,000	9	20,000	180,000	9.4	20,000	188,000	11.9	20,000	238,000
Corrugated Boards s	11	20,000	220,000	12	20,000	240,000	13	20,000	260,000	15	20,000	300,000	15	20,000	300,000