

Entrepreneurship and Innovation



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AraBusta Café Business Plan

Your Second Home.



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Executive Summery.

AraBusta café is determined to become a daily necessity for local coffee addicts, a place to start your day from before you go to your work, collage or before starting your day in general. AraBusta café dream is the place you can escape from your daily stresses of life and just a comfortable place to meet your friends, study, meet your co-workers or to read a book, all in one. The current lifestyle is showing us that the coffer industries become very famous and one of the essentials for all the people in different ages. In AraBosta we are emphasizing on those customers who are really knows the important of the coffer cup for their daily life and they are

AraBusta Café will capitalize on its proximity to one of the biggest petroleum companies located in Maddi, Cairo. Egypt. In addition to the previous company AraBusta café is centralized in one of the biggest furniture shopping malls, on the other hands, AraBusta is located next to one of the biggest cinemas theatres in Egypt with only 200 meter distance moreover because of the unique location for AraBusta Café which overlooks the Nile we will work on building a repeated customers by offering them the best coffee test with the fastest quality service complemented with some small pastry and free internet for whoever will visit in order to enjoy their visits.

The company will operate a 500 square meter and the coffee distance from the petroleum company is walking distance. The owners have secured the location through 5 years leases with an option for extending. They have also provided EGP 2,100,000 of the required EGP 2,550,000 start-up funds. The remaining capital will be obtained through borrowing.

AraBusta Café is expected to grow sales revenue from EGP 8,760,000 in the FY 2020 to 10,590,000 in year 3. AraBusta Café will strive to maintain 70% gross profit margin.

AraBusta café expecting profit growth by 25% during the same period.



1. Objectives.

AraBusta Café objectives for the first year of operations are:

- Maintain 70% gross margin.
- Achieve profits from the first month of operation.
- Become the best coffee shop in terms of quality, speed of service and customer satisfactions in the area.

1.1. Keys to Success.

AraBusta Café keys of success are:

- Employees training on how to prepare the best cup of coffee fast and with customer satisfactions.
- Store location is one of the keys of success, the design is targeting smooth, comfortable, and fast operation.
- Marketing strategy is aiming to gain customer loyalty through customer loyalty system, building data base of regular customer.
- Coffee quality is one of the key success factors
- The free Internet.

1.2. Vision.

Establish AraBusta Café as the best place providing the best unusual cup of coffee for the coffee lovers to be your second home.

1.3. Mission.

AraBusta Café will do the best to be the best convenient place for the customer to relax and meet with maintaining the customer satisfaction, in addition they can have the best cup of coffee made by mixing between the best two types of coffee the Arabica and Robusta and from those two types of coffees we named the café, not only mixing between the two types when we make the drinks it also mixing when we named our café. emphasizing on our target segment for the coffee lovers to build big data base for our customers and gain their loyalty through loyalty system, our coffee will be prepared using the most recent and updated coffee machines which it will help on providing our customers with the best test of coffee, AraBusta café emphasizing on the uncompromised quality, speed of service and customer satisfaction in addition to the competing price which it will keep our place and position in the marketing. In terms of CSR AraBusta Café will Solidarity with the community by providing organic fertilizer from the waste of ground coffee. AraBusta Café will invest on the employees training in addition of paying them attractive salaries to maintain their satisfactions which in turn will return to the customers and business too.

2. Company Summary

AraBusta Café a limited liability company, sells coffee and pastries and other smoothies' beverages in 500 square meters located in Maadi next to one of the biggest cinemas, petroleum companies and at the central of big furniture mall. AraBusta Café's major investors are Mohamed Amer and Mostafa Amer who are owning over 70% of the company. AraBusta café's start-up loss of the company is assumed in the amount of EGP 415,200.

2.1. Company Ownership.

AraBusta Café is registered as limited liability corporation in Egypt. Mohamed Amer owns 51% of the company. His brother Mostafa Amer and osama Abo Bakr, Ahmed Hamouda and Zienab Mohamed are other stakeholders in AraBusta Café, LLC.

2.2. Start-up Summary.

The start-up expenses include:

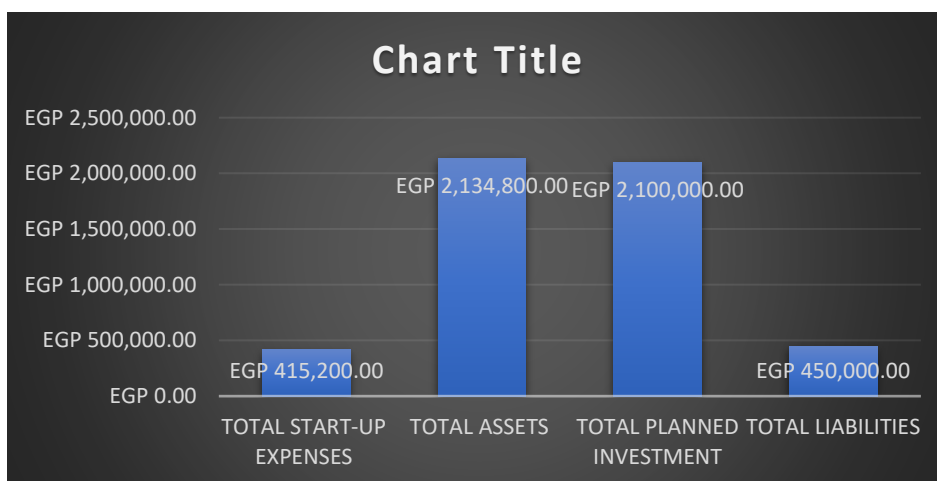
- Legal expenses for obtaining licenses and permits as well as accounting services totalling EGP 19,500.
- Marketing promotion expenses for the grand opening of AraBusta Café in the amount of EGP 52,500, as well as let left outs printing (4000 flyers at EGP 13.425 per copy) for the total amount of EGP 53,700.
- Consultants fees of EGP 45,000 paid to glee hospitality Solution (<https://gleehospitality.com/>) for the help with setting up the coffee shop.
- Insurance (General Liability, workers' compensations) coverage at a total of EGP 36000.
- Pre-paid rent expenses for one month at EGP 66,000.

- Premises remodelling in the amount of 150,000.
- Other start-up expenses including stationary (EGP 7,500) and phone and utility deposits (EGP 37,500)

The required start up assets of EGP 2,134,800 include:

- Operating Capital in the total amount of EGP 1,006,845, which includes employees and owners' salaries of EGP 358,500 for the first two months and cash reserves for the first three months of operation (Approximately EGP 216,000 per month).
- Start-up inventory of EGP 240,405, which includes:
 - Coffee beans (13 regular coffee and 4 decaffeinated coffee)- EGP 90,000.
 - Coffee filters, sandwiches, tea, other beverages, Etc. – etc EGP 118,500.
 - Retail Supplies (Napkins, coffee bags, cleaning materials, etc)- EGP 27,600.
 - Office supplies- EGP 4,305.
- Equipment for total amount of EGP 887,550:
 - Espresso Machine- EGP 90,000
 - Coffee Maker EGP 13,500
 - Coffee Grinder- EGP 3000
 - Food Service Equipment (Toaster, Blenders, pastry case, refrigerator, microwave. Etc)- EGP 270,000.
 - Storage hardware (bins, utensil rack, shelves) – EGP55,800
 - Counter area equipment (sink, ice machine, etc.) - EGP142,500
 - Serving area equipment (plates, glasses, flatware) - EGP45,000
 - Store equipment (cash register, security, ventilation, signage) – EGP206,250.
 - Office equipment (PC, fax/printer, phone, furniture, file cabinets) – EGP 54,000
 - Other miscellaneous expenses – EGP 7,500

The company funds come from two major sources, the first one from the investment and the second will borrowing money Mohamed Amer and his brother Mostafa Amer has contributed EGP 1,050,000 and his brother Mostafa Amer contributed EGP 450,000. The other investors have contributed EGP 600,000 To be total fund of EGP 2,100,000. The remaining amount of 450,000 came from borrowing from two friends one of them Ahmed Mohamed to be returned to him in one year with amount of EGP 150,000 and the remaining EGP 300,000 come from other friend Mohamed Ismail to be return in long term after (Five years). Accordingly start up loss amount assumed in the amount of EGP 415,200. The following chart and table will summarize the start-up assumptions:



START-UP REQUIREMENTS	
Start-up Expenses	
Legal	EGP 19,500.00
Stationery etc.	EGP 7,500.00
Brochures	EGP 53,700.00
Consultants	EGP 45,000.00
Insurance	EGP 36,000.00
Rent	EGP 66,000.00
Remodelling	EGP 150,000.00
Other	EGP 37,500.00
TOTAL START-UP EXPENSES	EGP 415,200.00
Start-up Assets	
Cash Required	EGP 1,006,845.00
Start-up Inventory	EGP 240,405.00
Other Current Assets	EGP 0.00
Long-term Assets	EGP 887,550.00
TOTAL ASSETS	EGP 2,134,800.00
Total Requirements	EGP 2,550,000.00
START-UP FUNDING	
Start-up Expenses to Fund	EGP 415,200.00
Start-up Assets to Fund	EGP 2,134,800.00
TOTAL FUNDING REQUIRED	EGP 2,550,000.00
Assets	
Non-cash Assets from Start-up	EGP 1,127,955.00
Cash Requirements from Start-up	EGP 1,006,845.00
Additional Cash Raised	
Cash Balance on Starting Date	EGP 1,006,845.00
TOTAL ASSETS	EGP 2,134,800.00
Liabilities and Capital	
Liabilities	
Current Borrowing	EGP 150,000.00
Long-term Liabilities	EGP 300,000.00
Accounts Payable (Outstanding Bills)	
Other Current Liabilities (interest-free)	
TOTAL LIABILITIES	EGP 450,000.00
Capital	
Planned Investment	
Mohamed Amer	EGP 1,050,000.00
Mostafa Amer	EGP 450,000.00
All other investors	EGP 600,000.00
Additional Investment Requirement	EGP 0.00
TOTAL PLANNED INVESTMENT	EGP 2,100,000.00
Loss at Start-up (Start-up Expenses)	EGP 415,200.00
TOTAL CAPITAL	EGP 1,684,800.00
TOTAL CAPITAL AND LIABILITIES	EGP 2,134,800.00
Total Funding	EGP 2,550,000.00

3. Company Locations and Facilities

AraBusta Café will be located on the ground floor in a front of the main door of big furniture mall, overlooking to the Nile next to one of the biggest petroleum companies (Gasco). The company has secured 500-meter square for five years renewal contract with fixed rate.

AraBusta café is in very attractive commercial area with a walking distance from big cinema. The commercially zoned premises have the necessary water and electricity, but it will be required only minor remodelling which stated in the previous financial start-up plan.

AraBusta Café designed attractively to attract the customers and make them feel at home.

While we are designing AraBusta Café we will be in-line with the establishment's positioning as an eclectic place where people can relax and enjoy their cup of coffee while using their mobiles, laptops, and any other electronic devises. The outside area will give the customers more relaxation feeling when they

are enjoying their cup of coffee and looking to the amazing and attractive view for the Nile. Our target to deliver the impression of treat yourself as your home, accordingly we will not have service to the table it will be self-service system however will maintain our high customer service level and support.

The plan will be including a 40-meter square back office and 460-meter square coffee bar, it will include seating area with 13 tables, a kitchen, storage area, two bathrooms (Men-Women). The coffee bar will be approximately distributed following way 252-meter square. For the seating area 120-meter square and the remaining 88-meter square will be for the customer service area.

3.1. Products.

AraBusta Café will serve the customers the best coffee with a unique aroma in the area through using the high-quality coffee beans coming from Latin America and Africa. AraBusta Café will serve mix between the Arabica coffee which known by the high quality and the unique test and Robusta coffee which known as the best aromatic and strong coffee in the world. The marketing activities will be emphasizing on customer satisfaction and loyalty by creating loyalty system (each 5 large coffee will get point and each 10 point you can get 1 large coffee free) concentrating on the marketing activities the sales will be increased.

On the other hands, AraBusta café will serve also other drinks like tea, and blended beverages (coffee and non-coffee)

Moreover, AraBusta café also will have a corner for sealing coffee beans, mugs with our logo for those customers who prefer to prepare the coffee at home and we will educate our customers on how to prepare the best cup of coffee at their home.

In addition to the previous items we will have pastry corner which it will includes delicious sandwiches, fresh cakes, Croissants, and cookies.

Our menu will be available online through our website, and will be supplemented by free magazines, in addition we will posted above the cashier area in menu billboard.

3.2. Product Description

AraBusta Café's menu will be built on the espresso-based coffee beverages whether its hot or cold such as cappuccinos, latte, espresso, white mocha, and dark mocha too.

In addition to that we will have the blended coffee drinks and non-coffee blended drinks.

We will have different kind of milk used for preparing those drinks such as full fat milk, low fat milk, non-fat milk, and soya milk.

All of the coffee base drinks will be built using espresso shot which will be prepared by the coffee machine and this process start by adding the coffee beans in the top of the coffee machine then by pressing on the espresso button, the coffee will go to the grinder directly to the coffee machine to be mixed with over 100 C water to be at the end the espresso shot.

All the ingredient should be as per the standard and any deviation on the coffee quantity, milk temperature or the size will impact negatively on the drink teste.

4. Sales Literature.

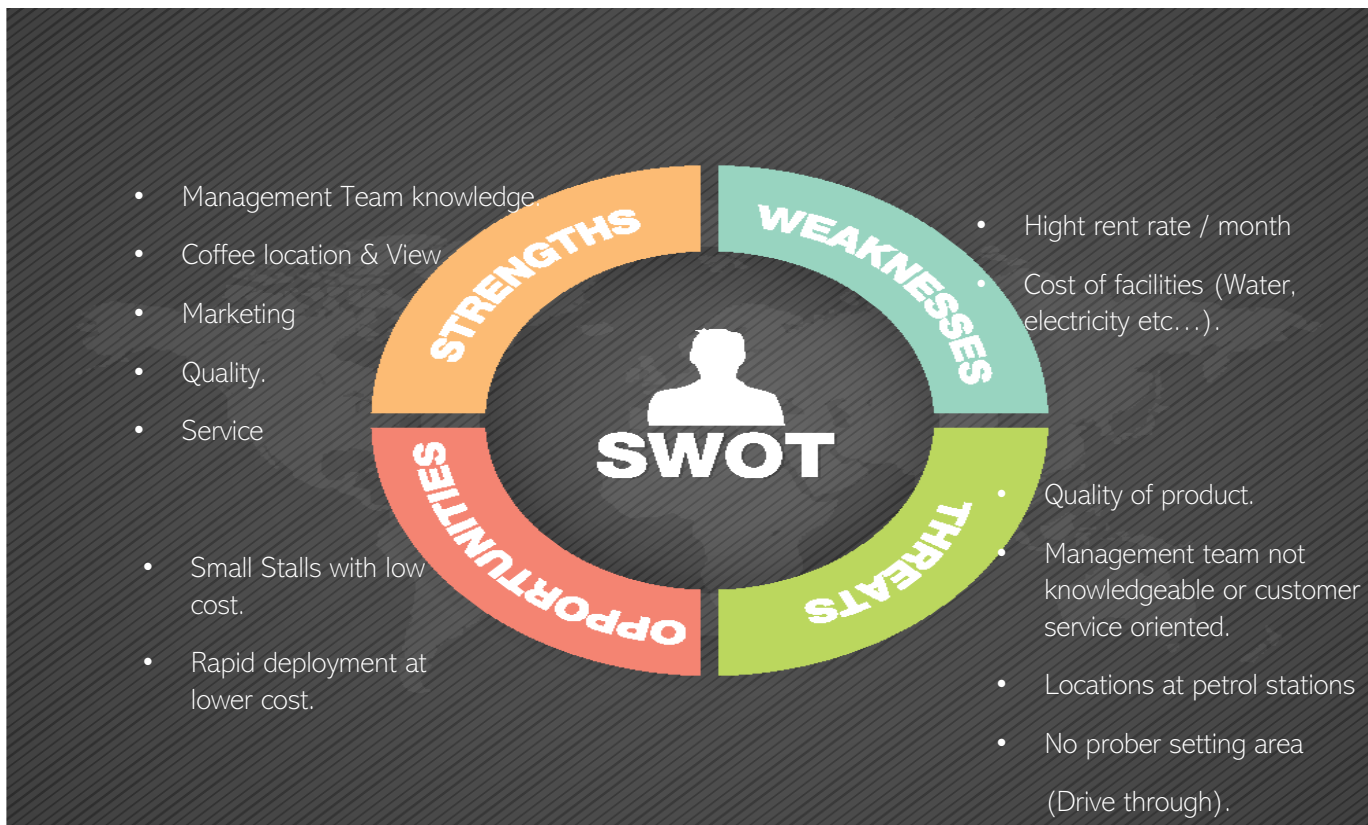
4000 flyers will be distributed in the area and will be distributed also through field visit to (Gasco company) and for sure at the furniture mall for all the shops are opening there. All the flyers will be distributed two weeks before the grand opening. We will dedicate free drink from the small size for the first customers at the first hour of our opening.

On the other hands, AraBusta Café will target the customers through different channels and media such as Facebook, Instagram, twitter and Radio channels (Negom FM).

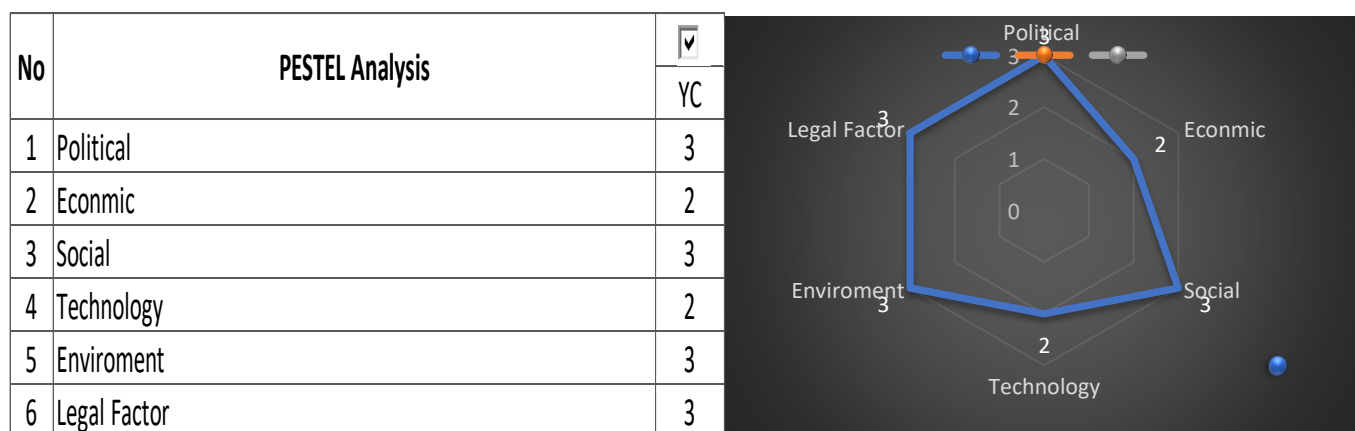
4..1 Market Analysis Summary

Egypt market study has shown steady growth in coffee business. Most of the people are preferring to get their coffee in the morning before going to their work or while their study.

AraBusta Café emphasizing on building up a strong data base for the customer to maintain their loyalty through offering great coffee test, exceptional service, amazing customer satisfaction.



One of the most important studies and analysis made to study the market in Egypt was PESTEL Analysis. The below table and chart are showing the rating of each factor of PESTEL Analysis factors:

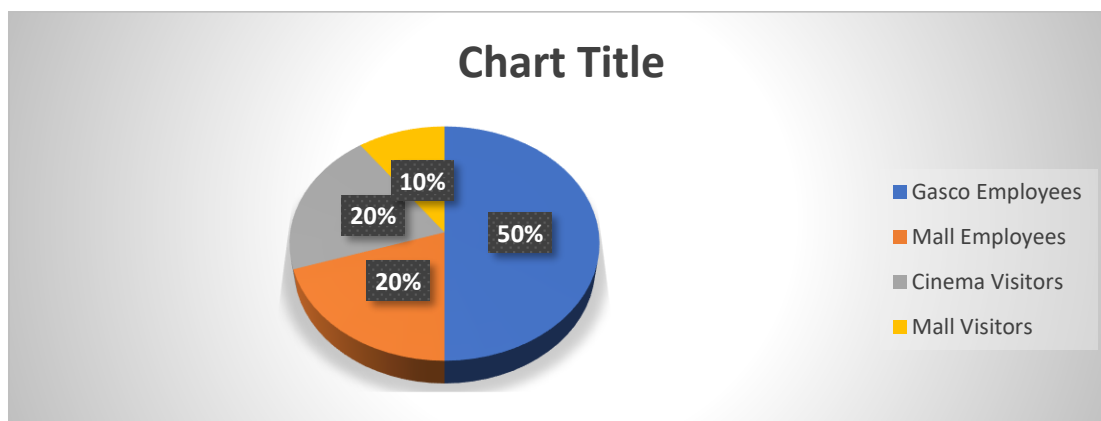


4.2. Market Segmentation

AraBusta Café will focus 70% of its marketing on reaching the employees of Gasco company who are head counted as more than 1300 employees as long as the customers who are visiting the furniture mall as long as the staff who are working at the mall and we will not forget the cinema visitors too.

Our market research shows that, those customers are like to buy and drink coffee in both home and outside.

The below chart is showing the total market potential (# of customers by percentage).



Market Analysis		2021	2022	2023	2024	2025	CAGR (Compound annual growth rate)
Potential Customers	Growth						
Gasco Employees	3%	12,000	12360	12,731	13,113	13,506	3.00%
Mall Employees	2%	8,000	8160	8,323	8,490	8,659	2.00%
Cinema Visitors	1%	9,000	9090	9,181	9,273	9,365	1.00%
Mall Visitors	1%	4,000	4040	4,080	4,121	4,162	1.00%
Others	0%		0	0	0	0	0.00%
Total	1.98%	33,000	33,650	34,315	34,996	35,693	1.98%

4.3. Target Market Segment Strategy.

AraBusta café will target the customers who are looking for starting their day with a great cup of coffee in addition we will target those who are looking for a relaxing atmosphere overlooking to the Nile, the highest percentage of our customers will be from Gasco company employees who are interested in starting the day with a great cup of coffee, on the other hands the mall and cinema visitors are our target customers too as long as the mall employees will build for them loyal system to guarantee their regular visits to our stores. AraBusta café are looking to build big and strong data base for the loyal customers.

4.3. Market Needs.

The market trend in Egypt is toward the quality, speed of service and customer satisfaction. All those previous factors playing big role in growing the coffee industry. All those factors will play big tole in growing our business as we are emphasizing on all the previous factors.

4.4. Industry Analysis.

Coffee consumption has shown a steady 3.4% growth rate in Egypt over last 20 years. The coffee retailer's business is prospering in Egypt. The sunny and nice climate and the rainy season in Egypt playing big role in drinking hot drinks and going out with friend to enjoy the weather. At the same time hot whether at the summer will drive the customers to drink cold and iced beverages. Coffee shops

become essential for all the society levels and become a part of the lifestyle in Egypt. We can say the status que all the people become coffee lovers, all the people looking for relaxation in a place who provides quality, tasty and delicious drink.

4.5. Competition and Buying Patterns Competition.

Based on the location study, the nearest big coffee chain will be Starbuck about 20 KM away from AraBusta Café so we don't consider Starbuck as a direct competitor or near competitor but based on the location study there are 5 small coffee bars around at the same area we can consider them as our competitor.

According to the competitor study which we made by visiting them, talking to their customers, checking their prices against the quality they provide in the drinks and service we can find lots of opportunity that will help AraBusta Café to work on differentiation as all of those competitors losing strong factors one of them is the quality which we as AraBusta Café emphasized on and their prices much higher comparing to us and comparing to the quality they are providing.

AraBusta Café will position itself as a unique coffee bar that not only offers the best tasting coffee and pastries but also provides home-like, cosy and comfortable environment, which established corporate establishments lack. We will cater to customers' bodies and minds, which will help us grow our market share in this competitive market.

4.6. Buying Patterns.

Why the customers coming back to your coffee. This is a very important question to be asked for any business owner by himself to himself.

The most important reason that will make the customer to come back is the great coffee taste, the speed of service, the quality, and the convenient atmosphere.

AraBusta Café will price the products offering reasonable and competitive prices for its products.

In AraBusta Café we believe that, serving quality coffee with speed and high level of customer satisfaction will build a strong base of loyal customers.

5. Strategy and Implementation Summary.

AraBusta Café marketing strategy will emphasize on getting new customers and retaining the existing customers through the loyalty system built by AraBusta Café, I addition AraBusta café will work on getting the customers to spend more time at their second home (AraBusta Café).

5.1. Competitive Edge

AraBusta Café will position itself as a distinctive coffee shop. AraBusta Café will not be only a place that you will enjoy your cup of coffee on it, absolutely not because AraBusta Café will be the place that the customer will be educated about the coffee culture, enjoy their cup of coffee in convenient atmosphere with amazing view, relaxing music, dimmed light, comfortable sofas and chairs, free Wi-Fi, all of this will play big role in attracting new customers and retaining the existing customers not only this all of this also has a direct impact in making different between AraBusta Café and the other competitors.

5.2. Sales Strategy.

AraBusta Café Baristas and store manager will handle the sales transactions. We will assign two employees to work in each POS (Point Of Sale) to speed up the service- while one employee will be dedicated to make the drinks and one more employee will be focusing on the customer area and helping the employee who will prepare the customers area behind the bar. All the sales data logged on computerized system (POS).

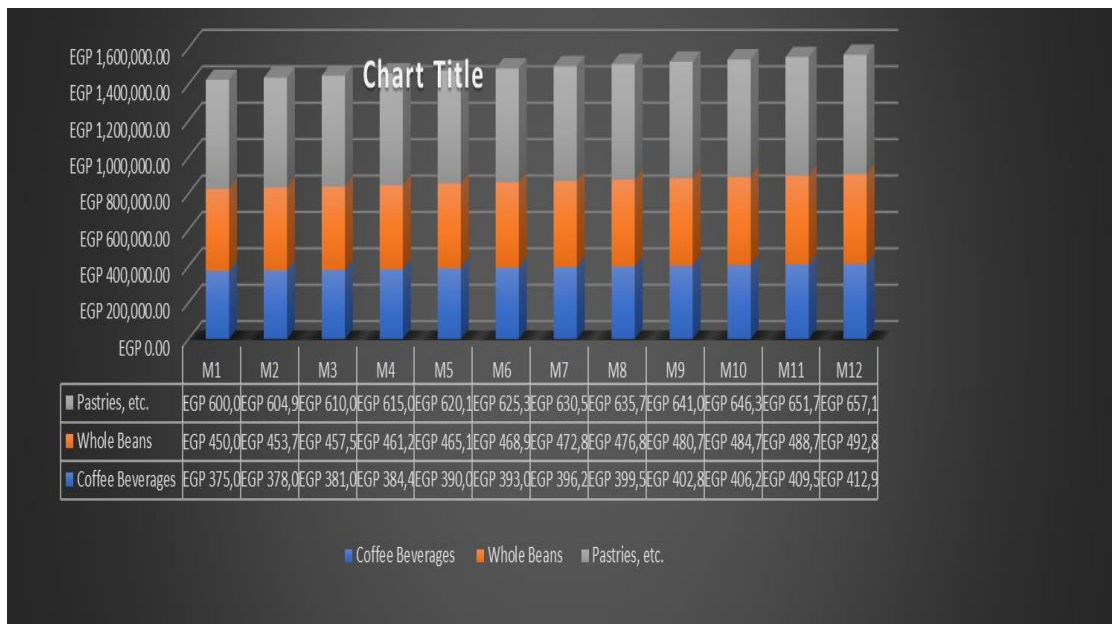
AraBusta Café will work on building strong customer loyalty system through the collection points (each 1 large coffee will get 1 point and each 10 points you can redeem them with 1 large coffee for free), by following this system AraBusta Café will guarantee to retain its customers and gain their loyalty.

5.2. Sales Forecast.

Conservatively, we are forecasting an average of 120 customers per day during the first year with an average guest check expenditure for all items of EGP 60.

Food costs are assumed at 25% for coffee beverages and 50% for whole beans sales and pastries.

The chart and table below outline AraBusta Café sales forecast projection for the next three years.



Sales Forecast			
Sales	Y/ 2021	Y/ 2022	Y/ 2023
Coffee beverages	5256000	5781600	6359760
Coffee beans	1314000	1445400	1589940
Pastries, etc.	2190000	2409000	2649900
Total	EGP 8,760,000.00	EGP 9,636,000.00	EGP 10,599,600.00
Direct Cost of Sales	Y/ 2021	Y/ 2022	Y/ 2023
Coffee beverages	1314000	1445400	1589940
Coffee beans	657000	722700	794970
Pastries, etc.	1095000	1204500	1324950
Subtotal Direct Cost of Sales	EGP 3,066,000.00	EGP 3,372,600.00	EGP 3,709,860.00

6. Management Summary

AraBusta Café owned by Mohamed Ahmed and Mostafa Amer. Mohamed Amer is holding a bachelor's degree in tourism and hotels from Helwan University. He has worked for several years in Starbuck café in Kuwait and Egypt and he started with them from the barista position until he become Area manager then he moved to other business in different career in HR and Training functions, he has sold experience in both operation and administration jobs and 80% from his experience was at Starbucks café.

Mr. Mostafa Amer has a bachelor's degree in engineering specialized in cost management and he has sold experience in cost management for more than 10 years.

However both of them will not be involved into the daily operation for AraBusta Cafe and they will hire a Ops manager to oversee all the coffee operation with the cost of (EGP 240,000/YR), Store Manager to manage the day to day operation at the store with cost (EGP 96,000/YR) and two Shift Managers with the

cost of (EGP 108,000/YR). 4 more full-time baristas with cost of (EGP 144,000/YR). operation will be monitored in the second and third year to check the needed manpower.

6.1. Management Team

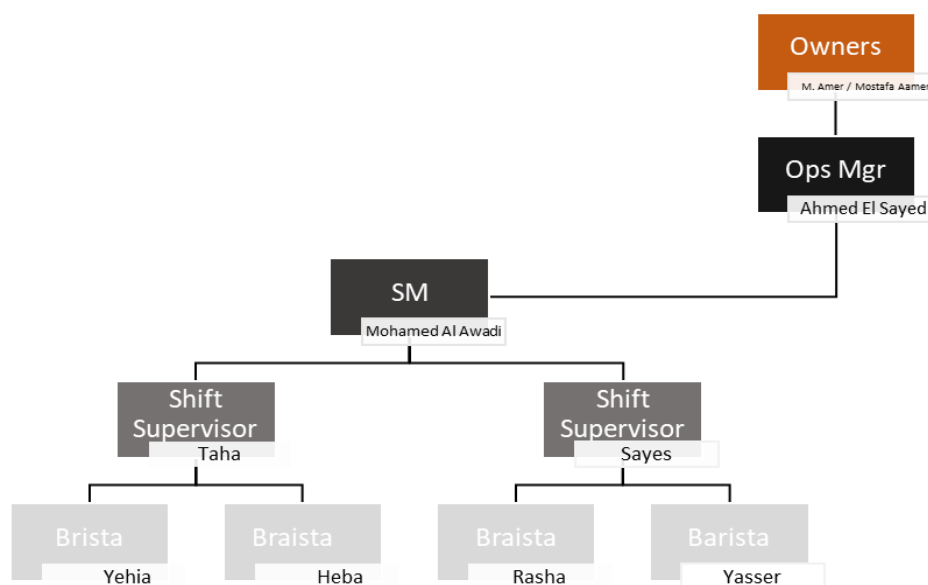
A full-time Ops manager will be hired to manage the operation at AraBusta Café overall, suppliers, marketing, customers and will be supported by Store manager who will be managing the day to day operation at the store and two shift supervisors. for the position of operation manager the candidate name is Ahmed El Sayed, he has more than 15 years of experience in the coffee industries field in Egypt, Kuwait and Saudi Arabia. This employee will handle the whole operation, developing the marketing strategy, finance, customer service and for the position of store manager the candidate name will be Mohamed Al Awadi and he will be managing the staff, inventory, scheduling, ordering, and perform the other managerial duties. We believe that, our candidates have the right experience for the role we selected them for. We might consider a profit sharing with the management team based on the profit for the first year, on the other hands, profit might be shared with the team too based on the profit of the 2nd year.

6.2. Management Team Gaps

AraBusta Café will keep glee hospitality Solution as consultant to help for business development. That does not mean we do not trust our management team, but we believe they can help the business specially in the 1st year somehow. glee hospitality Solution has experience in the coffee shops industries for more than 25 years and they have successfully opened lots of coffee shops across Egypt and they provide additional input into the evaluation of the new business opportunities.

6.3. Personnel Plan

The table below outlines the personnel needs and the operation structure of AraBusta Café.



Personal Plan

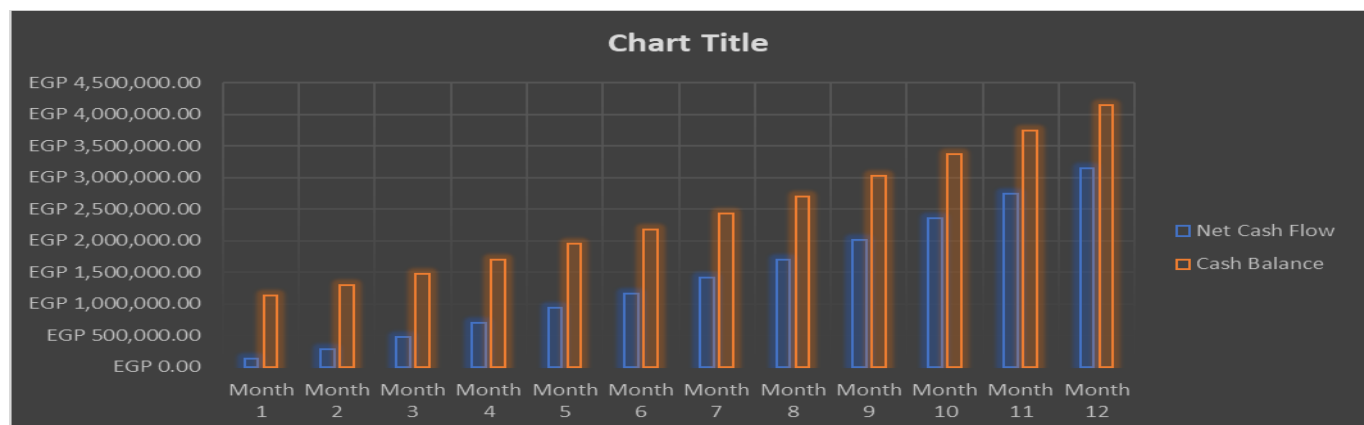
	Y /2021	Y/ 2022	Y/ 2023
Ops Managers	EGP 240,000.00	EGP 264,000.00	EGP 290,400.00
Store Manager	EGP 96,000.00	EGP 105,600.00	EGP 116,160.00
Shift Supervisor	EGP 108,000.00	EGP 118,800.00	EGP 130,680.00
Baristas	EGP 144,000.00	EGP 158,400.00	EGP 174,240.00
Employees	EGP 60,000.00	EGP 66,000.00	EGP 72,600.00
Total manpower	9	9	10
Total Payroll	EGP 648,000.00	EGP 712,800.00	EGP 784,080.00

7. Financial Plan

AraBusta Café owners have provided the company with sufficient start-up capital. AraBusta will maintain the healthy gross margin of 65% with a reasonable operating expense.

7.1. Projected Cash Flow.

The Table and chart below will present the cash status for AraBusta Café:



Cash Flow
Coffee shop
Y/ 2021

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Cash Received	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Cash From Operation	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Cash Sales	350.4 M	438.0 M	525.6 M	613.2 M	700.8 M	613.2 M	700.8 M	788.4 M	876.0 M	963.6 M	1051.2 M	1138.8 M
Additional Cash Received	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Sales Taxes / Vat	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
New Current Borrowing	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
New Other Liabilities	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
New Long-term Liabilities	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Sales of Other Current Assets	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Sales of Long-term Assets	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
New Investment Received	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Expenditures	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Expenditures from Operations	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Cash Spending (Payroll)	25.9 M	32.4 M	38.9 M	45.4 M	51.8 M	45.4 M	51.8 M	58.3 M	64.8 M	71.3 M	77.8 M	84.2 M
Bill Payments	196.7 M	245.9 M	295.1 M	344.3 M	393.4 M	344.3 M	393.4 M	442.6 M	491.8 M	541.0 M	590.2 M	639.3 M
SUBTOTAL SPENT ON OPERATIONS	222.6 M	278.3 M	334.0 M	389.6 M	445.3 M	389.6 M	445.3 M	500.9 M	556.6 M	612.3 M	667.9 M	723.6 M
Additional Cash Spent	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Sales Tax, VAT,	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Current Borrowing	2.0 M	2.5 M	3.0 M	3.5 M	4.0 M	3.5 M	4.0 M	4.5 M	5.0 M	5.5 M	6.0 M	6.5 M
Current Liability	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Long-term Liabilities	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Purchase Long-term Assets	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
Dividends	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M
SUBTOTAL CASH SPENT	224.6 M	280.8 M	337.0 M	393.1 M	449.3 M	393.1 M	449.3 M	505.4 M	561.6 M	617.8 M	673.9 M	730.1 M
Net Cash Flow	125.8 M	157.2 M	188.6 M	220.1 M	251.5 M	220.1 M	251.5 M	283.0 M	314.4 M	345.8 M	377.3 M	408.7 M
Cash Balance	1132.6 M	1289.8 M	1478.4 M	1698.5 M	1950.1 M	2170.1 M	2421.7 M	2704.6 M	3019.0 M	3364.9 M	3742.1 M	4150.9 M
Cash On Hand	1006.8 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M	.0 M

Cash Flow			
	2021	2022	2023
Cash Received	EGP 0.00	EGP 0.00	EGP 0.00
Cash From Operation	EGP 0.00	EGP 0.00	EGP 0.00
Cash Sales	EGP 8,760,000.00	EGP 9,636,000.00	EGP 10,599,600.00
Subtotal Of Cash flow	EGP 8,760,000.00	EGP 9,636,000.00	EGP 10,599,600.00
Additional Cash Received	EGP 0.00	EGP 0.00	EGP 0.00
Sales Taxes / Vat	EGP 0.00	EGP 0.00	EGP 0.00
New Current Borrowing	EGP 0.00	EGP 0.00	EGP 0.00
New Other Liabilities	EGP 0.00	EGP 0.00	EGP 0.00
New Long-term Liabilities	EGP 0.00	EGP 0.00	EGP 0.00
Sales of Other Current Assets	EGP 0.00	EGP 0.00	EGP 0.00
Sales of Long-term Assets	EGP 0.00	EGP 0.00	EGP 0.00
New Investment Received	EGP 0.00	EGP 0.00	EGP 0.00
SUBTOTAL CASH RECEIVED	EGP 8,760,000.00	EGP 9,636,000.00	EGP 10,599,600.00
Expenditures			
Expenditures from Operations	EGP 0.00	EGP 0.00	EGP 0.00
Cash Spending (Payroll)	EGP 648,000.00	EGP 712,800.00	EGP 784,080.00
Bill Payments	EGP 4,917,975.00	EGP 5,830,725.00	EGP 6,314,175.00
SUBTOTAL SPENT ON OPERATIONS	EGP 5,565,975.00	EGP 6,543,525.00	EGP 7,098,255.00
Additional Cash Spent	EGP 0.00	EGP 0.00	EGP 0.00
Sales Tax, VAT,	EGP 0.00	EGP 0.00	EGP 0.00
Current Borrowing	EGP 50,000.00	EGP 50,000.00	EGP 50,000.00
Current Liability	EGP 0.00	EGP 0.00	EGP 0.00
Long-term Liabilities	EGP 0.00	EGP 60,000.00	EGP 60,000.00
Purchase Long-term Assets	EGP 0.00	EGP 0.00	EGP 0.00
Dividends	EGP 0.00	EGP 0.00	EGP 0.00
SUBTOTAL CASH SPENT	EGP 5,615,975.00	EGP 6,593,525.00	EGP 7,148,255.00
Net Cash Flow	EGP 3,144,025.00	EGP 3,042,475.00	EGP 3,451,345.00
Cash Balance (Cumulative)	EGP 4,150,870.00	EGP 7,193,345.00	EGP 10,644,690.00
Cash On Hand	EGP 1,006,845.00		

7.2. Projected Profit and Loss

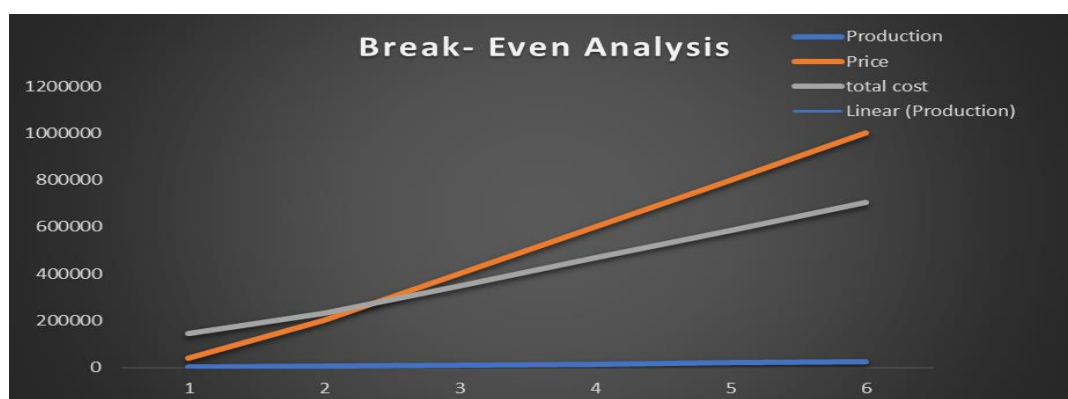
AraBusta Café has assumed the annual projected sales as

Annual projected sales of EGP 8,760,000 in FY2021. The table below outlines the projected Profit and Loss Statement for FY2021-2023.

PROFIT AND LOSS			
	2021	2022	2023
Sales	EGP 8,760,000.00	EGP 9,636,000.00	EGP 10,599,600.00
Direct Cost Of Sales	EGP 3,066,000.00	EGP 3,372,600.00	EGP 3,709,860.00
Others	EGP 0.00	EGP 0.00	EGP 0.00
Total Cost Of Sales	EGP 3,066,000.00	EGP 3,372,600.00	EGP 3,709,860.00
Gross Margin	EGP 5,694,000.00	EGP 6,263,400.00	EGP 6,889,740.00
Gross Margin %	65.00%	65.00%	65.00%
Payroll	EGP 648,000.00	EGP 712,800.00	EGP 784,080.00
Sales and Marketing and Other Expenses	EGP 415,200.00	EGP 444,264.00	EGP 475,362.48
Depreciation	EGP 50,000.00	EGP 55,000.00	EGP 60,000.00
Rent	EGP 66,000.00	EGP 66,000.00	EGP 66,000.00
Maintenance	EGP 50,000.00	EGP 60,000.00	EGP 70,000.00
Utilities/Phone	EGP 40,000.00	EGP 40,000.00	EGP 50,000.00
Payroll Taxes	EGP 64,800.00	EGP 71,280.00	EGP 78,408.00
Total Operating Expenses	EGP 4,400,000.00	EGP 4,821,944.00	EGP 5,293,710.48
Net Profit	EGP 1,294,000.00	EGP 1,441,456.00	EGP 1,596,029.52
Net Profit / Sales	14.77%	14.96%	15.06%

7.2. Break-even Analysis

With average monthly fixed costs of EGP 111,166.67 in Y/ 2021 and an average margin of 65%, AraBusta Café break-even sales volume is around EGP 2,200,000.00 As shown further, the company is expected to generate such sales volume from the out start.



Production	Price	Total cost	Fixed cost	Variable cost
1000	EGP 40,000.00	EGP 145,166.67	EGP 111,166.67	EGP 34,000.00
5000	EGP 200,000.00	EGP 229,625.76	EGP 111,166.67	EGP 118,459.09
10000	EGP 400,000.00	EGP 348,084.85	EGP 111,166.67	EGP 236,918.18
15000	EGP 600,000.00	EGP 466,543.94	EGP 111,166.67	EGP 355,377.27
20000	EGP 800,000.00	EGP 585,003.03	EGP 111,166.67	EGP 473,836.36
25000	EGP 1,000,000.00	EGP 703,462.12	EGP 111,166.67	EGP 592,295.45

7.3. Projected Balance Sheet

The company's net worth is expected to increase from approximately EGP 2,978,800.00

by the end of FY2021 to approximately EGP 3,280,829.52 in FY2023. The table below summarizes the projected balance sheets for this period

Balance Sheet AraBusta Café Y/ 2021			
PRO FORMA BALANCE SHEET			
	Y/2021	Y/ 2022	Y/ 2023
Assets			
Current Assets			
Cash (Cash Balance)	EGP 4,150,870.00	EGP 4,049,320.00	EGP 4,458,190.00
Inventory	EGP 415,087.00	EGP 456,595.70	EGP 502,255.27
Other Current Assets	0	0	0
TOTAL CURRENT ASSETS	EGP 4,565,957.00	EGP 4,505,915.70	EGP 4,960,445.27
Long Term Assets			
Long Term Assets	EGP 887,550.00	EGP 976,305.00	EGP 1,073,935.50
Accumulated Depreciation	EGP 295,850.00	EGP 591,700.00	EGP 887,550.00
TOTAL LONG-TERM ASSETS	EGP 591,700.00	EGP 384,605.00	EGP 186,385.50
TOTAL ASSETS	EGP 5,157,657.00	EGP 4,890,520.70	EGP 5,146,830.77
Liabilities and Capital			
Current Liabilities			
Accounts Payable	EGP 2,128,857.00	EGP 1,654,264.70	EGP 1,756,001.25
Current Borrowing	EGP 50,000.00	EGP 50,000.00	EGP 50,000.00
Other Current Liabilities			
SUBTOTAL CURRENT LIABILITIES	EGP 2,178,857.00	EGP 1,704,264.70	EGP 1,806,001.25
Long-term Liabilities	EGP 0.00	EGP 60,000.00	EGP 60,000.00
TOTAL LIABILITIES	EGP 2,178,857.00	EGP 1,764,264.70	EGP 1,866,001.25
Paid-in Capital	EGP 1,684,800.00	EGP 1,684,800.00	EGP 1,684,800.00
Retained Earnings			
Earnings (Net Profit)	EGP 1,294,000.00	EGP 1,441,456.00	EGP 1,596,029.52
TOTAL CAPITAL	EGP 2,978,800.00	EGP 3,126,256.00	EGP 3,280,829.52
TOTAL LIABILITIES AND CAPITAL	EGP 5,157,657.00	EGP 4,890,520.70	EGP 5,146,830.77
Net Worth (Current Capital)	EGP 2,978,800.00	EGP 3,126,256.00	EGP 3,280,829.52