

USE OF FUNDS STATEMENT

THANH'S BUSINESS SOLUTIONS LLC

SBA 7(a) LOAN APPLICATION

Total Loan Amount Requested: \$250,000

Applicant: Thanh Nguyen

Business: Thanh's Business Solutions LLC

Date: 8/11/2025

DETAILED BREAKDOWN:

1. WORKING CAPITAL: \$100,000 (40.0%)

Purpose: Support increased business operations and cash flow

- Accounts receivable financing \$60,000
- Inventory and supplies \$25,000
- Operating cash flow buffer \$15,000

Justification: Enable acceptance of larger client projects
with extended payment terms (30-60 days).

2. EQUIPMENT AND TECHNOLOGY: \$75,000 (30.0%)

Purpose: Modernize technology infrastructure

- Server hardware and infrastructure \$35,000

- Software licenses and dev tools \$25,000
- Office equipment and furniture \$15,000

Justification: Improve service delivery capabilities and operational efficiency.

3. MARKETING AND BUSINESS DEVELOPMENT: \$35,000 (14.0%)

Purpose: Expand market reach and client acquisition

- Digital marketing campaigns \$20,000
- Trade shows and networking events \$10,000
- Sales materials and branding \$5,000

Justification: Accelerate revenue growth through targeted marketing initiatives.

4. FACILITY EXPANSION: \$25,000 (10.0%)

Purpose: Accommodate team growth

- Additional office space deposits \$15,000
- Office buildout and improvements \$10,000

Justification: Support planned hiring of 3-5 additional employees.

5. PROFESSIONAL SERVICES: \$15,000 (6.0%)

Purpose: Legal and advisory support

- Legal and accounting fees \$8,000
- Business consulting services \$7,000

Justification: Ensure compliance and strategic guidance during expansion phase.

EXPECTED BUSINESS IMPACT:

Revenue Growth:

- Increase annual revenue from \$485,000 to \$650,000 (34% growth)
- Expand client base from 50 to 75 active clients
- Add new service lines (AI/ML consulting, automation)

Operational Improvements:

- Reduce project delivery time by 25%
- Improve client satisfaction scores to 95%+
- Increase operational efficiency through better tools

Employment Impact:

- Create 3-5 new full-time positions
- Provide career advancement opportunities for existing staff
- Contribute to local economic development

Financial Strengthening:

- Improve cash flow management and working capital
- Achieve debt service coverage ratio of 1.8x+
- Build stronger balance sheet for future growth

TIMELINE FOR FUND UTILIZATION:

Month 1-2: Working capital deployment and equipment purchases

Month 3-4: Marketing campaign launch and facility expansion

Month 5-6: Staff hiring and professional services engagement

Month 7-12: Full utilization and performance monitoring

MONITORING AND REPORTING:

The company will provide quarterly reports to the lender detailing:

- Fund utilization progress against this plan
- Achievement of projected business outcomes
- Financial performance metrics and covenant compliance
- Any material changes to the use of funds

This use of funds statement demonstrates how the SBA loan will be strategically deployed to achieve sustainable business growth while maintaining strong repayment capacity.

Prepared by: Thanh Nguyen, CEO

Date: 8/11/2025

Signature: Thanh Nguyen