

Cannabis Business Plan

XXXXXXX

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Table of Content

Particulars	Page No
Executive Summary	3
Industry & Market Research	5
Operating Plan	15
Marketing Strategy	31
Management Summary	36
Sources and Uses of Funds	38
Financial Plan	40

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Executive Summary

Company: Overview

About Company

Company is a company incorporated in XXXXX. The company's core business activity is the sale of cannabis and its related products in Canada.

Business Model

The company will earn its revenue from 3 channels over the next 5 years. The first channel will be the online sale of cannabis and related products. Company will be doing these sales through 3rd party platforms like XXXX. Company will develop a reward system that will help acquire and retain customers on an e-commerce platform specifically designed for this purpose. The 2nd channel of revenue for Company will come from the retail store. Management plans to start XX retail stores in year 2 and year 3 respectively in Calgary and Surrey. The management will also start a restaurant that will serve various innovative cannabis items on the menu.

Target Customers

Consumers in the age group of 19 years and older.

Investment Requirement

To start the business, the company will need to incur a pre-operating expense of XXXX. These expenses include the license fee, product development costs, marketing costs, business ID, etc. Both the founders will fulfil this funding requirement.

Purpose of the Plan

Company will need a license to start branding, packaging and retailing cannabis. This document outlines key business strategies required to maximize profits and lower operating expenses.

Financial Summary (CA\$)	2020	2021	2022	2023	2024
Revenue	\$ 242,800	\$ 1,000,358	\$ 2,304,683	\$ 5,753,845	\$ 7,227,112
Gross Profit	\$ 116,980	\$ 521,916	\$ 1,239,271	\$ 3,171,344	\$ 3,839,203
Operating Profit	\$ 16,052	\$ 67,705	\$ 239,264	\$ 1,660,718	\$ 2,175,314
Cash Balance	\$ 22,718	\$ 72,143	\$ 246,806	\$ 1,459,130	\$ 3,047,109

Industry & Market Research

Industry: Cannabis Industry Snapshot

The Cannabis industry in Canada has blossomed over the five years to 2019 as a massive market was introduced into the industry, driving up revenue late during the period. Since Health Canada opened up medicinal cannabis production to more players in 2013, the industry has grown continuously as operators invest in production capabilities to produce quality products. However, the legalization of recreational cannabis in 2018 has been the primary driver of the industry boom during the period. As consumers shifted from illegal cannabis purchases to the licensed recreational market, the industry grew significantly and is expected to grow 68.3% in 2019 alone. Overall, the industry is estimated to grow an annualized 137.1% to \$3.1 billion over the five years to 2019.

- The Cannabis Act was implemented in October 2018, but ever since its announcement in 2017, the industry has begun to shift and transform as it transitions into a full-blown consumer product industry.
- The industry is still nascent, adapting to a new environment as established operators explore new frontiers and unlicensed producers transitional into legality. Overall, the industry is expected to grow an annualized 7.1% to \$4.3 billion over the five years to 2024 as the industry continues to reach its expected potential.

Life Cycle Stage	Growth	Regulation Level	Heavy
Revenue Volatility	Very High	Technology Change	Medium
Capital Intensity	High	Barriers to Entry	High
Industry Assistance	Medium	Industry Globalization	Low
Concentration Level	Low	Competition Level	High

Key Statistics Snapshot

Revenue

US\$ 3.1 bn

Annual Growth 2014 to 2019

137.1%

Annual Growth 2020 to 2024

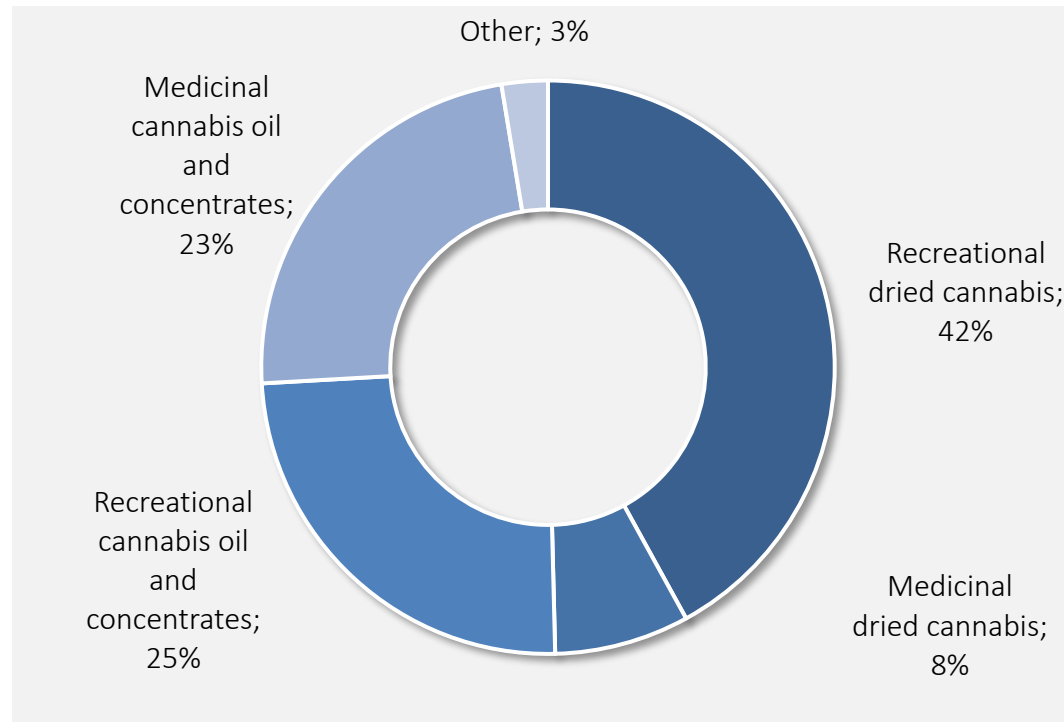
7.1%

Businesses

200

Industry: Products & Services Snapshot

- The announcement of the legalization of recreational cannabis has shifted production and demand away from medicinal cannabis, which has driven up prices significantly faster, almost to match the price of recreational cannabis.
- The illegal market of cannabis will remain a strong threat and will dampen revenue growth over the next five years. Competition is expected to intensify and the industry is expected to continue adjusting itself as it explores a new market.



Industry: Market Drivers

Regulations

In recent years, the loosening of government regulations on the sale and consumption of medical marijuana has resulted in surging demand for industry services. In 2019, the degree of government regulation affecting this industry is expected to decline, in line with the passage of the Cannabis Act in October 2018 and as edibles enter the market. This development is expected to represent a potential opportunity for the industry.

Number of Adults aged 65 and older

Individuals aged 65 and older are more likely to require medical marijuana products, as health conditions commonly treated with medical marijuana, such as Alzheimer's disease are particularly prevalent among members of this age group. As the population ages, demand for industry services will grow, resulting in revenue growth. The number of adults aged 65 and older is expected to increase in 2019.

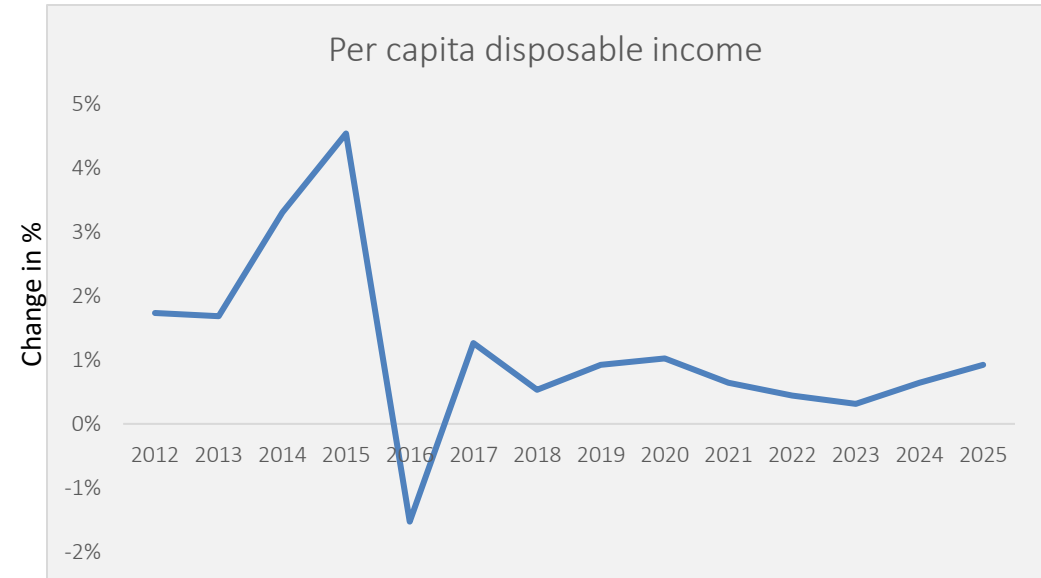
External competition

Providers of medical marijuana must compete with conventional healthcare services and products, as well as black-market alternatives, as the vast majority of marijuana in Canada is still sold illegally. External competition from traditional drug and healthcare providers, as well as from black market sources, is expected to grow in 2019, posing a potential threat to the industry.

Industry: Market Drivers

Per Capita Disposable Income

While demand for medicinal products that require a prescription is generally unaffected by fluctuations in overall consumer expenditure, many consumers pay out of pocket for industry products. As a result, the industry's medical cannabis services benefit from rising levels of disposable income and improving consumer conditions. Per capita disposable income is expected to increase in 2019.



Total Health Expenditure

Total health expenditure captures the total amount of private and public spending on healthcare services and products. Since a bulk of industry revenue is derived from the lucrative medical market, increases in health expenditure should place upward pressure on industry revenue. In 2019, total health expenditure is expected to rise.

Industry: Current Industry Performance

- The Cannabis industry in Canada has experienced several major shifts in industry regulations and public perception, sprouting numerous cultivation and processing operations in the process over the five years to 2019.
- When Cannabis Act was passed in October 2018, it paved the way towards fully developed Industry thereby legalizing production, distribution, sale, possession and consumption of cannabis products.
- Furthermore, while the industry has taken root in the medical marijuana market, opportunities abound in the blossoming recreational consumption market. The Cannabis Act, implemented on October 17, 2018, legalized recreational marijuana use domestically.
- The development of cannabis derivate products has also spurred greater consumer acceptance of medical and recreational marijuana. Cannabis derivates primarily take the form of oil, which can then be used for medical purposes in capsules and topical solutions for consumer applications in beverages and food, also known as edibles.



Industry: Key Trends

- As recreational marijuana is generally considered a discretionary purchase, the industry is projected to benefit from rising levels of disposable income.
- Over the next five years, per capita, disposable income is forecast to grow at an annualized rate of 0.6%, while total consumer spending is projected to increase in tandem during the same period.
- The market for medicinal marijuana will also experience substantial growth in the coming years, bolstered by the gradual aging of the Canadian population.
- The anticipated market acceptance of medical marijuana products as the industry focuses on the development of new products. This trend will lead to a growing number of people with health conditions that can be treated or alleviated with marijuana (e.g. cancer and glaucoma), as these conditions generally increase in incidence with age.
- A growing number of doctors and patients will turn to the unconventional treatment offered by medical marijuana for conditions such as arthritis, migraines and Alzheimer's disease.
- The growing prevalence of chronic health ailments, such as obesity and diabetes, will also augment demand for medical marijuana as industry operators continue to innovate and expand the medicinal potential of cannabis.

Industry: Legislation

- Overall, the Cannabis Production industry in Canada is subject to a high degree of regulation from government bodies.
- The Cannabis Act created a legal framework for controlling the production, distribution and consumption of recreational cannabis products in Canada.
- According to the law, individuals aged 18 and older would be able to legally possess up to 30.0 grams of dried cannabis, purchase cannabis products from provincially licensed retailers and grow up to four cannabis plants per residence
- Under the Cannabis Act, provinces and territories are largely responsible for overseeing the distribution and sale of cannabis products in their region thereby increasing the minimum age for recreational use, lower the possession limit within their region and create additional rules for growing cannabis at home.
- The provincial governments have limited the retail potential of cannabis to key provincial providers, similar to alcohol.
- in October 2019, edible marijuana products are set to become legalized, which will open up a new market.

Industry: Competitors

Company Name	Key Characteristics	Remarks
My Bud Place	Mail order Delivery	<ul style="list-style-type: none">• Wide variety of products available• Delivery through out Canada in all provinces• Does not operate any retail stores or restaurants• Same day delivery in Calgary
Calgary Weed Delivery	Home delivery	<ul style="list-style-type: none">• Wide variety of products• Delivery only within Calgary and surrounding areas within 30 minutes drive• Does not operate any retail stores or restaurants• Same day local deliveries
Canna Mobile	Mail order Delivery	<ul style="list-style-type: none">• Wide variety of products available• Delivery through out Canada in all provinces• Does not operate any retail stores or restaurants.• Promises same day delivery

Industry: SWOT

Strengths

- Excellent business model with diversified risk
- Experienced and passionate management
- Part of start-up investment already arranged
- Un-catered market of used book store and café
- Founders are good at relationship building.
- Relationship with suppliers is already established.

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Weaknesses

- Yet to finalize the locations
- Initial time and staffing constraints
- Competition from established players

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Opportunities

- Increasing the number of products
- Starting retail stores/restaurants in other location

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Threats

- Economic downturns due to uncertainties
- Change in regulations or license requirements

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Operating Plan

Company: Overview

Company Name : Company

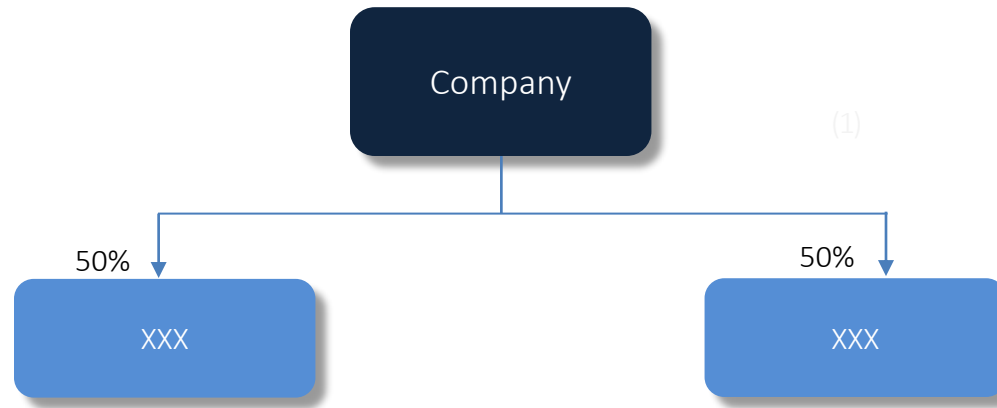
Address: XXXX

Products & Services: Branding, marketing, distribution and Retailing of Cannabis products

Target Clients: People in the age bracket of 19 to 65 years. The focus will be more on the clients in the metro areas.

Geographical Focus: Calgary & Surrey in the first 2 years. Gradual expansion across different geographies.

Management: XXXXX Founder and Chief Executive Officer; XXXX Co-Founder and Chief Financing Officer



Operating Plan: Overview



The company will drive its revenue from 3 channels

Online Sale of Cannabis

- For the initial few years, Company will sell on 3rd party platform like XXXX. While it is using the 3rd party platform, the company will set up a rewards platform. This platform will help in retaining the customer. This platform will also go a long way in creating Company's platform for selling its products. Rewards platform will be built before the launch. Adding ecommerce capabilities to the rewards app will be done in year 2.

Retail Sale of Cannabis

- Company will also open 2 stores. This first store will be in Calgary and 2nd will be in Surrey. Having a store will help company strengthen its brand.

Restaurant

- Company will also start a Quick Service Restaurant in year 4. At this restaurant, the company will make innovative menu items with cannabis.

Operating Plan: Sales Channel

Company will be selling its products through 3 sales channels – Online, Retail and Restaurant



Online Sale

Cannabis products will initially be sold on 3rd party online platforms and on our own platform from year 3 onwards.



Retail Sale

The company plans to launch a retail store in year 3. 2nd store will be started in year 4.



Restaurant

The company will start its restaurant in year 4 where cannabis food and beverages will be served.

Operating Plan: Products & Services

YES / SECURITIES

Cannabis Flower

Company will sell different packages of Cannabis flower with various THC concentrations.

Products



Extracts & Concentrates

Various extracts and concentrates will be innovated and sold on the platform as well as in retail stores.

Beverages & Edibles

After extensive research, Company will come up with various beverages and edibles with varying concentrations of THC.

Topical Products

Company will also introduce topical products.

Operating Plan: Geography



Operating Plan: **Partners**



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Operating Plan: Mission, Core Values, Goals

MISSION

To provide high-quality and affordable cannabis products all over Canada with a focus on timely delivery and excellent customer service

CORE VALUES

Highest Quality &
Innovative Products

Delivery Oriented

Customer-centric

GOALS

- ✓ To come up with innovative products
- ✓ To provide on-time delivery
- ✓ To provide excellent customer service
- ✓ To open 2 retail stores in 5 years
- ✓ To open 1 restaurant over the next 5 years
- ✓ To expanding to various geographies across Canada.
- ✓ To develop a loyalty program for customer retention.
- ✓ To achieve a revenue of XXX million in year 5.

Operating Plan: Licensing Requirement

Under the Excise Act 2001 License is required for.....

- ✓ cultivating (you grow cannabis products)
- ✓ producing (you produce cannabis products)
- ✓ packaging (you package cannabis products)

Since Company will be involved in packaging and selling the products, registration under the cannabis stamping regime is also a requirement. The license will be valid for 2 years.

Operating Plan: Licensing Requirement

Eligibility conditions for a cannabis license	Company Status
The company should not be the subject of a receivership of your debts	
The company should not have failed to comply with any Act of Parliament (other than the Excise Act, 2001) or of a provincial or territorial legislature that deals with the taxation or control of alcohol or tobacco, or any regulations under it in the past 5 years	
The company should not have acted to defraud her Majesty in the past 5 years	
Each individual involved must be at least 18 years of age	
Have a valid business address in Canada	
Provide a list of all premises that will be cultivating, producing and/or packaging cannabis products	
Have sufficient financial resources to conduct your business in a responsible manner	
Hold a valid license/permit from Health Canada issued under the Cannabis Act	
Provide a business plan (including a business industry overview, operating plan, financial plan or source of funds, and a sales and marketing plan)	
Provide acceptable security to cover one month of cannabis duty liability (minimum of \$5,000 and a maximum of XXXX)	

Operating Plan: Business Objectives

Strategic

Best and Vast Range of Products

Company will come up with various innovative and vast range of products by investing in research for the development of new products.

Innovative Solutions for higher customer retention

Develop an app for reward system. Develop delivery app integrated with google maps to allow fully automated delivery system. This will help in timely delivery of the products.

Operational

Incentive structure

Company will have an incentive structure for its drivers that will keep them motivated to provide on-time delivery and a good purchase experience.

App for ensuring timely delivery

To ensure on-time delivery, Company will prepackage its product to expedite delivery timelines, and also provide hourly updates to the driver with a detailed delivery map.

Operating Plan: Critical Success Factors

- 1 **Understanding government policies and communicating with authorities:** It is important for business in this industry to understand and comply with all the regulatory requirement
- 2 **Timely delivery of the product:** Building a reputation for the timely delivery of cannabis ordered online.
- 3 **Achieve economies of scale:** As the product being sold is elastic in nature, its pricing shall be important for the buyers. Hence it is important to achieve economies of scale and sourcing needs to be streamlined with business.
- 4 **Rapid expansion:** Considering the competition, and the objective of initially penetrating the market with a lower price, it will be essential for the company to rapidly expand to obtain a foot in the market.
- 5 **Product differentiation:** The company will be required to differentiate its product based on quality, price, or product innovation.
- 6 **Access to quality raw material:** Key to success shall lie in the company's ability to source high-quality raw materials as well as the timely supply of the same to offer a standard product throughout various places, it is essential that it has access to quality raw materials all the time.
- 7 **Ability to quickly adapt in line with consumer preferences:** As demand remains elastic, it is important to understand customer preferences. Customer satisfaction and addressing the ever-changing requirements of the customer shall be kept in mind while pricing the product as well as while extending the product line.
- 8 **Develop customer loyalty:** Being in the business of recreational and medicinal products, it is cost-effective to retain the existing customers, along with acquiring new customers. As cost of retention shall be lesser than acquisition. The existing customers shall be acting as a good source of positive publicity of the company's product while generating higher revenues for the company.

Operating Plan: Management Objective

Management Summary – Strategies/Objectives

List of Actions

Description

- Distinct product differentiation strategy
- Provide a quality product at lower prices for faster penetration.
- Build a reputation around product quality and customer service.
- Agility and Innovative marketing campaigns
- Achieve synergy through online and offline distribution and sales.
- Achieve economies of scale to offer better pricing and margins.
- Geographically Diversify.
- Research and development to extend product offerings.
- Ethical Business practices
- Obtain necessary licenses and regulatory permissions.
- Maintain good business relations with the identified suppliers.
- Identify routes to start a robust delivery business model.
- Establishing a user-friendly digital platform for orders and supplies.
- Recruit motivated, qualified and professional staff.
- Developing a Customer Loyalty program
- Identify locations to start retail stores and restaurants
- Keep the cost minimum by outsourcing non-core activities.

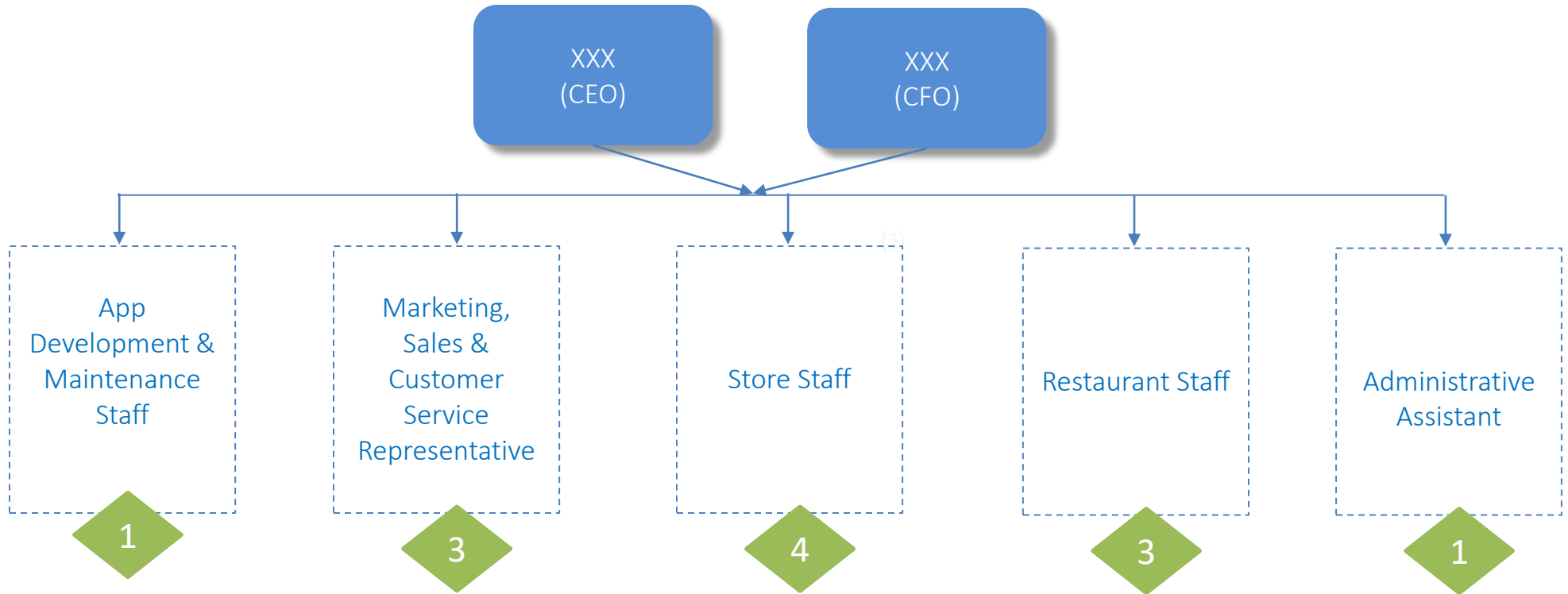
Operating Plan: Milestones



Operating Plan: Staffing Plan

Staffing Plan	2020	2021	2022	2023	2024
Management					
CEO	1.00	1.00	1.00	1.00	1.00
Salary	\$ -	\$ -	\$ 100,000	\$ 102,000	\$ 104,040
CFO	1.00	1.00	1.00	1.00	1.00
Salary	\$ -	\$ -	\$ 100,000	\$ 102,000	\$ 104,040
App Development & Maintenance Staff					
Number of employees		1.00	1.00	1.00	1.00
Salary per staff p.a.		\$ 63,000	\$ 64,260	\$ 65,545	\$ 66,856
Marketing, Sales & Customer Service Representative					
Number of employees		1.00	2.00	3.00	3.00
Salary per staff p.a.		\$ 35,904	\$ 36,622	\$ 37,355	\$ 38,102
Store Staff					
Number of employees	-	-	2.00	4.00	4.00
Salary per staff p.a.		\$ 31,680	\$ 32,314	\$ 32,960	\$ 33,619
Administrative Assistant					
Number of employees		1.00	1.00	1.00	1.00
Salary per staff p.a.		\$ 29,568	\$ 30,159	\$ 30,763	\$ 31,378
Restaurant Staff					
Number of employees				3	3
Salary per staff				\$ 31,680	\$ 31,680
Total Salaries	\$ -	\$ 128,472	\$ 432,291	\$ 639,251	\$ 650,135

Operating Plan: Organization Structure



Number of employees

Marketing Plan

Marketing Plan: Marketing and Pricing Objective

Marketing Objective

Creating Awareness

Company will have a presence in the community by holding events with giveaways and branded merchandise.



Acquiring new clients

When customers are made aware of the products through marketing efforts, new customers are acquired.



Establishing the Company Brand

The company aims at establishing Company as one of the reliable cannabis brands in the market.



Pricing Objective

Maximize Quantity

The pricing should be able to maximize the quantity sold.



Quality Leadership

While the primary objective is to price the product to maximize the quantity sold, the pricing should be able to sustain the highest quality.



Revenue maximization

The objective of pricing is to sell as much quantity as possible while staying competitive to maximize revenue.



Marketing Plan: Marketing Mix

Product/Services

Company will be offering cannabis flower, extracts and concentrates, beverages and edibles and topical products

Price

The initial pricing will be kept competitive to penetrate the market.



Promotion

The company will promote its services using digital marketing strategies that aim to create market presence, increase brand awareness, and help create industry recognition.

Place

The online sale of cannabis will be made available throughout Canada. Retail stores will be opened in Surrey and Calgary over the next 5 years. Company also plans to launch a restaurant in Calgary.

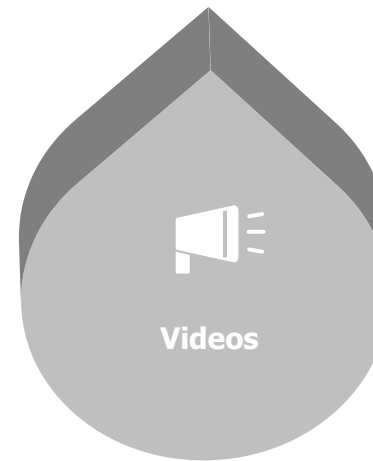
Marketing Plan: Key Elements

Company will hold social media contests that will enable them to build rapport, loyalty, and engagement with customers and followers.

Company will also collaborate with people that have considerable social media influence, audience, and authority.



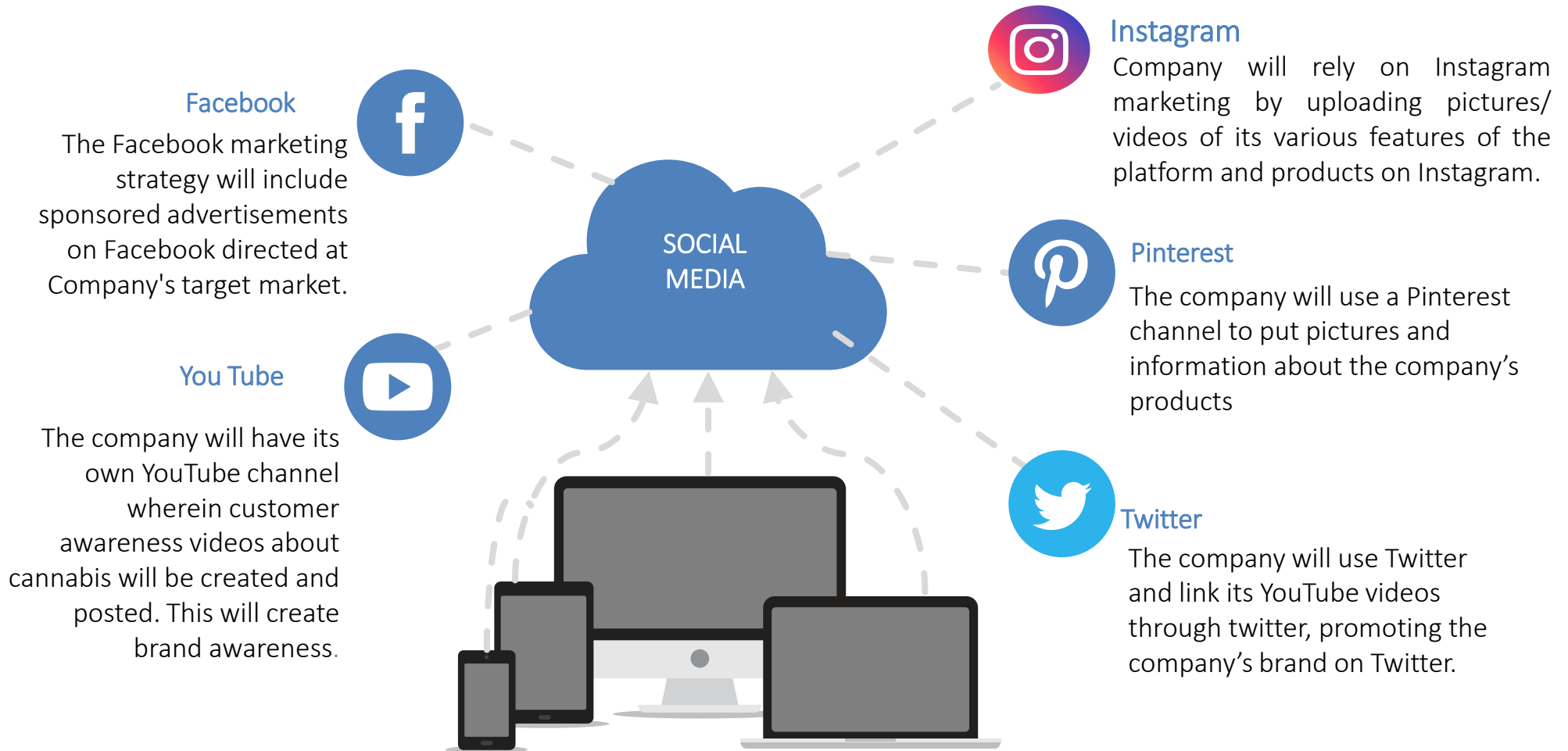
Company will create attractive and engaging profiles on Facebook, Instagram, and Twitter. These profiles will provide comprehensive information about the products of the company.



Company will create interesting videos about the uses of cannabis informing customers about the advantages of using cannabis and how to use it.



Marketing Plan: Marketing Strategy



Management Team

Management: Management Team



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Founder | CEO

XXXXX

XXX

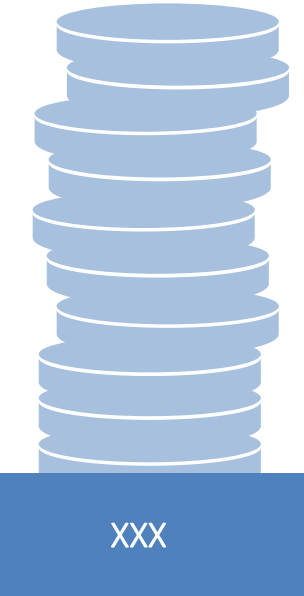
Co-Founder | CFO

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Sources and Uses of Funds

Financials: Capital Requirement

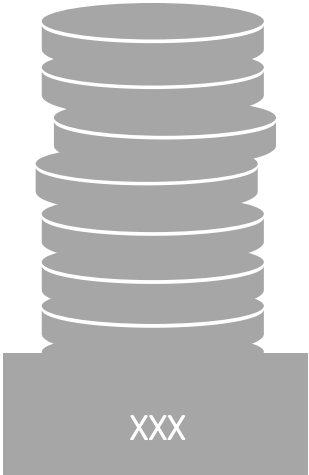
Company has a pre-operative capital requirement of XXXX. Founders will be bringing in this money.



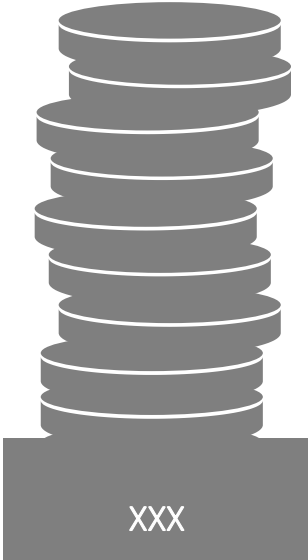
License Fees



Initial Marketing Fees



Rewards Program



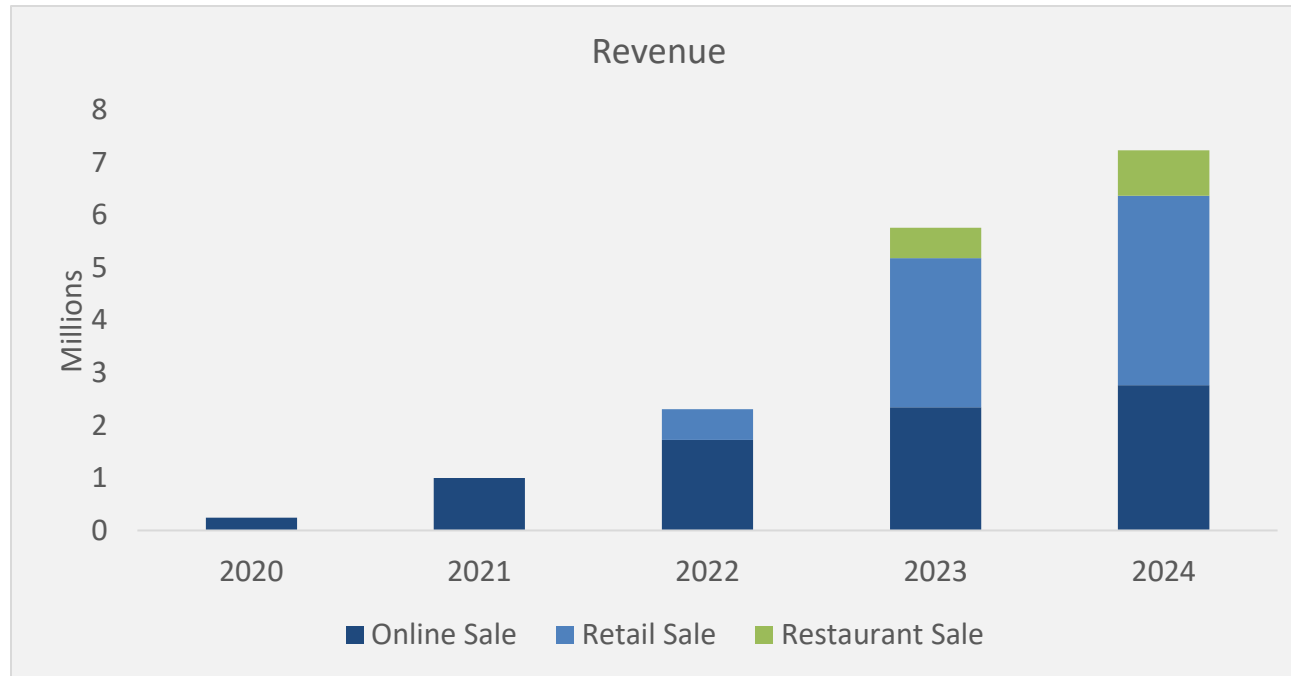
Product Development



Logo designing

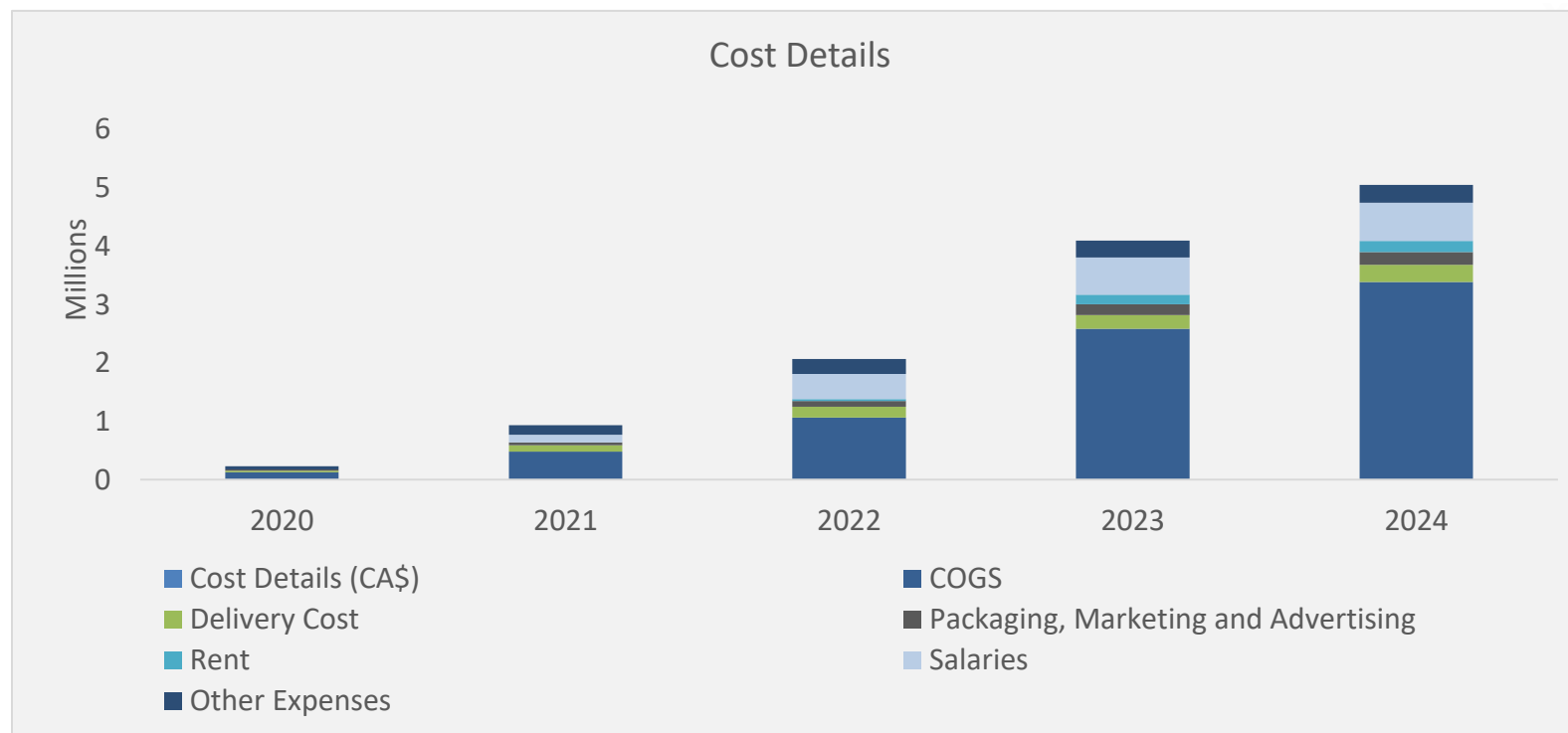
Financials

Financials: Revenue



Revenue (CA\$)	2020	2021	2022	2023	2024
Online Sale	\$ 242,800	\$ 1,000,358	\$ 1,719,683	\$ 2,342,845	\$ 2,763,112
Retail Sale	\$ -	\$ -	\$ 585,000	\$ 2,835,000	\$ 3,600,000
Restaurant Sale	\$ -	\$ -	\$ -	\$ 576,000	\$ 864,000
Total Revenue	\$ 242,800	\$ 1,000,358	\$ 2,304,683	\$ 5,753,845	\$ 7,227,112

Financials: Costs Details



Cost Details (CA\$)	2020	2021	2022	2023	2024
COGS	\$ 125,820	\$ 478,442	\$ 1,065,411	\$ 2,582,501	\$ 3,387,910
Delivery Cost	\$ 28,700	\$ 109,252	\$ 182,357	\$ 239,352	\$ 292,095
Packaging, Marketing and Advertising	\$ 17,740	\$ 51,429	\$ 101,149	\$ 182,186	\$ 218,512
Rent	\$ -	\$ -	\$ 30,000	\$ 162,000	\$ 193,440
Salaries	\$ -	\$ 128,472	\$ 432,291	\$ 639,251	\$ 650,135
Other Expenses	\$ 54,488	\$ 165,057	\$ 254,210	\$ 287,837	\$ 309,707
Total Expenses	\$ 226,748	\$ 932,653	\$ 2,065,418	\$ 4,093,128	\$ 5,051,799

Financials: Income Statement

Income Statement (Data in CA\$)	2020	2021	2022	2023	2024
Revenue					
Online Sale	\$ 242,800	\$ 1,000,358	\$ 1,719,683	\$ 2,342,845	\$ 2,763,112
Retail Sale	\$ -	\$ -	\$ 585,000	\$ 2,835,000	\$ 3,600,000
Restaurant Sale	\$ -	\$ -	\$ -	\$ 576,000	\$ 864,000
Total Revenue	\$ 242,800	\$ 1,000,358	\$ 2,304,683	\$ 5,753,845	\$ 7,227,112
COGS					
Online Sale	\$ 125,820	\$ 478,442	\$ 820,549	\$ 1,107,861	\$ 1,373,722
Retail Sale	\$ -	\$ -	\$ 244,862	\$ 1,186,641	\$ 1,582,188
Restaurant Sale	\$ -	\$ -	\$ -	\$ 288,000	\$ 432,000
COGS	\$ 125,820	\$ 478,442	\$ 1,065,411	\$ 2,582,501	\$ 3,387,910
Gross Profit	\$ 116,980	\$ 521,916	\$ 1,239,271	\$ 3,171,344	\$ 3,839,203
Gross Profit Margin	48.2%	52.2%	53.8%	55.1%	53.1%
Other Cost for Online Business Segment					
Delivery Cost	\$ 28,700	\$ 109,252	\$ 182,357	\$ 239,352	\$ 292,095
Packaging Cost	\$ 5,740	\$ 21,422	\$ 35,055	\$ 45,109	\$ 53,970
Commission to ecommerce website	\$ 24,280	\$ 100,036	\$ 128,976	\$ 93,714	\$ 82,893
Rent	\$ -	\$ -	\$ 30,000	\$ 162,000	\$ 193,440
Salaries	\$ -	\$ 128,472	\$ 432,291	\$ 639,251	\$ 650,135
Marketing Cost	\$ 3,000	\$ 25,007	\$ 61,094	\$ 132,077	\$ 159,542
Logo Design	\$ 1,500	\$ -	\$ -	\$ -	\$ -
Reward Program App Set-up cost	\$ 2,500	\$ -	\$ -	\$ -	\$ -
Product Development Cost	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
License & Other Fees	\$ 3,500	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000
Payment gateway charges	\$ 2,428	\$ 10,004	\$ 23,047	\$ 57,538	\$ 72,271
Utilities, Travel & Other Miscellaneous Exp	\$ 24,280	\$ 50,018	\$ 92,187	\$ 126,585	\$ 144,542
Total Operating Costs	\$ 100,928	\$ 454,211	\$ 1,000,007	\$ 1,510,627	\$ 1,663,889
Operating Profit	\$ 16,052	\$ 67,705	\$ 239,264	\$ 1,660,718	\$ 2,175,314
Operating Margin Margin	6.6%	6.8%	10.4%	28.9%	30.1%
Tax	\$ 4,334	\$ 18,280	\$ 64,601	\$ 448,394	\$ 587,335
Net Income	\$ 11,718	\$ 49,425	\$ 174,663	\$ 1,212,324	\$ 1,587,979

Financials: Cash Flow

Cash Flow Statent (Data in CA\$)	2020	2021	2022	2023	2024
Cash Inflow					
Revenue	\$ 242,800	\$ 1,000,358	\$ 2,304,683	\$ 5,753,845	\$ 7,227,112
Initial Investment	\$ 11,000	\$ -	\$ -	\$ -	\$ -
Total Cash Inflow	\$ 253,800	\$ 1,000,358	\$ 2,304,683	\$ 5,753,845	\$ 7,227,112
Cash Outflow					
COGS	\$ 125,820	\$ 478,442	\$ 1,065,411	\$ 2,582,501	\$ 3,387,910
Delivery Cost	\$ 28,700	\$ 109,252	\$ 182,357	\$ 239,352	\$ 292,095
Packaging Cost	\$ 5,740	\$ 21,422	\$ 35,055	\$ 45,109	\$ 53,970
Commission to ecommerce website	\$ 24,280	\$ 100,036	\$ 128,976	\$ 93,714	\$ 82,893
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Salaries	\$ -	\$ 128,472	\$ 432,291	\$ 639,251	\$ 650,135
Marketing Cost	\$ 3,000	\$ 25,007	\$ 61,094	\$ 132,077	\$ 159,542
Logo Design	\$ 1,500	\$ -	\$ -	\$ -	\$ -
Reward Program App Set-up cost	\$ 2,500	\$ -	\$ -	\$ -	\$ -
Product Development Cost	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
License & Other Fees	\$ 3,500	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000
Payment gateway charges	\$ 2,428	\$ 10,004	\$ 23,047	\$ 57,538	\$ 72,271
Utilities, Travel & Other Miscellaneo	\$ 24,280	\$ 50,018	\$ 92,187	\$ 126,585	\$ 144,542
Tax	\$ 4,334	\$ 18,280	\$ 64,601	\$ 448,394	\$ 587,335
Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Outflow	\$ 231,082	\$ 950,933	\$ 2,130,020	\$ 4,541,522	\$ 5,639,134
Net Cash Flow	\$ 22,718	\$ 49,425	\$ 174,663	\$ 1,212,324	\$ 1,587,979
Ending Cash Balance	\$ 22,718	\$ 72,143	\$ 246,806	\$ 1,459,130	\$ 3,047,109

Thank You