

Demographic Profile of Target Market

|                            | <b>Total</b>     | <b>Percent</b> |
|----------------------------|------------------|----------------|
| <b>Total population</b>    | 39700000         | 100%           |
| Male                       | 15890005         | 40%            |
| Female                     | 23810005         | 60%            |
| Under 5 years              | <b>2353395</b>   | 6%             |
| 5 to 9 years               | <b>884400</b>    | 2%             |
| 10 to 14 years             | <b>3587950</b>   | 9%             |
| 15 to 19 years             | <b>3898550</b>   | 10%            |
| 20 to 24 years             | <b>1637821</b>   | 4%             |
| 25 to 34 years             | <b>7580000</b>   | 19%            |
| 35 to 44 years             | <b>4293191</b>   | 11%            |
| 45 to 54 years             | <b>5728921</b>   | 14%            |
| 55 to 59 years             | <b>1124828</b>   | 3%             |
| 60 to 64 years             | <b>1737821</b>   | 4%             |
| 65 to 74 years             | <b>1937821</b>   | 5%             |
| 75 to 84 years             | <b>3382721</b>   | 9%             |
| 85 years and over          | <b>1548242</b>   | 4%             |
| <b>Total housing units</b> | <b>\$375,026</b> | <b>100%</b>    |

Financial Projections

Income Statement

|                                   | <b>FY 1</b>        | <b>FY 2</b>        | <b>FY 3</b>        | <b>FY 4</b>        | <b>FY 5</b>        |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Revenues                          |                    |                    |                    |                    |                    |
| <b>Total Revenues</b>             | <b>\$2,442,305</b> | <b>\$2,735,382</b> | <b>\$3,063,627</b> | <b>\$3,431,263</b> | <b>\$3,843,014</b> |
| <b>Expenses &amp; Costs</b>       |                    |                    |                    |                    |                    |
| <b>Cost of goods sold</b>         | <b>\$944,200</b>   | <b>\$1,057,504</b> | <b>\$1,184,404</b> | <b>\$1,326,533</b> | <b>\$1,485,717</b> |
| <b>Lease</b>                      | <b>\$505,000</b>   | <b>\$565,600</b>   | <b>\$633,472</b>   | <b>\$709,489</b>   | <b>\$794,627</b>   |
| <b>Marketing</b>                  | <b>\$53,000</b>    | <b>\$59,360</b>    | <b>\$66,483</b>    | <b>\$74,461</b>    | <b>\$83,397</b>    |
| <b>Salaries</b>                   | <b>\$163,112</b>   | <b>\$182,685</b>   | <b>\$204,608</b>   | <b>\$229,161</b>   | <b>\$256,660</b>   |
| <b>Initial expenditure</b>        | <b>\$10,000</b>    | <b>\$11,200</b>    | <b>\$12,544</b>    | <b>\$14,049</b>    | <b>\$15,735</b>    |
| <b>Total Expenses &amp; Costs</b> | <b>\$1,675,312</b> | <b>\$1,876,349</b> | <b>\$2,101,511</b> | <b>\$2,353,693</b> | <b>\$2,636,136</b> |
| <b>EBITDA</b>                     | <b>\$384,850</b>   | <b>\$431,032</b>   | <b>\$482,756</b>   | <b>\$540,687</b>   | <b>\$605,569</b>   |
| <b>Depreciation</b>               | <b>\$35,113</b>    | <b>\$39,327</b>    | <b>\$44,046</b>    | <b>\$49,331</b>    | <b>\$55,251</b>    |
| <b>EBIT</b>                       | <b>\$144,610</b>   | <b>\$161,963</b>   | <b>\$181,399</b>   | <b>\$203,167</b>   | <b>\$227,547</b>   |
| <b>Interest</b>                   | <b>\$22,312</b>    | <b>\$24,989</b>    | <b>\$27,988</b>    | <b>\$31,347</b>    | <b>\$35,108</b>    |
| <b>PRETAX INCOME</b>              | <b>\$17,563</b>    | <b>\$19,671</b>    | <b>\$22,031</b>    | <b>\$24,675</b>    | <b>\$27,636</b>    |
| <b>Net Operating Loss</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| <b>Use of Net Operating Loss</b>  | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| <b>Taxable Income</b>             | <b>\$74,430</b>    | <b>\$83,362</b>    | <b>\$93,365</b>    | <b>\$104,569</b>   | <b>\$117,117</b>   |
| <b>Income Tax Expense</b>         | <b>\$6,137</b>     | <b>\$6,873</b>     | <b>\$7,698</b>     | <b>\$8,622</b>     | <b>\$9,657</b>     |
| <b>NET INCOME</b>                 | <b>\$68,293</b>    | <b>\$76,488</b>    | <b>\$85,667</b>    | <b>\$95,947</b>    | <b>\$107,460</b>   |

Projected Balance Sheet

| <b>Pro Forma Balance Sheet</b>       |                  |                  |                  |
|--------------------------------------|------------------|------------------|------------------|
| Assets                               | Year 1           | Year 2           | Year 3           |
| Current Assets                       |                  |                  |                  |
| Cash                                 | \$344,121        | \$385,416        | \$423,957        |
| Accounts Receivable                  | \$24,417         | \$27,347         | \$30,738         |
| Inventory                            | \$7,015          | \$7,015          | \$7,015          |
| Other Current Assets                 | \$3,441          | \$3,391          | \$3,391          |
| <b>TOTAL CURRENT ASSETS</b>          | <b>\$378,994</b> | <b>\$423,169</b> | <b>\$465,101</b> |
| Long-term Assets                     |                  |                  |                  |
| Long-term Assets                     | \$9,755          | \$9,755          | \$9,755          |
| Accumulated Depreciation             | \$15,442         | \$17,295         | \$19,457         |
| <b>TOTAL LONG-TERM ASSETS</b>        | <b>\$24,420</b>  | <b>\$27,350</b>  | <b>\$30,769</b>  |
| <b>TOTAL ASSETS</b>                  | <b>\$403,414</b> | <b>\$450,519</b> | <b>\$495,870</b> |
| Liabilities and Capital              | Year 4           | Year 5           | Year 6           |
| Current Liabilities                  |                  |                  |                  |
| Accounts Payable                     | \$19,100         | \$21,392         | \$24,045         |
| Current Borrowing                    | \$0              | \$0              | \$0              |
| Other Current Liabilities            | \$0              | \$0              | \$0              |
| <b>SUBTOTAL CURRENT LIABILITIES</b>  | <b>\$18,300</b>  | <b>\$20,496</b>  | <b>\$23,038</b>  |
| Long-term Liabilities                | \$0              | \$0              | \$0              |
| <b>TOTAL LIABILITIES</b>             | <b>\$20,190</b>  | <b>\$22,613</b>  | <b>\$25,417</b>  |
| Paid-in Capital                      | \$21,213         | \$31,587         | \$32,954         |
| Retained Earnings                    | \$61,421         | \$66,949         | \$73,644         |
| Earnings                             | \$243,000        | \$264,870        | \$291,357        |
| <b>TOTAL CAPITAL</b>                 | <b>\$383,224</b> | <b>\$427,907</b> | <b>\$470,454</b> |
| <b>TOTAL LIABILITIES AND CAPITAL</b> | <b>\$403,414</b> | <b>\$450,519</b> | <b>\$495,870</b> |
| Net Worth                            | \$279,220        | \$304,350        | \$334,785        |

Cash Flow Statement

|                                       | FY1              | FY2              | FY3              | FY4              | FY5                |
|---------------------------------------|------------------|------------------|------------------|------------------|--------------------|
| <b>CASH FLOW FROM OPERATIONS</b>      |                  |                  |                  |                  |                    |
| Net Income (Loss)                     | \$24,416         | \$27,346         | \$30,627         | \$34,303         | \$38,419           |
| Change in working capital             | \$14,109         | \$15,802         | \$17,698         | \$19,822         | \$22,201           |
| Depreciation                          | \$24,290         | \$27,205         | \$30,469         | \$34,126         | \$38,221           |
| <b>Net Cash Flow from Operations</b>  | <b>\$14,276</b>  | <b>\$15,989</b>  | <b>\$17,908</b>  | <b>\$20,057</b>  | <b>\$22,464</b>    |
| <b>CASH FLOW FROM INVESTMENTS</b>     |                  |                  |                  |                  |                    |
| Investment                            | \$120,919        | \$0              | \$0              | \$0              | \$0                |
| <b>Net Cash Flow from Investments</b> | <b>\$120,919</b> | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>         |
| <b>CASH FLOW FROM FINANCING</b>       |                  |                  |                  |                  |                    |
| Cash from equity                      | \$0              | \$0              | \$0              | \$0              | \$0                |
| Cash from debt                        | \$412,891        | \$32,509         | \$32,509         | \$32,509         | \$32,509           |
| <b>Net Cash Flow from Financing</b>   | <b>\$412,891</b> | <b>\$32,509</b>  | <b>\$32,509</b>  | <b>\$32,509</b>  | <b>\$32,509</b>    |
| <b>Net Cash Flow</b>                  | <b>\$158,157</b> | <b>\$177,136</b> | <b>\$198,392</b> | <b>\$222,199</b> | <b>\$248,863</b>   |
| Cash at Beginning of Period           | \$0              | \$141,194        | \$348,794        | \$579,194        | \$8,388,991        |
| <b>Cash at End of Period</b>          | <b>\$141,194</b> | <b>\$348,794</b> | <b>\$579,191</b> | <b>\$838,594</b> | <b>\$1,146,734</b> |

