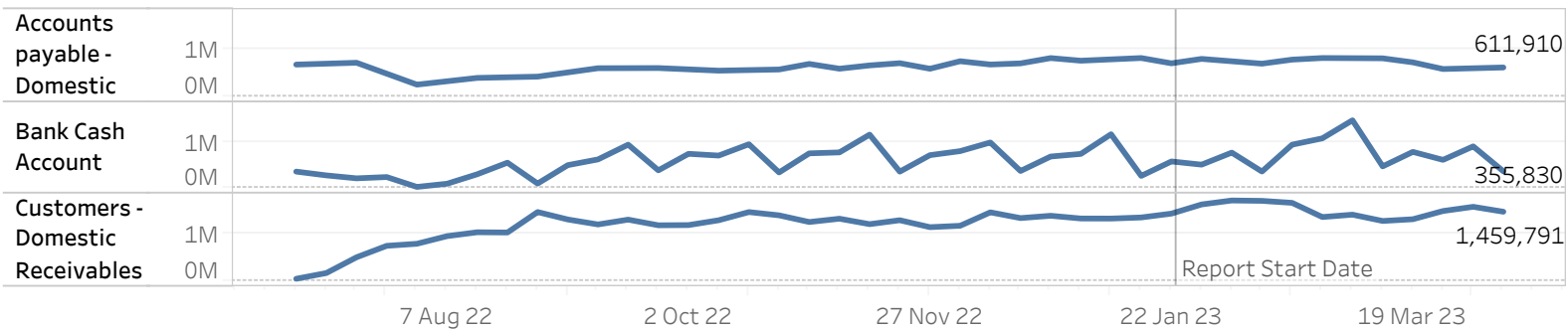


Analysis of growth and short-term viability for Muesli Pty Ltd

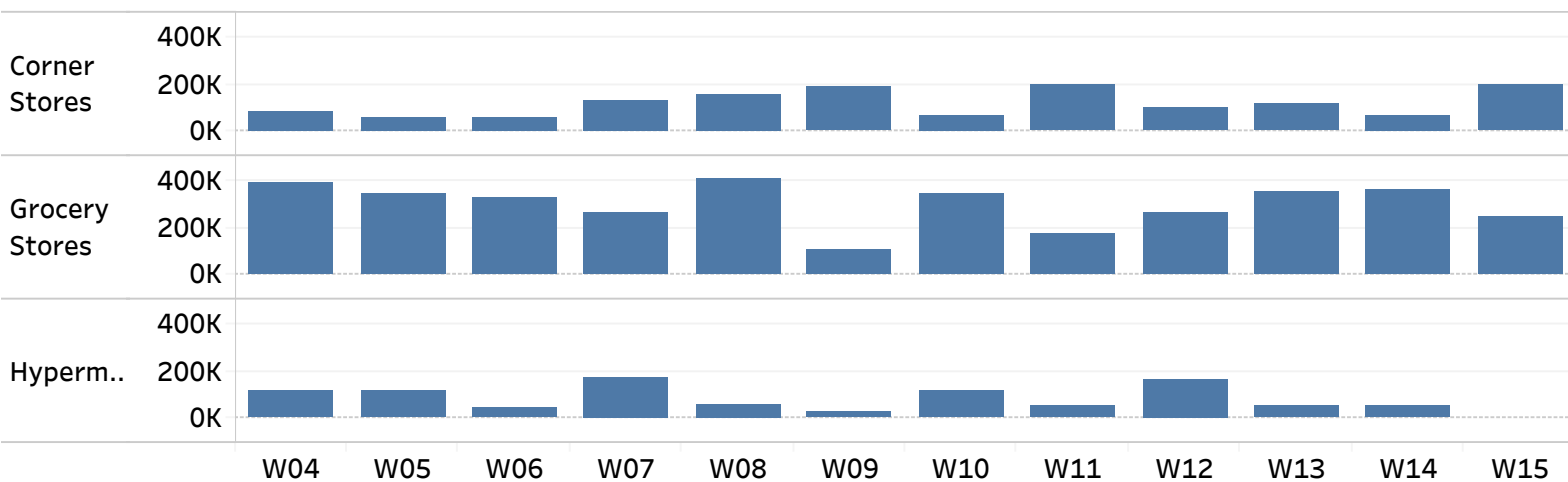
Accounting Balance Analysis for Cash, Account Receivable and Payable

This diagram shows the historical changes for cash, account receivable and payable



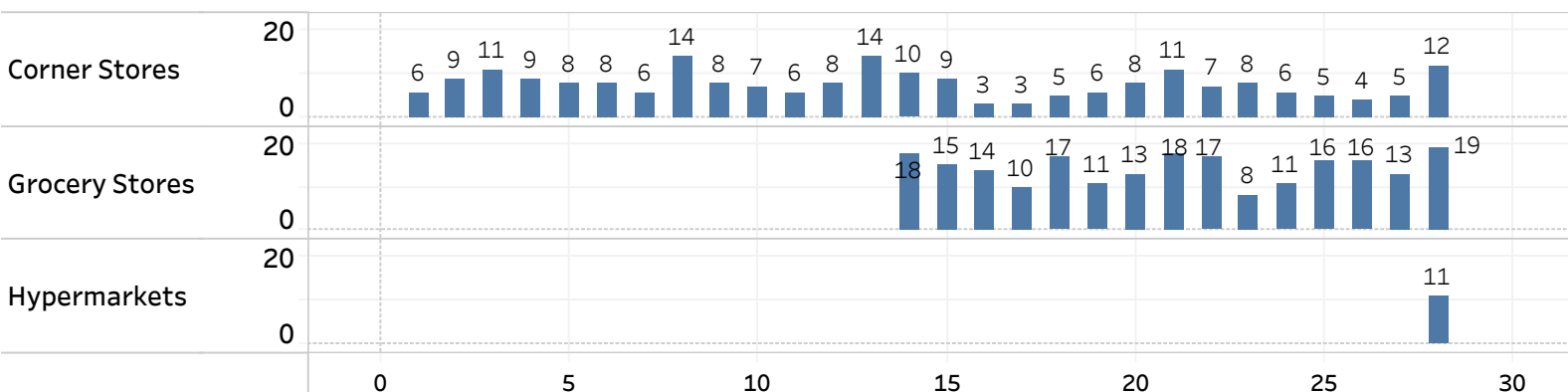
Weekly Revenue Analysis in each Channel

This graph shows the weekly revenue from each channel



Distribution of Customers' Payment Term in each Channel

The graph describes the distribution of customers' payment term in different channels



Analysis of the current balances

From the account balance analysis, the trend of account payable is stable with little fluctuations. The value of the account payable stays above 0.5 million most of the time. The bank cash account varies a lot in the long term. It is relatively low in the beginning and reaches a peak in the middle, and back to a low value at the end. At last the account receivables shows significant growth.

In summary, the company's account payable is lower than the receivable in recent, and the cash flow is healthy.

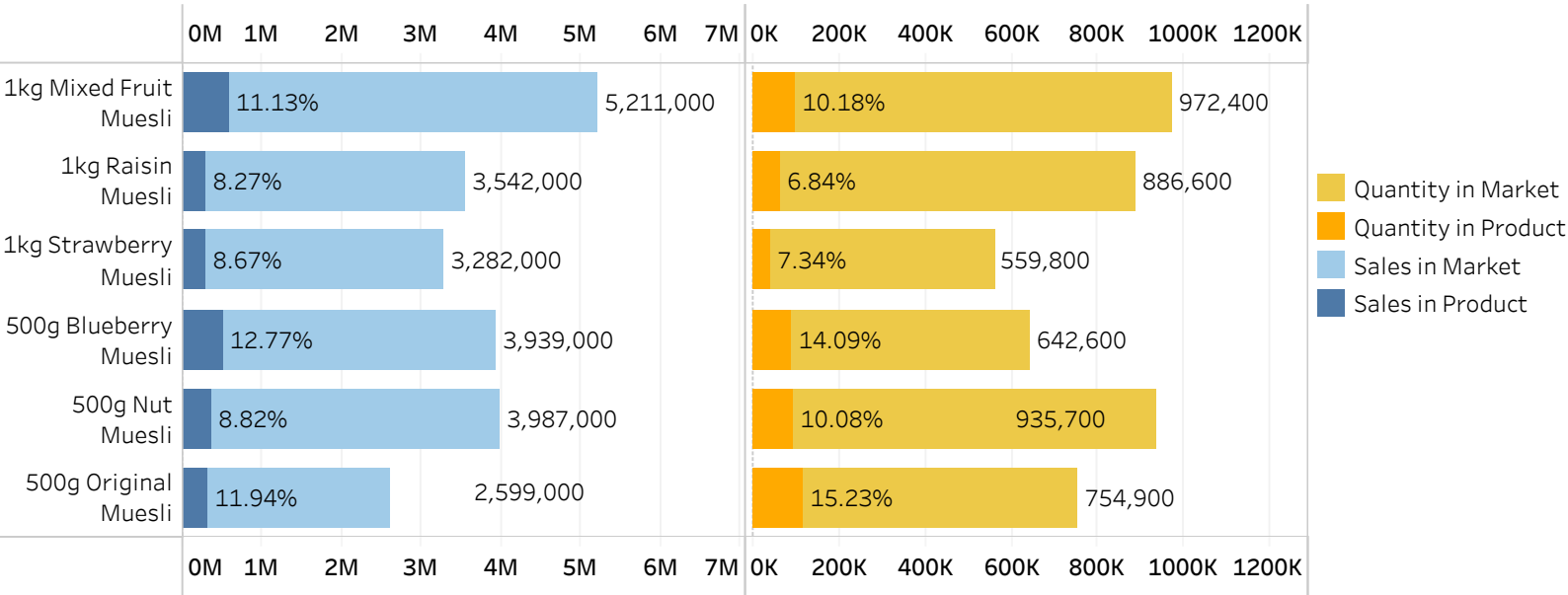
Analysis of the Sale revenue and liquidity from channel

Sales revenue and its sources are keys of the analysis in operating cash flow's amount and liquidity. Among the channels, Grocery Stores and Corner Stores contribute the majority of sales revenue, and the sales from Grocery Stores is more stable and rich. In the view of payment term, substantial numbers of customers in Corner Stores pay quickly, which improve efficiency and liquidity. Most of Grocery Stores' customers take more than 15 days to pay, which will result in large number in accounts receivable and may cause liquidity risk. However, Hypermarket contributes the lowest sales revenue and has a repayment time close to 30 days, which has a higher risk of bad debt and poor liquidity.

Therefore, in future operations, we suggest that the company should pay attention to current and future liquidity risks, and be vigilant against the phenomenon of excessive backlog of accounts receivable causing a lack of cash, which affects the company's short-term viability.

Company Sale Performance in Market

This graph describes the percentage of the company’s sale value and quantity in the market for each product



All Product’s Market Share in the Industry

This graph shows the market share of all 12 products in the industry during the report period

Product Variant	Product Size	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14
BLU	1 kg	9.75%	4.17%	6.60%	5.73%	6.20%	8.02%
	500 g	13.19%	9.23%	8.78%	10.71%	11.74%	11.08%
MIX	1 kg	10.42%	15.50%	13.17%	15.27%	16.87%	9.73%
	500 g	6.75%	11.49%	4.52%	14.02%	7.48%	13.18%
NUT	1 kg	12.63%	12.52%	11.62%	7.43%	6.59%	11.33%
	500 g	7.48%	7.13%	11.55%	6.38%	5.65%	5.73%
ORI	1 kg	5.18%	5.13%	5.96%	5.91%	7.79%	6.64%
	500 g	3.95%	7.31%	3.68%	5.65%	6.04%	5.82%
RAI	1 kg	7.17%	7.58%	11.29%	8.73%	8.66%	7.89%
	500 g	6.16%	9.60%	8.20%	3.00%	8.37%	7.31%
STR	1 kg	5.80%	5.03%	4.19%	7.06%	3.40%	5.62%
	500 g	11.54%	5.32%	10.43%	10.11%	11.20%	7.64%

Analysis of the sale growth and recommendation for products selection

After analyzing the impact of a company’s sales revenue and liquidity on its short-term survival, we shift our perspective to analyzing the company’s growth potential. The appropriate product selection will have a positive impact on the company’s future sales and enhance its growth potential. We will analyze the sales share of the company’s six products in the market and adjust the optimal product portfolio for the company in the future based on the market share of all products in the market.

In the original product portfolio, the market share of 1kg Strawberry Muesli was relatively low. Based on the market share shown in industry data, the market share of this product will be significantly lower than that of similar products of 500g. Therefore, we suggest the company replace the 1kg Strawberry Muesli with 500g Strawberry Muesli to achieve more growth.

Subsequently, the market share of 500g Nut Muesli sold is also low, and in industry data, we find that the sales of 1kg Nut Muesli are higher. Therefore, the company should adjust 500g Nut Muesli to 1kg Nut Muesli.

Finally, we analyze that although the market share of 500g Original Muesli reached 11.94%, its total sale value in the market is far lower than other products and its market share in the industry is also lower than 1kg Original Muesli. Therefore, in future product selection, the company should adjust 500g Original Muesli to 1kg Original Muesli. So after we build a new product profolio for the comany, we believe that it will be more popular and gain more sale revenue, which will be beneficial to the company’s growth.

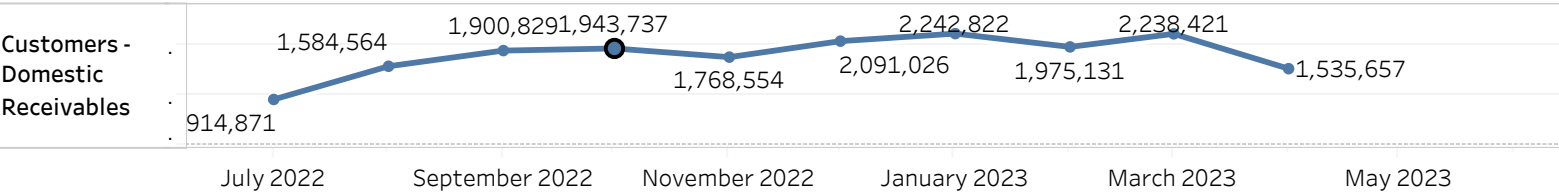
Operating Cash Outflow Analysis

This table shows the operating cash outflow by dividing it into accout names related to it

Week of Posting Date	Accounts payable - Domestic	Direct Labor Costs	Factory Overhead Expenses	Interest expenses	Sales, General and Administrati..	Shipping costs	Warehousing costs
Week 4	111,900	20,000	15,000	8,290	40,000	3,000	4,500
Week 5	306,303	20,000	15,000	8,290	40,000	6,000	3,500
Week 6		20,000	15,000	8,290	40,000	6,000	3,000
Week 7	393,099	20,000	15,000	7,335	40,000	3,000	5,000
Week 8		20,000	15,000	7,335	40,000	6,000	4,000
Week 9	399,997	20,000	15,000	7,335	40,000	6,000	3,000
Week 10		20,000	15,000	7,335	40,000	3,000	4,000
Week 11	292,537	20,000	15,000	5,454	40,000	6,000	5,000
Week 12	85,200	20,000	15,000	5,454	40,000	6,000	5,000
Week 13	434,035	20,000	15,000	5,454	40,000	3,000	4,500
Week 14		20,000	15,000	5,454	40,000	6,000	4,500
Week 15	286,092	20,000	15,000	4,144	40,000	6,000	5,000

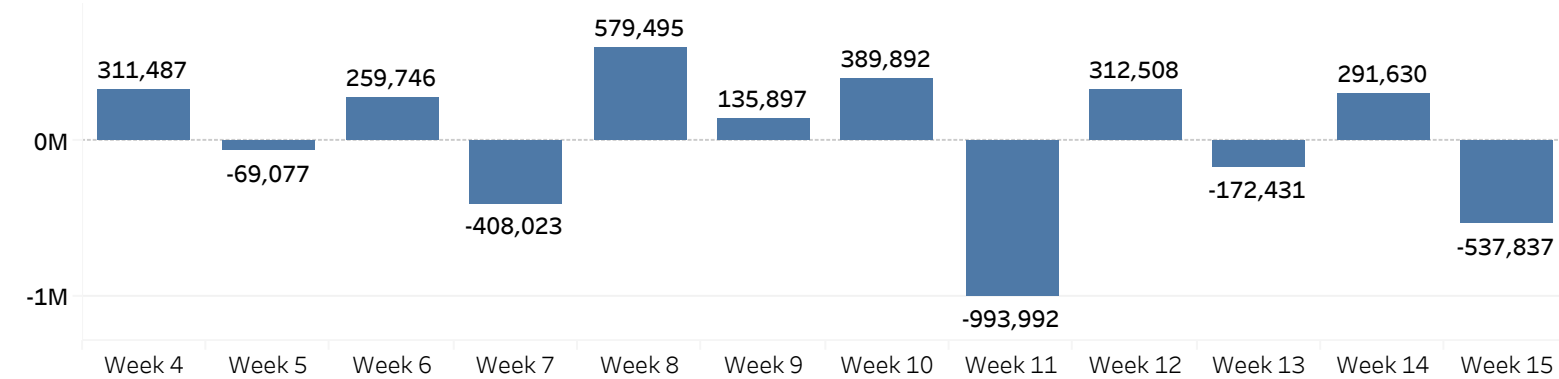
Operating Cash inflow (A/R)

This graph shows the cash inflow related to the opearting activities in all period



Net Cashflow Change

This graph shows the change of net cash flow in the following 12 weeks



Analysis of the operating cash outflow

When analyzing the weekly outflows, the most distinct data change is the account payable. The amount of accounts payable is fluctuating from week 4 to week 15. It is relatively low at week 4, but there is a significant increase from \$111,900 to \$399,997 from week 4 to week 9. After week 9, the account payable started to decrease sharply to \$85,200 which is the lowest amount in recent weeks. The highest value appears in week 13. It rises from the lowest value to the highest value in one week and decreases slightly after week 13. For 'Direct Labour costs', 'Factory overhead Expenses', and 'Sales, General and Administrative Expenses', These costs are fixed costs, which means the value of these costs will not change as time goes by. For shipping costs, there is a clear pattern. There will be one \$3,000 cost in a week1 and two \$6,000 costs in the following two weeks. The warehousing costs vary within the range of \$2000 from \$3000 to \$5000. And there is a slight decreasing trend of the interest expense, which drops from \$8290 to \$4144.

In summary, the only unstable account in the cash outflow chart is the account payable, it varies sharply from time to time, and the rest of the costs are relatively stable. Therefore, the cash outflow mainly depends on the number of accounts payable. With the account payable getting larger, the cash outflow will be larger.

Analysis of the operating cash flow and evaluate the payment term for credit

We utilized the net profit of the latest month (2023.04) add non-cash expenses to get the net operating cash flow (\$763,147.34) and calculate the balance of bank loans (\$710,000) and accounts payable (\$26,687) for the current period. By analyzing the balance of bank loan and accounts payable in the current month, we can conclude that it will take about 17 weeks to cover the balance of bank loan and about 18 weeks to pay off the balance of accounts payable. The trend of monthly expense remains stable, while the trend of income rises from a rapid speed to a moderate speed.