

 MARINE SERVICES &  
BROKERAGE LLC.

# BUSINESS PLAN

AUGUST- 2025



Prepared By  
WBS Management Consultants



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# Executive Summary



# 1. Executive Summary

## 1.1. Company Overview

ABC Marine Services and Brokerage LLC is a newly established company based in Abu Dhabi, United Arab Emirates, specializing in marine brokerage, marine services, specialist marine manpower supply, and marine chandlery. The business is founded and wholly owned by Mr. Leslie Bustard, a highly experienced professional with over 16 years of expertise in the UAE marine industry. Leveraging his extensive knowledge, strong industry relationships, and impeccable reputation, the company is poised to deliver high-quality, reliable, and specialized solutions to the maritime and offshore sectors.

The company will cater to the needs of clients such as the National Marine Dredging Company (NMDC), ADNOC, Saipem, Astra Engineering, and Target Engineering – organizations that demand efficiency, compliance, and expertise in all marine-related operations.

## 1.2. Business Concept and Activities

The core activities of ABC Marine Services and Brokerage LLC include:

- **Marine Equipment & Vessel Brokerage** – Facilitating the sale, purchase, and leasing of vessels, tugs, barges, and marine equipment.
- **Specialist Marine Manpower Supply** – Providing qualified seafarers, engineers, divers, and offshore crew to meet project-specific requirements.
- **Marine Technical Services** – Offering maintenance, repair, underwater welding, and inspection services to ensure vessels remain operational and compliant.



- **Marine Chandlery** – Supplying provisions, tools, spare parts, and safety equipment to vessels and offshore platforms.

This integrated service model positions the company as a one-stop solution for a variety of marine industry needs, offering clients convenience, efficiency, and trusted delivery.

### 1.3. Market Opportunity

The UAE's marine and offshore industries are experiencing consistent growth due to ongoing oil & gas projects, port expansions, and infrastructure developments. Abu Dhabi, in particular, has positioned itself as a key hub for maritime activity in the Gulf region. There is a significant demand for service providers who can deliver specialized manpower, technical expertise, and supply chain reliability.

ABC Marine Services and Brokerage LLC's competitive advantage lies in its founder's established relationships with major industry players, its ability to operate with agility due to a lean business model, and its capability to source and deploy skilled manpower efficiently.

### 1.4. Strategic Vision and Mission

**Vision:** To be a trusted, recognized, and preferred provider of comprehensive marine solutions in the UAE and Gulf region, known for integrity, safety, and professionalism.

**Mission:** To deliver exceptional marine services, manpower solutions, and supply provisions that support the operational success of clients in the maritime and offshore sectors, while fostering long-term partnerships based on trust and value creation.



## 1.5. Financial Outlook and Investment Plan

The company will commence operations with an initial capital investment of AED 500,000, fully self-funded by the owner. This investment will be allocated toward business licensing, website and brand development, office and warehouse setup, initial chandlery inventory, essential equipment procurement, marketing, and working capital for the first six months.

The business targets a monthly revenue of AED 100,000 in the first year, with an annual projection of AED 1.2 million and a targeted EBITDA margin of 20–25%. The anticipated breakeven point is within 18 months of operation, supported by lean cost structures and a focus on high-margin services.

## 1.6. Risk Management

While the marine industry is competitive, the company will mitigate risks by leveraging the founder's network, engaging in targeted marketing, securing early licensing, and maintaining clear payment terms with clients to protect cash flow.

## 1.7. Future Growth Plans

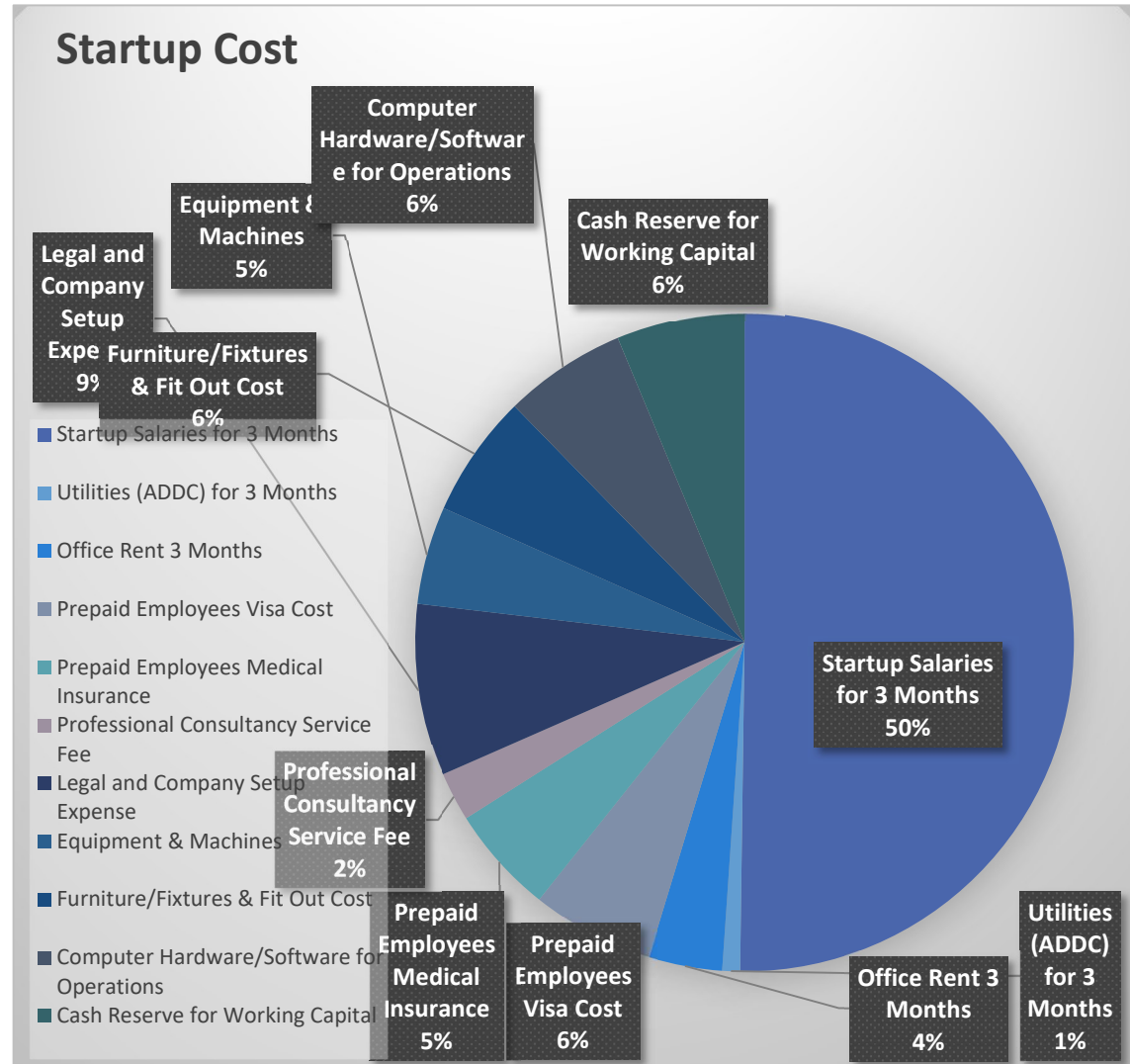
The long-term growth strategy includes expanding the chandlery inventory, building dedicated service teams, and opening a satellite branch in Fujairah or Ras Al Khaimah by Year 3. By Years 4–5, the company aims to diversify into vessel management and offshore consultancy services, further strengthening its market position.



## 1.8. Project Financial Highlights

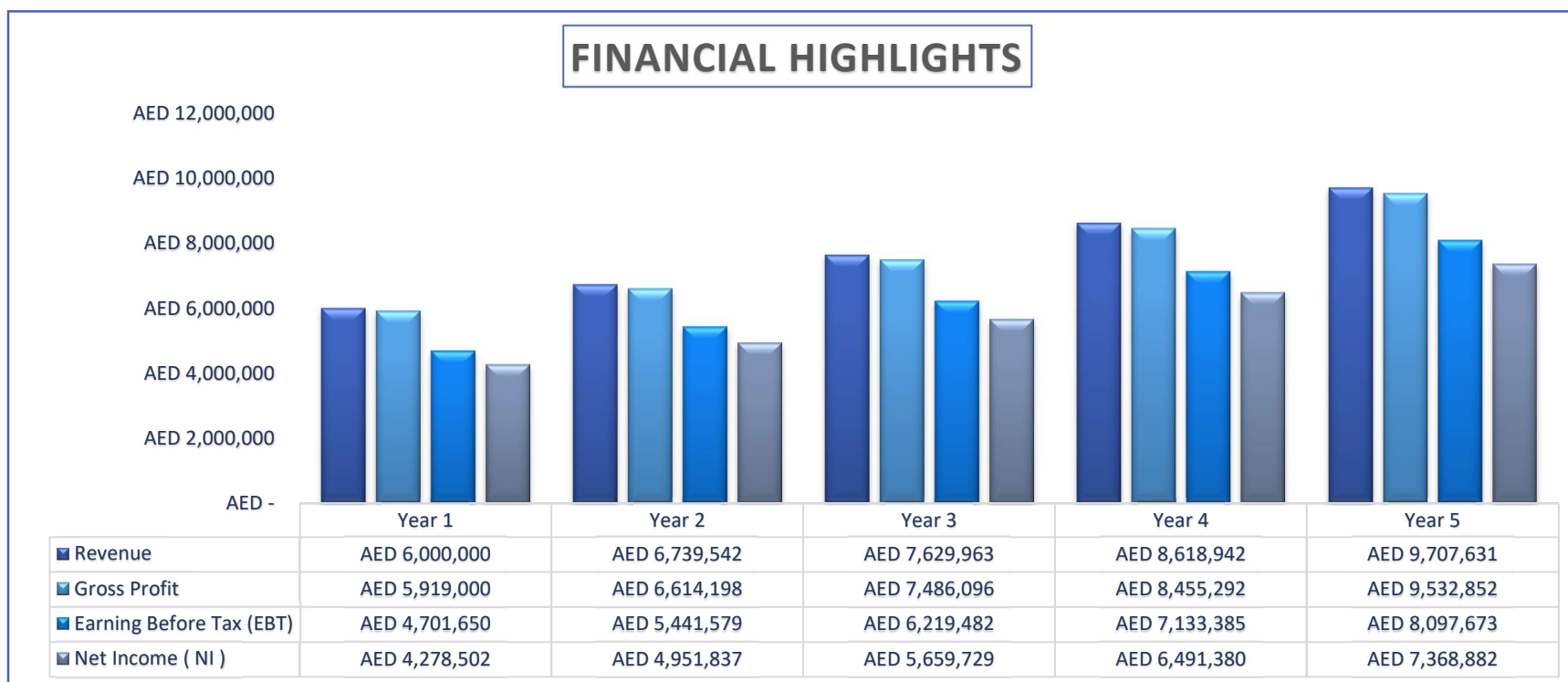
### Startup Cost Indicator - Key Performance Indicator (KPI)

Project Startup Expenses / Pre- Incorporation Expenses	
Start-up Expenses	Amount
Startup Salaries for 3 Months	AED 208,500
Utilities (ADDC) for 3 Months	AED 3,600
Utilities (Telephone & Internet) for 3 Months	AED 4,800
Office Rent 3 Months	AED 15,000
Office Supplies (Cleaning, etc.)	AED 3,000
Prepaid Employees Visa Cost	AED 25,000
Prepaid Employees Medical Insurance	AED 22,000
Entertainment Expense Office	AED 3,000
Business Cards/Stationery	AED 2,000
Brand Development & Promotion Cost	AED 30,000
Accounting & CRM Software	AED 10,000
Website Development Costs	AED 15,000
Professional Consultancy Service Fee	AED 10,000
Legal and Company Setup Expense	AED 35,000
<b>Total Start-up Expenses</b>	<b>AED 386,900</b>
Start-up Assets	Amount
Land & Building	AED -
Equipment & Machines	AED 20,000
Furniture/Fixtures & Fit Out Cost	AED 25,000
Computer Hardware/Software for Operations	AED 25,000
Security deposit (ADDC)	AED 2,000
Startup Inventory	AED 15,000
Security deposit (ADDC Deposit)	AED -
Cash Reserve for Working Capital	AED 26,100
<b>Total Start-up Assets - Capital Outflow</b>	<b>AED 113,100</b>
<b>Total Capital Requirement</b>	<b>AED 500,000</b>
Project Financing	Amount
Owner's Capital	AED 500,000





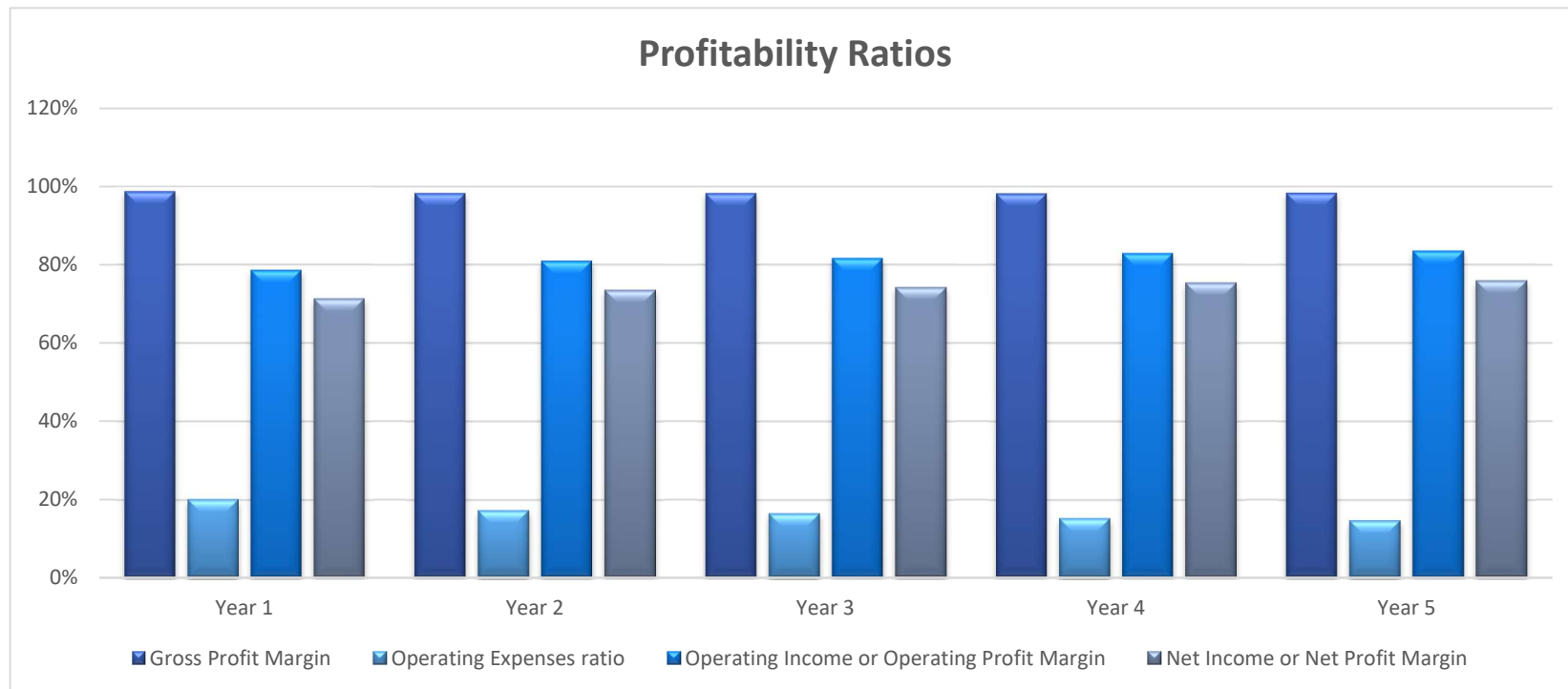
Projected Income Statement	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Forecast	Forecast	Forecast	Forecast	Forecast	
Revenue	AED 6,000,000	AED 6,739,542	AED 7,629,963	AED 8,618,942	AED 9,707,631	AED 38,696,078
Less: Cost of Revenue	AED 81,000	AED 125,344	AED 143,867	AED 163,650	AED 174,779	AED 688,640
<b>Gross Profit</b>	<b>AED 5,919,000</b>	<b>AED 6,614,198</b>	<b>AED 7,486,096</b>	<b>AED 8,455,292</b>	<b>AED 9,532,852</b>	<b>AED 38,007,438</b>
Less: Operating Expenses	AED 1,206,350	AED 1,163,669	AED 1,259,311	AED 1,315,929	AED 1,430,269	AED 6,375,528
<b>Earning Before Interest, Tax, Depreciation and Amortization (EBITDA)</b>	<b>AED 4,712,650</b>	<b>AED 5,450,529</b>	<b>AED 6,226,784</b>	<b>AED 7,139,362</b>	<b>AED 8,102,584</b>	<b>AED 31,631,910</b>
Less: Depreciation & Amortization	AED 11,000	AED 8,950	AED 7,303	AED 5,977	AED 4,911	AED 38,140
<b>Earning Before Interest and Tax (EBIT)</b>	<b>AED 4,701,650</b>	<b>AED 5,441,579</b>	<b>AED 6,219,482</b>	<b>AED 7,133,385</b>	<b>AED 8,097,673</b>	<b>AED 31,593,769</b>
Less: Finance Cost (Bank charges)	AED -	AED -	AED -	AED -	AED -	AED -
<b>Earning Before Tax (EBT)</b>	<b>AED 4,701,650</b>	<b>AED 5,441,579</b>	<b>AED 6,219,482</b>	<b>AED 7,133,385</b>	<b>AED 8,097,673</b>	<b>AED 31,593,769</b>
Less: Corporate Tax	AED 423,149	AED 489,742	AED 559,753	AED 642,005	AED 728,791	AED 2,843,439
Less: Zakat Expense	AED -	AED -	AED -	AED -	AED -	AED -
<b>Net Income ( NI )</b>	<b>AED 4,278,502</b>	<b>AED 4,951,837</b>	<b>AED 5,659,729</b>	<b>AED 6,491,380</b>	<b>AED 7,368,882</b>	<b>AED 28,750,330</b>





## Projected Income Statement -Key Performance Indicator (KPI) in % age

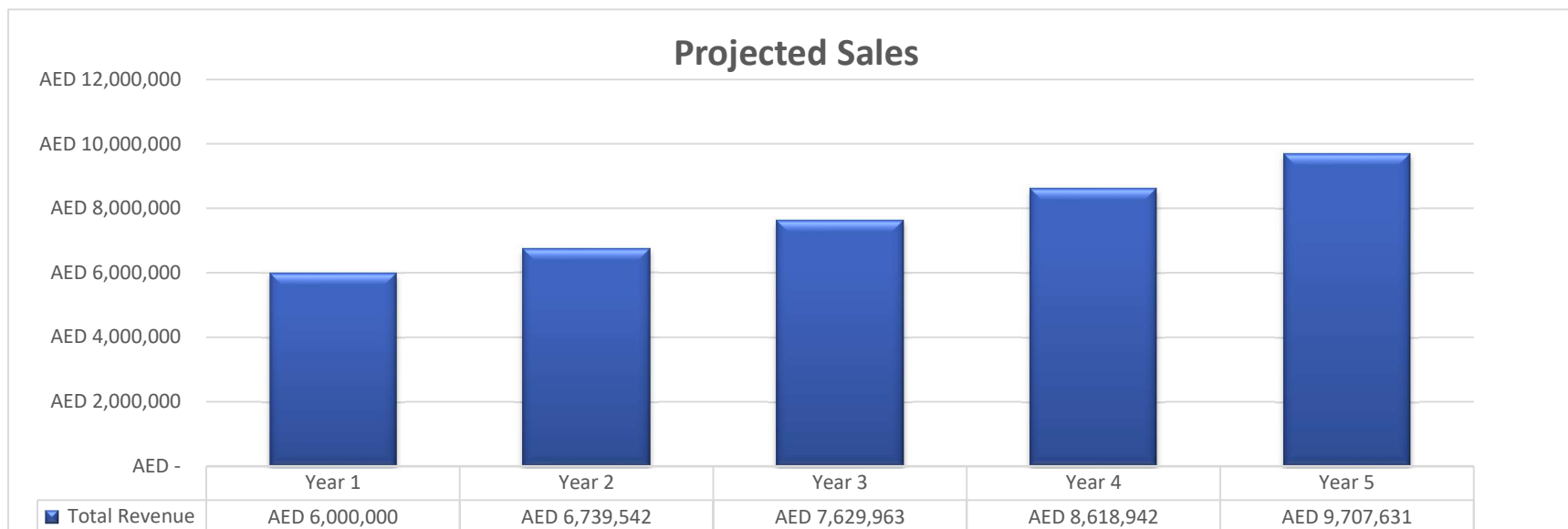
Key Financial Ratios	Year 1	Year 2	Year 3	Year 4	Year 5	Forecasted Average
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	
Revenue ratio	100%	100%	100%	100%	100%	100%
Cost of Revenue ratio	1%	2%	2%	2%	2%	2%
Gross Margin ratio	99%	98%	98%	98%	98%	98%
Operating Expense ratio	20%	17%	17%	15%	15%	16%
EBITDA ratio	79%	81%	82%	83%	83%	81%
Depreciation Expense ratio	0%	0%	0%	0%	0%	0%
Corporate Tax Expense ratio	7%	7%	7%	7%	8%	7%
Net Margin ratio	71%	73%	74%	75%	76%	74%





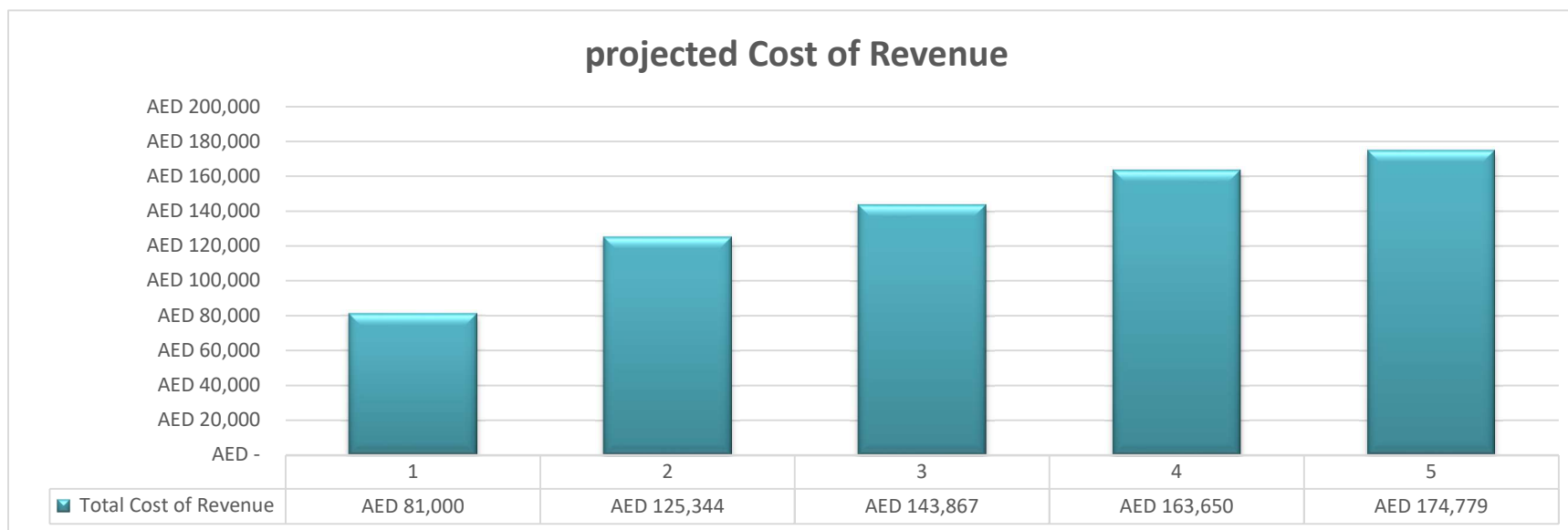
## Projected Revenue year by year

Projected Revenue by Year	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	
Marine Equipment & Vessel Brokerage	AED 1,200,000	AED 1,329,900	AED 1,517,454	AED 1,712,928	AED 1,916,600	AED 7,676,882
Specialist Marine Manpower Supply	AED 1,200,000	AED 1,350,360	AED 1,527,890	AED 1,723,666	AED 1,949,456	AED 7,751,372
Marine Technical Services	AED 1,200,000	AED 1,350,360	AED 1,527,963	AED 1,734,372	AED 1,949,456	AED 7,762,151
Marine Chandlery	AED 2,400,000	AED 2,708,922	AED 3,056,656	AED 3,447,976	AED 3,892,119	AED 15,505,673
<b>Total</b>	<b>AED 6,000,000</b>	<b>AED 6,739,542</b>	<b>AED 7,629,963</b>	<b>AED 8,618,942</b>	<b>AED 9,707,631</b>	<b>AED 38,696,078</b>



## Projected Cost of Revenue

Projected Cost of Revenue by Year	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	
Operational Staff Salaries	AED 81,000	AED 125,344	AED 143,867	AED 163,650	AED 174,779	AED 688,640
Direct Operational Cost	AED -	AED -	AED -	AED -	AED -	AED -
<b>Total</b>	<b>AED 81,000</b>	<b>AED 125,344</b>	<b>AED 143,867</b>	<b>AED 163,650</b>	<b>AED 174,779</b>	<b>AED 688,640</b>



### Projected Free Cash Flow Statement FCFF

Projected Cost of Revenue by Year	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
<b>Net Income ( NI )</b>	AED 4,278,502	AED 4,951,837	AED 5,659,729	AED 6,491,380	AED 7,368,882	AED 28,750,330
<i>Plus: Noncash Charges (NCC)</i>						
Depreciation & Amortization	AED 11,000	AED 8,950	AED 7,303	AED 5,977	AED 4,911	AED 38,140
Plus: Interest Expense x (1-Tax rate)	AED -	AED -	AED -	AED -	AED -	AED -
Less: Investment in Fixed Capital	AED (500,000)	AED -	AED -	AED -	AED -	AED (500,000)
Less: Investment in Working Capital	AED (7,875)	AED 14,484	AED (34,340)	AED (32,293)	AED (56,660)	AED (116,684)
<b>Total</b>	<b>AED 3,781,627</b>	<b>AED 4,975,271</b>	<b>AED 5,632,691</b>	<b>AED 6,465,065</b>	<b>AED 7,317,133</b>	<b>AED 28,171,787</b>



### Projected Income Statement KPI vs Industry Benchmarking in % age

Profitability Ratios	Industry Standard	Year 1 Forecasted	Year 2 Forecasted	Year 3 Forecasted	Year 4 Forecasted	Year 5 Forecasted
Gross Profit Margin	> 30%	99%	98%	98%	98%	98%
Operating Expenses ratio	10% - 15%	20%	17%	17%	15%	15%
Operating Income or Operating Profit Margin	> 10%	79%	81%	82%	83%	83%
Net Income or Net Profit Margin	> 5%	71%	73%	74%	75%	76%
Return on Assets ( ROA)	> 0.2	58.2	95.1	126.5	167.4	217.6
Return on Investment (ROI)	> 0.2	856%	990%	1132%	1298%	1474%
Return on equity (ROE)	> 0.2	90%	51%	37%	30%	25%
Return on Capital Employed (ROCE)	> 0.2	940%	114%	64%	46%	37%
Return on Invested Capital	> 0.2	856%	990%	1132%	1298%	1474%
Operating Cash Flow Ratio	> 1	#REF!	#REF!	#REF!	#REF!	#REF!
EBITDA Margin	>10%	79%	81%	82%	83%	83%
EBIT Margin	>10%	78%	81%	82%	83%	83%
Corporate Tax Ratio	< 5%	7%	7%	7%	7%	8%

### Balance Sheet Ratios - Key Performance Indicator (KPI)

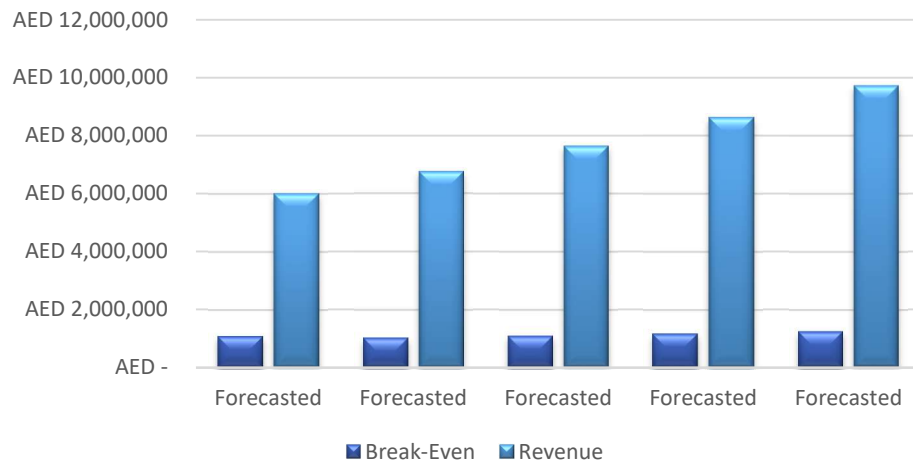
Key Financial Ratios	Industry Standard	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Current Ratio	> 1	7.6	12.7	17.3	21.5	25.3
Quick Ratio	> 1	7.6	12.7	17.3	21.5	25.3

### Projected Summary Sheet of Breakeven Analysis

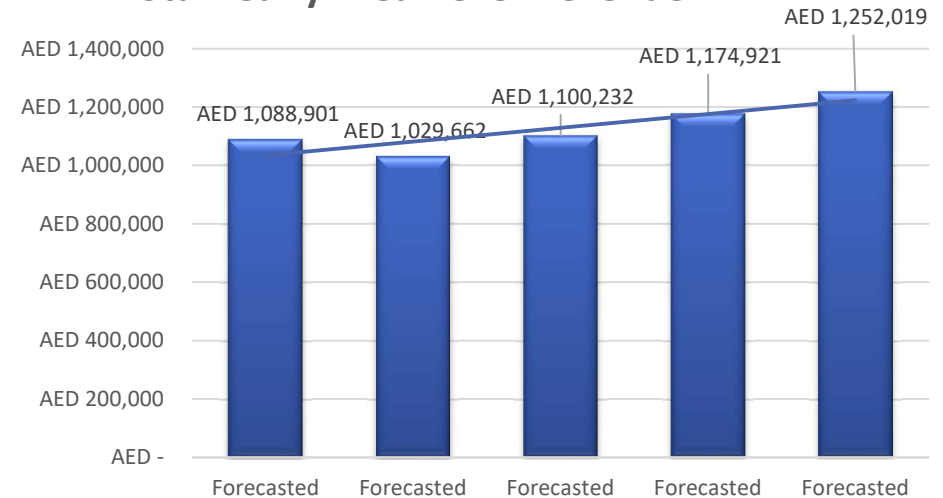
Multiproduct Breakeven	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Fixed Cost	AED 1,044,900	AED 974,592	AED 1,041,252	AED 1,119,232	AED 1,192,449
Weighted Average Selling Price	AED 17,000	AED 17,271	AED 17,742	AED 18,159	AED 18,508
Weighted Average Variable Cost	AED 687	AED 924	AED 951	AED 861	AED 881
Weighted Average Multiproduct Contribution Margin	AED 16,313	AED 16,347	AED 16,791	AED 17,298	AED 17,627
Weighted Average Multiproduct Contribution Margin Ratio	0.96	0.95	0.95	0.95	0.95
<b>Breakeven Point in Multiproduct (Revenue (No. of Deals) )</b>	<b>211 Deals</b>	<b>196 Deals</b>	<b>204 Deals</b>	<b>213 Deals</b>	<b>222 Deals</b>
<b>Weighted Average Breakeven Point in Multiproduct Revenue (in AED)</b>	<b>AED 1,088,901</b>	<b>AED 1,029,662</b>	<b>AED 1,100,232</b>	<b>AED 1,174,921</b>	<b>AED 1,252,019</b>



### Revenue vs Break-even



### Total Yearly Break-even revenue

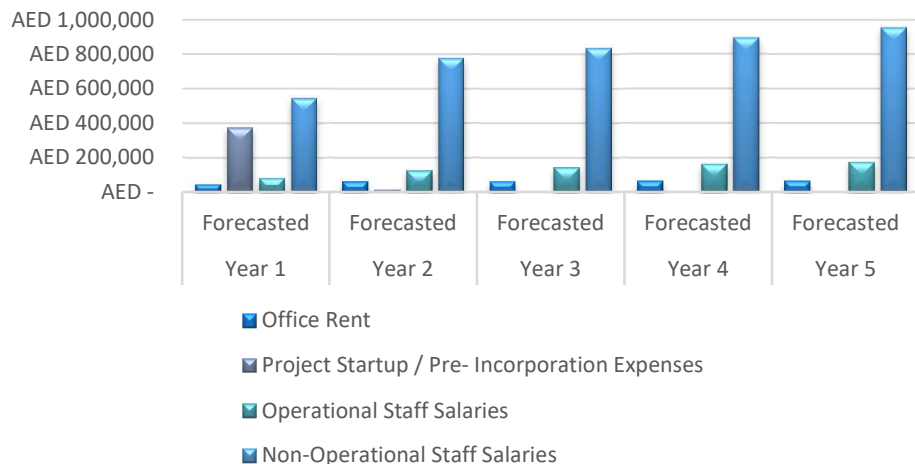


Yearly Breakeven Analysis in Amount (AED)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
-----Per Year-----					
Marine Equipment & Vessel Brokerage	AED 217,780	AED 203,181	AED 218,815	AED 233,504	AED 247,189
Specialist Marine Manpower Supply	AED 217,780	AED 206,307	AED 220,320	AED 234,968	AED 251,427
Marine Technical Services	AED 217,780	AED 206,307	AED 220,331	AED 236,427	AED 251,427
Marine Chandlery	AED 435,560	AED 413,867	AED 440,766	AED 470,023	AED 501,977
<b>Total Yearly Break-even Revenue</b>	<b>AED 1,088,901</b>	<b>AED 1,029,662</b>	<b>AED 1,100,232</b>	<b>AED 1,174,921</b>	<b>AED 1,252,019</b>

Normal Projected Yearly Revenue (AED)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
-----Per Year-----					
Marine Equipment & Vessel Brokerage	AED 1,200,000	AED 1,329,900	AED 1,517,454	AED 1,712,928	AED 1,916,600
Specialist Marine Manpower Supply	AED 1,200,000	AED 1,350,360	AED 1,527,890	AED 1,723,666	AED 1,949,456
Marine Technical Services	AED 1,200,000	AED 1,350,360	AED 1,527,963	AED 1,734,372	AED 1,949,456
Marine Chandlery	AED 2,400,000	AED 2,708,922	AED 3,056,656	AED 3,447,976	AED 3,892,119
<b>Total</b>	<b>AED 6,000,000</b>	<b>AED 6,739,542</b>	<b>AED 7,629,963</b>	<b>AED 8,618,942</b>	<b>AED 9,707,631</b>



### Fixed Cost (For Break-Even Analysis)



### Profitability Ratios



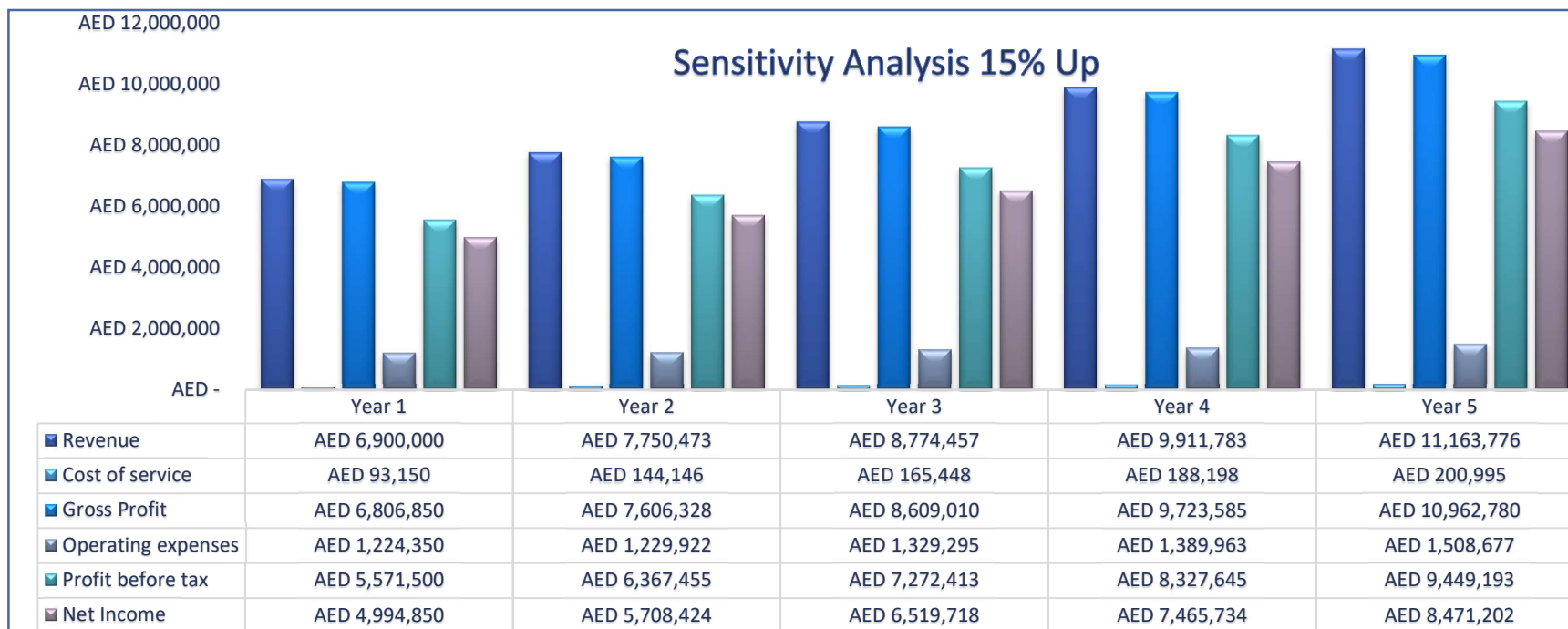
Yearly Breakeven Analysis in Revenue (No. of Deals)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
	-----Per Year-----				
Marine Equipment & Vessel Brokerage	4 Deals	4 Deals	4 Deals	4 Deals	5 Deals
Specialist Marine Manpower Supply	22 Deals	20 Deals	21 Deals	22 Deals	23 Deals
Marine Technical Services	11 Deals	10 Deals	11 Deals	11 Deals	11 Deals
Marine Chandlery	174 Deals	162 Deals	168 Deals	176 Deals	183 Deals
<b>Total</b>	<b>211 Deals</b>	<b>196 Deals</b>	<b>204 Deals</b>	<b>213 Deals</b>	<b>222 Deals</b>

### Project Risk Analysis 1 -Sensitivity Analysis

Description	Note	Low Value (85%)	Base Value (100%)	High Value (115%)
Weighted Average Price per Product (@ 15 %)		AED 14,450	AED 17,000	AED 19,550
Average Variable Cost per Product		AED 584	AED 687	AED 790
Advertising & Marketing		AED 114,572	AED 134,791	AED 155,009
Tax rate		8%	9%	10%
Average Profit After Tax		(4,768,613)	5,750,066	6,631,985

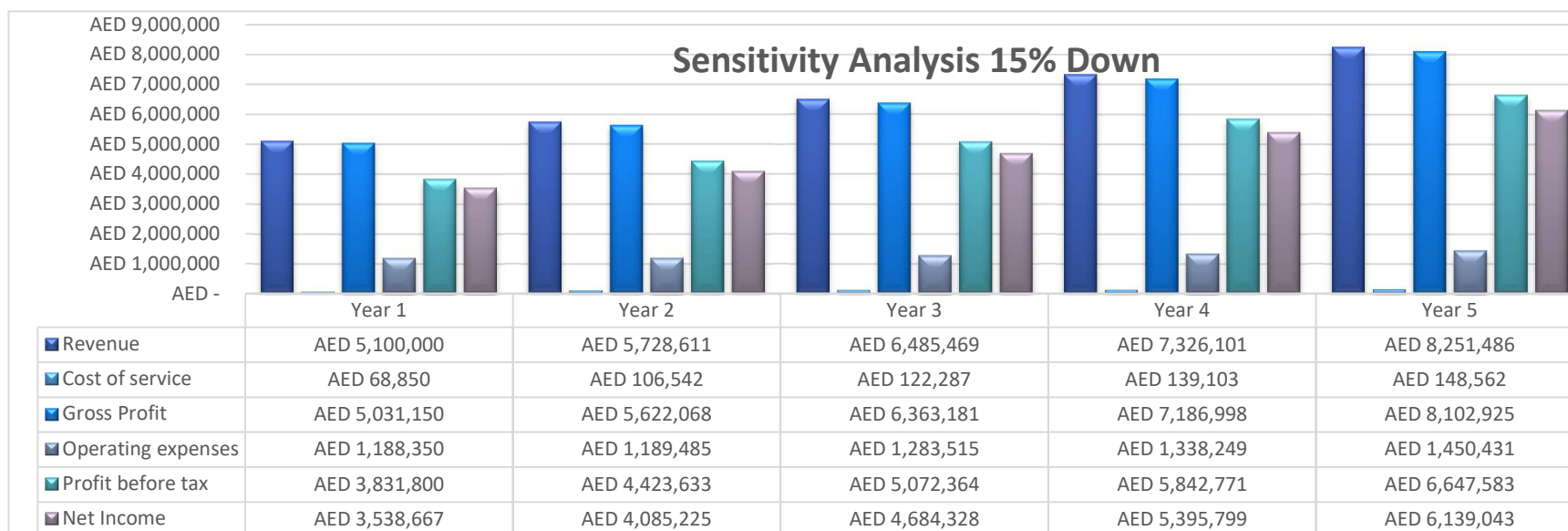


Sensitivity Analysis 15% Up	Year 1		Year 2		Year 3		Year 4		Year 5	
	Forecast		Forecast		Forecast		Forecast		Forecast	
Revenue	AED	6,900,000	AED	7,750,473	AED	8,774,457	AED	9,911,783	AED	11,163,776
Cost of service	AED	93,150	AED	144,146	AED	165,448	AED	188,198	AED	200,995
Gross Profit	AED	6,806,850	AED	7,606,328	AED	8,609,010	AED	9,723,585	AED	10,962,780
Operating expenses	AED	1,224,350	AED	1,229,922	AED	1,329,295	AED	1,389,963	AED	1,508,677
Profit before tax	AED	5,571,500	AED	6,367,455	AED	7,272,413	AED	8,327,645	AED	9,449,193
Net Income	AED	4,994,850	AED	5,708,424	AED	6,519,718	AED	7,465,734	AED	8,471,202





Sensitivity Analysis 15% Down	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue	AED 5,100,000	AED 5,728,611	AED 6,485,469	AED 7,326,101	AED 8,251,486
Cost of service	AED 68,850	AED 106,542	AED 122,287	AED 139,103	AED 148,562
Gross Profit	AED 5,031,150	AED 5,622,068	AED 6,363,181	AED 7,186,998	AED 8,102,925
Operating expenses	AED 1,188,350	AED 1,189,485	AED 1,283,515	AED 1,338,249	AED 1,450,431
Profit before tax	AED 3,831,800	AED 4,423,633	AED 5,072,364	AED 5,842,771	AED 6,647,583
Net Income	AED 3,538,667	AED 4,085,225	AED 4,684,328	AED 5,395,799	AED 6,139,043



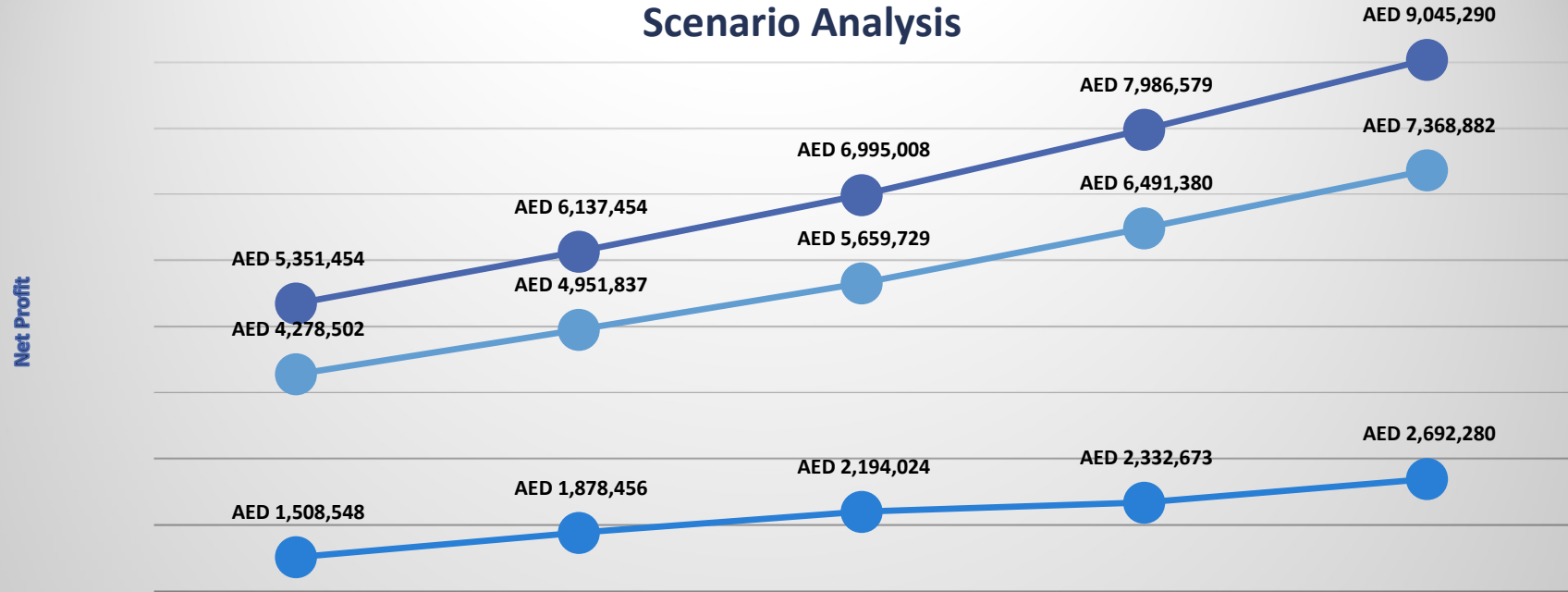
### Project Risk Analysis 2-Scenario Analysis

#### Net Income (Effect on Net Income in each Scenario Analysis)

Scenario	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
Best Case	AED 5,351,454	AED 6,137,454	AED 6,995,008	AED 7,986,579	AED 9,045,290
Base Case	AED 4,278,502	AED 4,951,837	AED 5,659,729	AED 6,491,380	AED 7,368,882
Worst Case	AED 1,508,548	AED 1,878,456	AED 2,194,024	AED 2,332,673	AED 2,692,280



## Scenario Analysis



	Year 1	Year 2	Year 3	Year 4	Year 5
Best Case	AED 5,351,454	AED 6,137,454	AED 6,995,008	AED 7,986,579	AED 9,045,290
Base Case	AED 4,278,502	AED 4,951,837	AED 5,659,729	AED 6,491,380	AED 7,368,882
Worst Case	AED 1,508,548	AED 1,878,456	AED 2,194,024	AED 2,332,673	AED 2,692,280

Best Case Base Case Worst Case



## 1.9. Business Financial Analysis

Based on the financial analysis, the proposed business is found to be financially Profitable, with a projected Internal rate of return on investment of 120 % over the period of five years.

### 1.9.1. Revenue Analysis

Annual Revenue growth has been projected over the period of 5 years from FY1 to FY5 with annual growth rate of Industry growth rate of 8.0%, by the amount of AED 6.00 million to AED 9.71 million.

Strong annual revenue Growth over the period of 5 years from FY1 to FY5 (YOY) from (+12% to +13%) along with CAGR that would be 10.10%.

### 1.9.2. Costs of Revenue & Operating expense Analysis

Costs of Revenue are 1% as AED 0.08 million and Operating expenses is 20% as AED 1.21 million in FY1 of the total operating revenue as AED 6.00 million.

Whereas it has been observed that the decreasing trend from 20% to 17% (YOY) for operating expenses from AED 1.21 million to AED 1.43 million as well as 1% - 2% showing the increasing trend for Costs of revenue as AED 0.08 million to AED 0.17 million over the forecasted period of 5 years from FY1 to FY5.

### 1.9.3. EBITDA analysis

ABC Marine Services and Brokerage LLC's large portion of total costs are of a variable nature. Management forecasts EBITDA to increase from AED 4.71 million in FY1 to AED 8.10 million in FY5, with margins improving from 79% to 83% over the same period by (YOY). From our discussions with Management, we understand this is based on the Forecast Period. It will use its capital effectively to



generate profit - EBITDA in the coming 5 years from as an annual growth rate of (YOY) 16% to 13% along with CAGR rate would be 11.45% over the period.

We believe the projected margin improvement is aggressive and might be challenging to achieve to the full extent of forecast and therefore like revenue adjustments.

#### **1.9.4. Net income Analysis**

We have projected the Net income margin over the period of 5 years from FY1 to FY5 with the growth rate of 16% to 14%(YOY).

It is anticipated that the forecasted period of Net income will be an average of 74% and it is increasing more proportionally as compared to Total operating revenue of 71% to 76% (YOY). However, total revenue is anticipated to improve by approximately 16% to 14% from AED 4.28 million to AED 7.37 million over the period of 5 years from (YOY) FY1 to FY5.

Growth in Annual Earnings or Net Income with increasing Profit Margin (YOY) from (+ 16 % to + 14 %) over the period of 5 years along with CAGR would be 11.49%.

#### **1.9.5. Current Assets & Current Liabilities Analysis**

Current Assets will be grown from AED 5.42 million to AED 30.42 million over the period of 5 years from FY1 to FY5 with the CAGR 41.21% whereas Current Liabilities from AED 0.71 million to AED 1.20 million will also be grown over the period of 5 years from FY1 to FY5 with CAGR 11.03% But the ratio of Current Assets to Current liabilities is very ideal which is more than 2 for the future funds flow position of the Company. Company has good current ratio over the period of 5 years (YOY)from +8 to +25.



These improvements in EBITDA results reflect Business still in its ramp up phase. When analyzing the Year-to-Date (YTD) FY1 to FY5 data points the same trend of higher rate continued for the ABC Marine Service vs. the competitive set, resulting in a higher KPIs.

## 1.10. Conclusion

ABC Marine Services and Brokerage LLC are uniquely positioned to capture a growing share of the UAE's marine service market. With an experienced leadership team, a diversified service portfolio, and a lean operational model, the company is expected to establish a profitable, reputable presence in the industry within its first two years, while laying the foundation for sustainable long-term expansion.



# Vision & Mission



## 2. Vision & Mission

### 2.1. Vision Statement

To be a trusted, recognized, and preferred provider of comprehensive marine solutions in the UAE and Gulf region, known for integrity, safety, and professionalism.

### 2.2. Mission Statement

To deliver exceptional marine services, manpower solutions, and supply provisions that support the operational success of clients in the maritime and offshore sectors, while fostering long-term partnerships based on trust and value creation.





**Company Profile**



### 3. Company Profile

Removed due to privacy concerns..



**Industry &  
Market Analysis**



## 4. Industry & Market Analysis

### 4.1. Global market – size, growth and key statistics

The global maritime and marine-services ecosystem remains large and growing modestly: global seaborne trade was ~**12.3 billion tonnes** in 2023 and is projected to grow ~2–2.5% p.a. over the next 5 years. Marine vessel and maritime logistics markets are substantial (tens to hundreds of billions USD), with continued investment driven by global trade, offshore energy activity, port expansion, and fleet renewal. The Middle East/GCC is a fast-growing regional hub for ports, logistics and offshore services, and the UAE – particularly Abu Dhabi – is actively investing in port infrastructure, logistics and energy-led marine activity, creating direct demand for brokerage, manpower supply, technical services and chandlery. ([UN Trade and Development \(UNCTAD\)](#), [Grand View Research](#), [IMARC Group](#))

#### 4.1.1. Market size & volume

- **Seaborne trade:** Global maritime trade grew to ~**12.3 billion tonnes in 2023** and UNCTAD projects average growth of ~**2.4% annually through 2029** (short-to-medium term baseline). This tonnage underpins demand for vessel operations, port services, offshore logistics and related support services. ([UN Trade and Development \(UNCTAD\)](#))
- **Marine vessel market:** Market research estimates the global **marine vessels market** was about **USD ~112 billion in 2024** and is forecast to grow at a CAGR of roughly **3–3.6%** toward the early 2030s (estimates vary by firm). This covers newbuilds, conversions and major equipment. ([Global Market Insights Inc.](#), [Grand View Research](#))



## Marine Vessels Market

Global Forecast (2025 – 2034)



### MARKET STATISTICS

Market Value (2024)

**\$112.3 BN**

Market Value (2034)

**\$155.4 BN**

CAGR (2025-2034)

**3.4%**



### COUNTRY STATISTICS

**U.S.**

Market Size (2024)

**\$12.7 BN**



### SEGMENT STATISTICS

**Commercial Vessel Segment**

Market Size (2024): **\$81.9 BN**

**Internal Combustion Engine (ICE) Segment**

Market Size (2024): **\$102.8 BN**

**Manual Segment**

Market Size (2024): **\$109.5 BN**

sales@gminsights.com

www.gminsights.com

- **Maritime logistics / marine services:** Broader marine-logistics and services market estimates vary by segmentation – several analysts put the global maritime-logistics / marine-services sector in the **hundreds of billions USD** (examples: maritime logistics market estimates ~USD 300–390 billion, while some marine services reports quote several hundred billion when aggregating vessel operations, port services, offshore services and support). Use caution: different reports use different scopes. ([Cognitive Market Research](#), [MarketResearch.com](#))



#### 4.1.2. Growth drivers & trends (global)

- **Global trade growth** (2–3% p.a.) and container demand, though cyclical, remain the structural driver for vessel activity and port throughput. ([UN Trade and Development \(UNCTAD\)](#))
- **Fleet renewal & ordering:** a spike in ship ordering in 2021–2022 and continuing modernization drives demand for technical services, repair, and brokerage. ([ScienceDirect](#))
- **Decarbonisation & environmental regulation:** IMO-driven measures (sulphur limits, GHG roadmap) are pushing retrofit, alternative fuels and new-spec vessels – creating work for technical services, supply chains for new equipment and specialized logistics. ([Economist Impact](#))
- **Digitalisation & automation:** remote monitoring, predictive maintenance, and vessel/port digitisation are rising investments; service providers that integrate tech can capture higher-value long-term contracts. ([Economist Impact](#))

**Implication for ABC Marine Services:** global tonnage and fleet renewals support steady demand for manpower, repair/maintenance, and chandlery. The push for sustainability and digital tools is a medium-term opportunity to add higher-margin services.



## 4.2. Regional: Middle East & GCC – market size, trends, and dynamics

### 4.2.1. Market size and investment

- **GCC freight & logistics:** The GCC freight & logistics market was estimated at ~**USD 172.1 billion in 2024** with a projected CAGR of ~**5.7%** to 2033 – reflecting heavy investment in ports and logistics infrastructure across the region. This underpins demand for marine support, offshore logistics and port services. ([IMARC Group](#))
- **Regional vessel / marine market:** The Middle East & Africa vessel market and service demand (newbuilds, repair, offshore support) is substantial – several market reports place the regional marine vessel market in the **low-to-mid single-digit billions USD** with growth driven by energy, construction and naval modernization. ([Ken Research](#))

### 4.2.2. Regional trends

- **Port expansion & national champions:** Gulf states are investing heavily in ports and logistics (e.g., UAE, Saudi Arabia, Qatar), with national port groups expanding regionally and internationally – these investments create sustained demand for chandlery, vessel services, crew and on-site technical support. ([GRC Programs](#), [Seatrade Maritime](#))
- **Offshore energy activity:** New offshore oil & gas developments and maintenance projects across the Gulf keep demand for specialist offshore services (divers, welders, support vessels) high. State energy company procurement (ADNOC and others) is a major local demand source. ([The Maritime Standard](#))



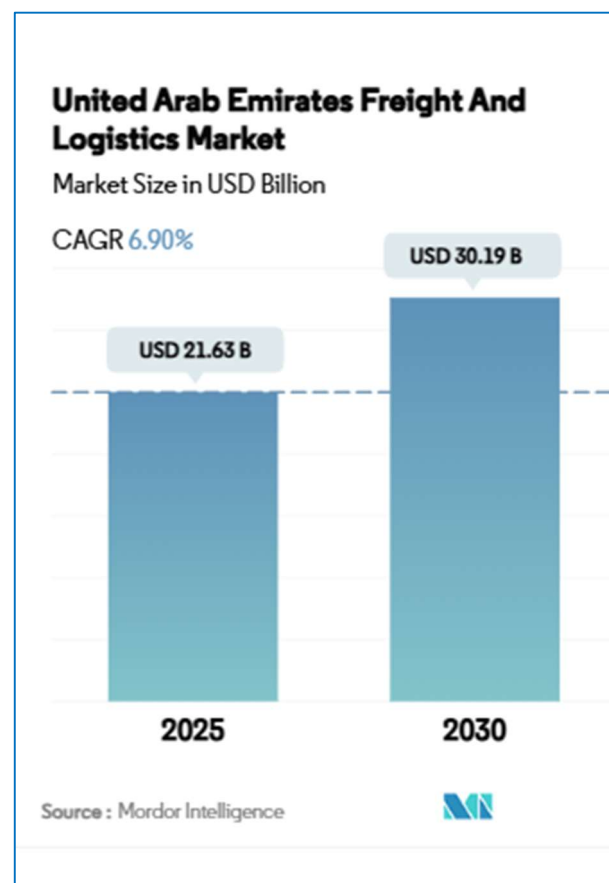
- **Regional consolidation & expansion by port firms:** AD Ports Group and other regional players have posted record results and expanded capability, signaling consistent activity for logistics and marine services suppliers. ([adportsgroup.com](http://adportsgroup.com))

**Implication for ABC Marine Services:** the GCC's active capital expenditure on ports and offshore projects creates immediate commercial opportunities for chandlery, manpower supply and technical services – especially for firms that can register on vendor platforms and meet HSE/compliance standards.

### 4.3. UAE market – National picture

#### 4.3.1. UAE national statistics & context

- **Contribution to economy:** The UAE's freight, ports and maritime value chain is a major contributor to non-oil GDP (AD Ports historically significant to Abu Dhabi's non-oil sector), and the logistics/maritime sector is a national strategic focus. Estimates place the maritime/logistics contribution to UAE GDP in the **tens of billions USD** (sectoral estimates vary; logistics is a major cluster). ([Mordor Intelligence](https://www.mordorintelligence.com), [adxservices.adx.ae](http://adxservices.adx.ae))
- **Port throughput & investment:** UAE port groups (Dubai, Abu Dhabi, Sharjah) continue capex and expansion (Khalifa Port expansions, new terminals, AD Ports acquisitions) – these expansions raise port throughput and





service demand (chandlery, technical maintenance, crewing). ([Mordor Intelligence](https://www.mordorintelligence.com), [adportsgroup.com](https://adportsgroup.com))

#### 4.3.2. Abu Dhabi specific

- **Strategic positioning:** Abu Dhabi has been climbing maritime city rankings and investing in port infrastructure and logistics platforms – AD Ports is expanding inland and internationally, and ADNOC/ADNOC L&S are major local buyers of marine services. Abu Dhabi’s projects and ADNOC-led offshore activity make it a target market for marine manpower, technical services, brokerage and chandlery. ([admaritime.ae](https://admaritime.ae), [The Maritime Standard](https://www.themaritimestandard.com))
- **Key local buyers:** ADNOC, NMDC and EPC contractors (Saipem, Target Engineering, Astra Engineering, etc.) are active in the emirate and award vendor contracts for manpower, vessels, chandlery and technical services. Vendor registration and ADNOC prequalification are important gating steps. ([The Maritime Standard](https://www.themaritimestandard.com), [adportsgroup.com](https://adportsgroup.com))

#### 4.3.3. UAE market opportunities & statistics (summary table)

Topic	Stat / Fact	Source
Seaborne trade (global reference)	Global seaborne trade ~12.3 bn tonnes (2023); projected ~2-2.4% p.a. growth.	UNCTAD Review of Maritime Transport 2024. ( <a href="https://www.unctad.org/en/publications-and-statistics/publications/review-of-maritime-transport-2024">UN Trade and Development (UNCTAD)</a> )
GCC freight & logistics market	GCC market ~USD 172.1 bn (2024), projected CAGR ~5.7% to 2033.	IMARC Group. ( <a href="https://www.imarcgroup.com">IMARC Group</a> )



<b>UAE maritime/logistics GDP impact</b>	Maritime/logistics sector contributes materially to non-oil GDP; port group (AD Ports) is a major local enabler.	Mordor Intelligence; AD Ports reports. ( <a href="https://www.mordorintelligence.com/industry-reports/uae-ports">Mordor Intelligence, adxservices.adx.ae</a> )
<b>Abu Dhabi investment &amp; activity</b>	AD Ports record growth & ADNOC Logistics growth signal robust local activity and procurement.	AD Ports annual/Q3 reports; ADNOC L&S releases. ( <a href="https://adportsgroup.com">adportsgroup.com</a> , <a href="https://www.themaritimestandard.com">The Maritime Standard</a> )

## 4.4. Demand drivers and service-specific

### Brokerage (vessels & equipment)

- **Driver:** fleet modernization, charter demand, and offshore project start/stop cycles. Global vessel market growth and regional purchases/charters mean brokerage demand for tugs, barges, workboats. Regional port investment also drives demand for harbor tugs and service craft. ([Grand View Research](#), [GRC Programs](#))

### Specialist manpower supply

- **Driver:** offshore project schedules, maintenance windows, and mandatory certifications (STCW, HSE). ADNOC and EPC projects require pre-qualified crews and certified specialists (divers, welders, ROV operators). Vendor lists and manpower procurement are critical. ([The Maritime Standard](#))



## Marine technical services (repair, underwater welding, inspections)

- **Driver:** fleet aging, regulatory inspections, and preventive maintenance programs – as well as retrofit work required by environmental rules (e.g., scrubbers, fuel systems). Technical services benefit from both recurring maintenance contracts and ad-hoc emergency jobs. ([Economist Impact](#))

## Chandlery & supplies

- **Driver:** port call frequency, offshore project logistics, and supply-chain reliability. Ports and ship-owners demand fast, compliant supply chains for spares, provisions and safety equipment – particularly where quick turnarounds reduce vessel idle time. ([Mordor Intelligence](#))

## 4.5. Key trends & risks to watch (market intelligence)

### 4.5.1. Trends

1. **Sustainability & retrofits:** IMO decarbonisation rules and fuel transitions will create retrofit and spare-parts demand, plus opportunities for green-marine services. ([Economist Impact](#))
2. **Digital & remote services:** investment in digital tools and remote monitoring will shift some service value to tech-enabled maintenance. ([Economist Impact](#))
3. **Regional port consolidation & expansion:** national champions (AD Ports, DP World, etc.) expand – creating larger, centralized procurement funnels (opportunity if vendor-registered). ([adportsgroup.com](http://adportsgroup.com), [smm-hamburg.com](http://smm-hamburg.com))



#### 4.5.2. Risks

- **Cyclicality:** oil price volatility (affects offshore projects) and global trade shocks can reduce near-term demand. ([UN Trade and Development \(UNCTAD\)](#))
- **Competition & scale:** Large regional players may undercut smaller firms on price or capacity for large tenders. Differentiation is key. ([Seatrade Maritime](#))
- **Regulatory gating:** ADNOC/AD Ports/vendor registration and compliance requirements are prerequisites to bidding on larger contracts. Early registration is necessary. ([The Maritime Standard](#), [adportsgroup.com](#))

#### 4.6. Market sizing summary & implication for ABC Marine Services (practical takeaways)

1. **Large addressable market:** The combined global marine vessel, logistics and services markets are large (from tens to several hundreds of billions USD depending on segmentation). In the Gulf, GCC freight & logistics alone exceeded **USD 170 billion (2024)** – so local demand exists for services. ([IMARC Group](#), [Cognitive Market Research](#))
2. **Near-term steady demand in UAE/Abu Dhabi:** Port expansions, ADNOC's activity and AD Ports growth create a steady pipeline of needs for manpower, technical services and chandlery. Getting vendor pre-qualifications (ADNOC, AD Ports) will be essential. ([adportsgroup.com](#), [The Maritime Standard](#))

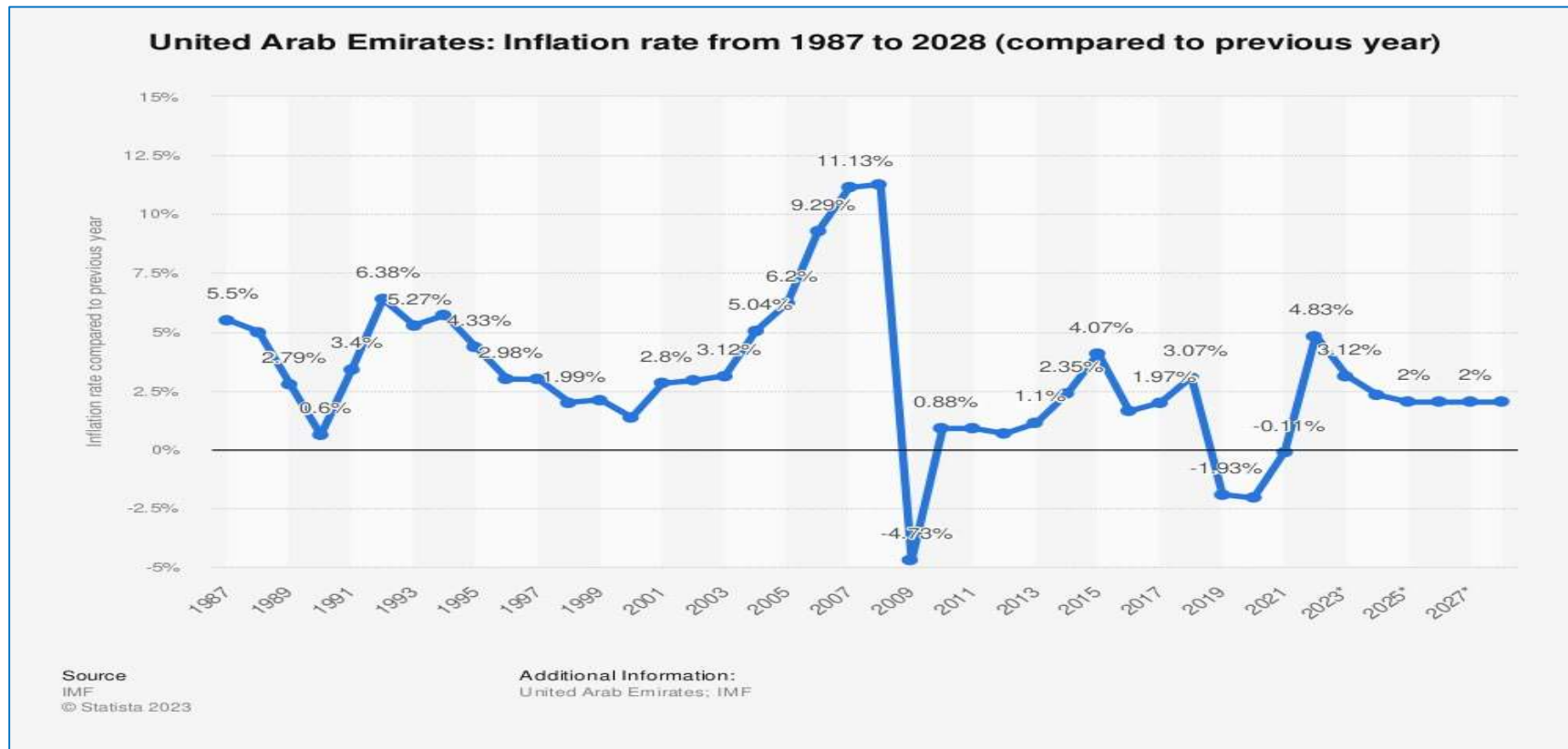


3. **Higher margins in specialist & compliance-driven services:** Technical services (underwater welding, inspections) and fast-response chandlery for emergency needs often command higher margins than basic supply. Investing in certifications and HSE will pay off. ([Economist Impact](#))
4. **Opportunity to differentiate:** Combining fast mobilization (24–48 hours), proven compliance, and technology-enabled inventory/dispatch can create a competitive position against larger but slower incumbents. ([Mordor Intelligence](#), [adportsgroup.com](#))



## 4.7. Inflation Rate UAE

In 2019, the inflation rate of the United Arab Emirates was at 1.93 percent compared to the previous year. For 2018, estimates show a sharp increase of over 3.07 percent, before inflation slumps back to around 2 percent in 2028.<sup>1</sup>



<sup>1</sup> United Arab Emirates - inflation rate 2028 | Statista



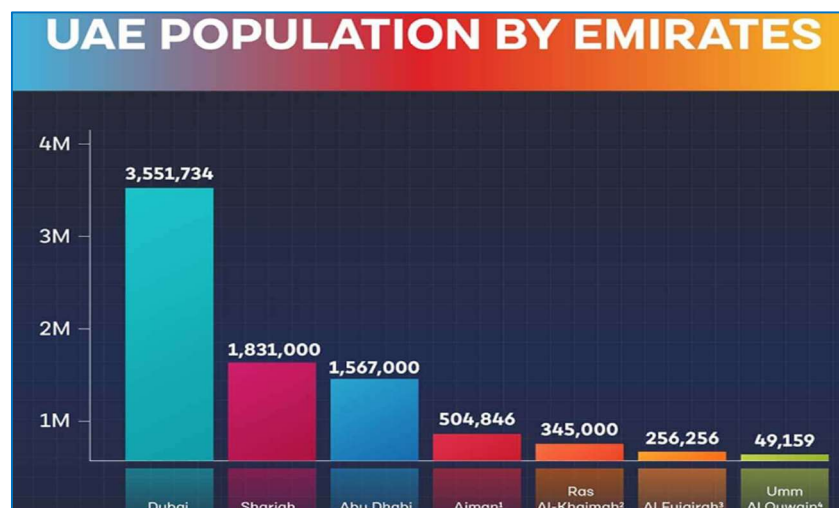
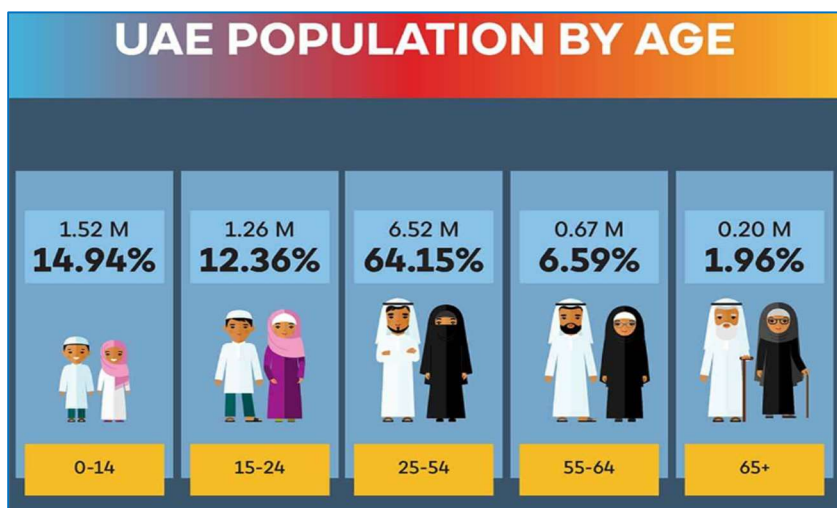
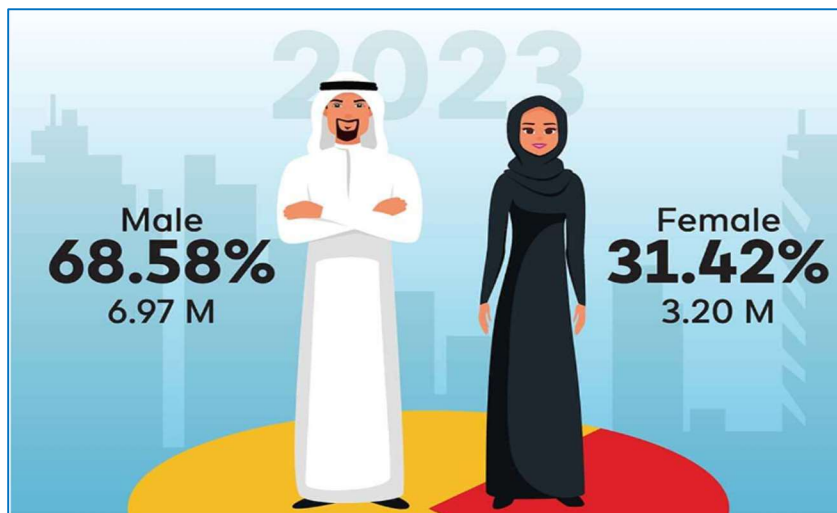
## 4.8. Population Statistics of UAE

### UAE Population 2024 (Key Statistics)

- ✦ According to statista, the population of UAE in 2024 is 10.24 Million.
- ✦ According to the official statistics by the Dubai Government, the Dubai population stands at 3.65 Million as of January 2024.<sup>2</sup>
- ✦ According to the research done by GMI, the total Expat population in UAE in 2024 stands at 9.06 Million.
- ✦ The total male population in UAE 2024 is 7.07 Million.
- ✦ The total female population in UAE 2024 is 3.17 Million.
- ✦ As of January 2024, the Indian population in UAE is 3.86 Million.
- ✦ As of December 2023, the population of UAE is 10.17 Million, a 0.89% increase from 2022, according to the research by GMI Team.
- ✦ According to the official statistics by the Dubai Government, the Dubai population stands at 3.64 Million as of December 2023.
- ✦ The population density of the UAE stands at 121.59 person Km<sup>2</sup> with most of the population residing in Abu Dhabi and Dubai.
- ✦ In 2023, the UAE's urban population is 8.91 million, and the rural population is 1.26 million.
- ✦ As of December 2023, the Indian population in UAE is 3.86 Million.

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<sup>2</sup> <https://www.globalmediainsight.com/blog/uae-population-statistics/#:~:text=The%20population%20of%20Abu%20Dhabi,is%20the%20least%20populated%20Emirate.>





# PESTEL Analysis



## 5. PESTEL Analysis

### 5.1. Political Factors

The UAE maintains a **stable political environment**, which is a critical advantage for marine and offshore businesses. Government stability encourages both domestic and foreign investment in maritime infrastructure and oil & gas projects. Abu Dhabi's government actively supports the maritime sector through policies that promote port expansion, dredging projects, and offshore exploration.<sup>3</sup>

The UAE is a signatory to international maritime conventions (such as IMO safety and environmental agreements), ensuring that local marine businesses must comply with globally recognized regulations. Political alliances and strong diplomatic relationships with major global economies (e.g., EU, USA, and Asia-Pacific) enhance trade opportunities.<sup>4</sup>

However, geopolitical tensions in the wider Middle East region could pose operational and supply chain risks, particularly in the Strait of Hormuz, a vital shipping route for oil and marine operations.

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<sup>3</sup> [UAE Ministry of Energy and Infrastructure - Maritime Affairs](#)

<sup>4</sup> [International Maritime Organization - Member States](#)



## 5.2. Economic Factors

The UAE's economy is **heavily driven by oil & gas** revenues, and Abu Dhabi holds the majority of the country's reserves. Investments in offshore oil fields, dredging, and marine logistics remain strong, supported by ADNOC's multi-billion-dollar expansion plans.<sup>5</sup>

The maritime industry benefits from the UAE's strategic geographic position between Europe, Asia, and Africa, making it a global logistics hub. The government's diversification strategy, **UAE Vision 2030**, includes significant investment in non-oil sectors such as maritime transport, shipbuilding, and tourism (cruise terminals, marina developments).<sup>6</sup>

Currency stability, pegged to the US Dollar, reduces exchange rate risks for international contracts. However, the marine sector is sensitive to fluctuations in global oil prices, which can directly impact demand for offshore services and marine manpower.

## 5.3. Social Factors

The UAE has a multicultural workforce, with a high dependency on expatriates for skilled and unskilled marine manpower. This allows marine service companies to access a **wide talent pool** for specialized positions such as offshore engineers, divers, and welders.<sup>7</sup>

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<sup>5</sup> [UAE Vision 2030 – Economic Diversification Plan](#)

<sup>6</sup> [ADNOC Project Updates](#)

<sup>7</sup> [Seatrade Maritime Middle East](#)



The country's emphasis on **health and safety standards** is embedded in its labor laws and industry regulations, creating demand for certified training and compliance in marine operations. Additionally, the growing public and governmental focus on **environmental sustainability** has increased expectations for eco-friendly operations, including reduced emissions and cleaner fuel usage.<sup>8</sup>

The rise in maritime-related events, exhibitions, and conferences (e.g., Abu Dhabi International Boat Show, Seatrade Maritime Middle East) also provides networking opportunities and market exposure for companies.

## 5.4. Technological Factors

The UAE maritime sector is adopting **advanced marine technologies**, including remote vessel monitoring systems, AI-based navigation tools, and automated port operations. This technological shift benefits companies that can integrate such solutions into their service offerings.<sup>9</sup>

ABC Marine Services and Brokerage LLC can leverage technology for:

- Vessel condition monitoring.
- Online brokerage platforms.
- Digital inventory management for chandlery services.
- Virtual training and certification for manpower.

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<sup>8</sup> [Abu Dhabi International Boat Show](#)

<sup>9</sup> [Abu Dhabi Ports - Digital Transformation](#)



Abu Dhabi Ports' ongoing **digital transformation initiatives** are encouraging private companies to enhance operational efficiency through data analytics and automation.<sup>10</sup>

## 5.5. Environmental Factors

Environmental compliance is becoming a **core requirement** in UAE marine operations. The government is aligning with International Maritime Organization's MARPOL regulations, mandating proper waste disposal, oil spill prevention, and emission control.<sup>11</sup>

There is an increasing push for sustainable fuel options, green shipping corridors, and offshore wind projects in the region. Marine service providers are expected to integrate eco-friendly practices in maintenance, supply, and vessel operations.<sup>12</sup>

Extreme weather conditions, such as high summer temperatures and occasional storms, can impact offshore schedules and operational planning. Coastal protection projects are also influencing dredging and marine construction demands.

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<sup>10</sup> [Lloyd's Register - Maritime Digitalisation](#)

<sup>11</sup> [IMO MARPOL Regulations](#)

<sup>12</sup> [UAE Ministry of Climate Change and Environment](#)



## 5.6. Legal Factors

Marine businesses in Abu Dhabi must comply with multiple regulatory bodies, including the **Department of Economic Development (DED)**<sup>13</sup>, the Federal Transport Authority – Land & Maritime, and ADNOC's vendor qualification process.

Key legal requirements include:

- Obtaining marine service licenses.
- Complying with labor laws governing offshore employment.
- Adhering to environmental protection laws and international maritime safety codes.

Intellectual property and contractual laws in the UAE provide strong protections for business transactions, which is critical for equipment sales, brokerage agreements, and service contracts. However, failure to comply with licensing or environmental regulations can result in fines, operational delays, or loss of contracts.<sup>14</sup>

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<sup>13</sup> [Abu Dhabi Department of Economic Development](#)

<sup>14</sup> [Federal Transport Authority – Maritime Affairs](#)



# Porter's Five Forces Analysis



## 6. Porter's Five Forces Analysis

### 6.1. Competitive Rivalry - High

The UAE's marine services market is competitive, with established players such as Gulftainer, Topaz Energy & Marine, and other regional marine service providers offering brokerage, chandlery, and manpower solutions. These companies have strong client bases, advanced infrastructure, and established reputations. For ABC Marine Services and Brokerage LLC, entering this space means competing on service quality, responsiveness, and niche specialization rather than scale. However, the founder's 16 years of industry experience and direct relationships with major clients like ADNOC and NMDC provide a competitive edge in securing initial contracts. The rivalry is intensified by the fact that many competitors compete for the same tenders and contracts, making differentiation through reliability and flexibility essential.

**Source:** [UAE Maritime Report - Seatrade Maritime](#)

### 6.2. Threat of New Entrants - Moderate

Starting a marine services company in the UAE requires substantial capital investment, licensing approvals, and vendor registrations (e.g., ADNOC prequalification). These barriers to entry reduce the likelihood of inexperienced competitors entering the market quickly. However, well-funded local or international firms can still enter if they have the necessary expertise and compliance credentials. The availability of subcontracted manpower also makes it easier for newcomers to offer certain services without heavy in-house infrastructure, which could slightly increase competition over time.

**Source:** [Abu Dhabi Department of Economic Development - Licensing Guidelines](#)



### 6.3. Bargaining Power of Suppliers – Moderate

In the marine industry, suppliers range from chandlery stock providers to specialist manpower agencies and equipment manufacturers. While chandlery items and generic marine supplies are readily available from multiple vendors, specialized equipment (e.g., offshore cranes, diving systems) often comes from a limited number of certified suppliers. This gives certain suppliers greater bargaining power, particularly for time-sensitive or compliance-driven projects. Maintaining multiple supplier relationships and strategic stockholding will help ABC Marine Services and Brokerage LLC manage this risk.

**Source:** [Lloyd's List – Supply Chain Trends in Maritime](#)

### 6.4. Bargaining Power of Buyers – High

Clients in the UAE marine sector – such as EPC contractors, oil & gas companies, and port authorities – are often large, well-funded organizations with strong procurement departments. They typically engage in competitive tendering and bulk purchasing, which increases their bargaining power. These buyers expect high service quality, compliance with international safety standards, and competitive pricing. However, ABC Marine Services and Brokerage LLC can mitigate buyer dominance by offering tailored, rapid-response solutions and leveraging the founder's existing relationships to secure long-term contracts that reduce price sensitivity.

**Source:** [ADNOC Supplier & Vendor Guidelines](#)



## 6.5. Threat of Substitutes – Low to Moderate

For marine services, direct substitutes are limited because offshore operations, vessel maintenance, and manpower supply require specialized skills and regulatory compliance. However, some functions – such as chandlery supply or crew sourcing – can be substituted by in-house procurement teams within large marine companies or by using international service providers. The growing adoption of automation and remote monitoring technologies in the maritime industry could eventually replace certain traditional manpower roles, though this shift is gradual in the UAE. Companies that integrate technology into their service delivery will be better positioned to counter this long-term threat.

**Source:** [Maritime Digitalisation & Automation Report - Lloyd's Register](#)



# Operational Plan



## 7. Operational Plan

The operational plan for **ABC Marine Services and Brokerage LLC** outlines the structure, processes, resources, and systems that will drive the company's day-to-day activities. It serves as the roadmap for delivering **marine brokerage, manpower supply, technical services, and chandlery operations** efficiently, profitably, and in compliance with UAE's stringent maritime regulations.

Given the company's diverse service portfolio, operations will be strategically designed to ensure **fast mobilization, quality assurance, and cost control**, while leveraging the founder's **16 years of experience** and established relationships in the UAE marine industry. This plan also integrates technology, supplier networks, and staffing strategies to ensure sustainable growth from the launch date of **August 31, 2025** onward.

### 7.1. Operational Objectives

The company's operational objectives are the measurable targets that will guide execution in its first phase of business:

Objective	Description	Timeframe	Key Success Measure
<b>Establish fully functional headquarters and warehouse</b>	Set up office and storage facility in Abu Dhabi	Within first 2 months	Operational readiness certificate, inventory in place
<b>Build operational systems and SOPs</b>	Create standard operating procedures for all service lines	Month 1-3	SOP manual completed and in use



<b>Ensure licensing and compliance</b>	Obtain all permits from ADDED, ADNOC vendor registration, and maritime authorities	By launch date	100% legal compliance
<b>Develop supply chain partnerships</b>	Secure contracts with chandlery suppliers, manpower agencies, and subcontractors	Month 1-6	5+ core supplier agreements signed
<b>Achieve fast mobilization readiness</b>	Ability to deploy manpower and supplies within 24-48 hours of client request	Month 3-6	First client deployment success

## 7.2. Location and Facilities

**Headquarters:** Abu Dhabi, United Arab Emirates

### Facilities Overview:

- **Office Space:** Serves as the company's administrative hub for management, sales, HR, and finance. Equipped with communication systems, secure servers, and client meeting areas.
- **Warehouse Facility:** Used for storage and dispatch of chandlery items, safety equipment, and technical tools. Designed for easy loading/unloading near port access.
- **Proximity Advantage:** Located within short driving distance to Abu Dhabi Ports, ADNOC facilities, and key marine client hubs, reducing operational downtime and delivery lead times.



Facility Type	Features	Benefits
Office	Meeting rooms, secure IT systems, dedicated client area	Professional image, efficient admin
Warehouse	Climate control for perishables, heavy-duty shelving, forklift access	Safe, organized, fast stock dispatch
Parking & Loading Area	Dedicated vehicle bays	Efficient goods handling

## 7.3. Core Operational Functions

### 7.3.1. Marine Brokerage Operations

- Maintain an up-to-date vessel and equipment portfolio through industry contacts and online listings.
- Facilitate sales, leasing, and charter agreements between ship owners and buyers/charterers.
- Ensure due diligence, including vessel inspection reports, ownership verification, and legal documentation.
- Use a CRM-integrated brokerage platform for client and asset tracking.

#### Operational Workflow:

- Receive client request.



- Match request to available assets in portfolio.
- Negotiate and finalize commercial terms.
- Arrange inspections and documentation.
- Oversee transaction completion.

### 7.3.2. Specialist Marine Manpower Supply

- Maintain a pre-qualified pool of crew, engineers, divers, and technicians with valid **STCW** certifications.
- Recruit both locally and internationally to meet specific client skill requirements.
- Provide end-to-end manpower services, including medicals, visa processing, and travel arrangements.
- Offer flexible contracts (short-term, long-term, project-based) to cater to EPC and oil & gas clients.

### 7.3.3. Key Compliance Measures

Requirement	Implementation
<b>STCW Certification</b>	Verified at recruitment stage
<b>ADNOC Onboarding</b>	Register all supplied personnel in ADNOC database
<b>HSE Training</b>	Mandatory for all offshore assignments



#### 7.3.4. Marine Technical Services

- Offer maintenance, repair, underwater welding, and inspection services.
- Maintain a pool of certified technicians and specialist subcontractors for niche jobs.
- Keep essential technical equipment in stock: welding kits, diving gear, inspection drones, and safety apparatus.
- Conduct preventive maintenance programs for clients' vessels to minimize downtime.

##### Service Delivery Steps:

- Site assessment.
- Job scope definition.
- Resource allocation (crew, tools, permits).
- Execution under HSE supervision.
- Client sign-off and reporting.

#### 7.3.5. Marine Chandlery Operations

- Stock provisions, safety gear, tools, and spare parts in line with IMO and MARPOL compliance.
- Implement **real-time inventory tracking** for accurate stock management.
- Provide delivery to vessels at port or offshore anchorage using fast-response logistics vehicles.
- Offer emergency replenishment within 24 hours for critical supplies.



Chandlery Category	Example Items
Provisions	Dry goods, beverages, fresh produce
Safety Gear	Life jackets, fire extinguishers, PPE
Tools & Equipment	Spanners, winches, ropes
Spare Parts	Engine components, filters, electronics

## 7.4. Staffing and Human Resources

### Year 1 Staffing Structure:

Position	Role	Employment Type
Founder / General Manager	Strategic oversight, client relations, operational leadership	Full-time
Admin & Operations Coordinator	Scheduling, documentation, licensing, HR support	Full-time
Logistics & Procurement Officer	Supplier management, inventory, deliveries	Full-time
Accountant	Bookkeeping, payroll, financial reporting	Outsourced (part-time)



<b>Technical &amp; Crew Teams</b>	Service delivery, vessel repairs, diving, inspections	Subcontracted/project-based
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#### HR Practices:

- Recruitment based on experience, certifications, and client references.
- Continuous professional development through training and industry certifications.
- Incentives linked to client satisfaction and project completion KPIs.

### 7.5. Compliance and Licensing

- Abu Dhabi Department of Economic Development (ADDED): Trade license for marine services.
- Federal Transport Authority - Maritime Affairs: Service approvals and vessel brokerage compliance.
- ADNOC Vendor Registration: Essential for bidding on oil & gas contracts.
- Insurance Coverage: Public liability, employer's liability, marine service liability.

### 7.6. Technology and Systems

- **ERP System:** For integrated inventory, finance, and procurement tracking.
- **CRM Platform:** For managing client relationships, leads, and contracts.
- **Digital Fleet Management:** For tracking vessel brokerage listings and crew deployments.
- **Online Booking and Inquiry Portal:** Linked to the corporate website for client convenience.



## 7.7. Supply Chain and Partnerships

- Multiple suppliers for chandlery goods to ensure price competitiveness and availability.
- Strategic partnerships with manpower agencies and technical service firms for overflow capacity.
- Collaboration with freight and logistics providers for offshore delivery capability.

## 7.8. Quality Control and Safety

- Standard Operating Procedures (SOPs) for every service line.
- Compliance with **ISO 9001** (Quality Management) and **ISO 45001** (Occupational Health & Safety) principles.
- Client feedback loops for service improvement.
- Regular safety audits and emergency drills for operational readiness.

## 7.9. Milestones for Year 1 Operations

Month	Milestone
Month 1	Office and warehouse setup complete
Month 2	Licensing and ADNOC vendor registration approved
Month 3	First chandlery and manpower supply contracts secured
Month 4	Technical service projects executed



<b>Month 6</b>	Achieve operational readiness for 24-hour deployment
<b>Month 12</b>	Hit AED 100,000 monthly revenue target

This operational framework ensures that **ABC Marine Services and Brokerage LLC** can launch with a strong foundation, serve high-value clients from day one, and scale operations efficiently while maintaining compliance and quality standards.



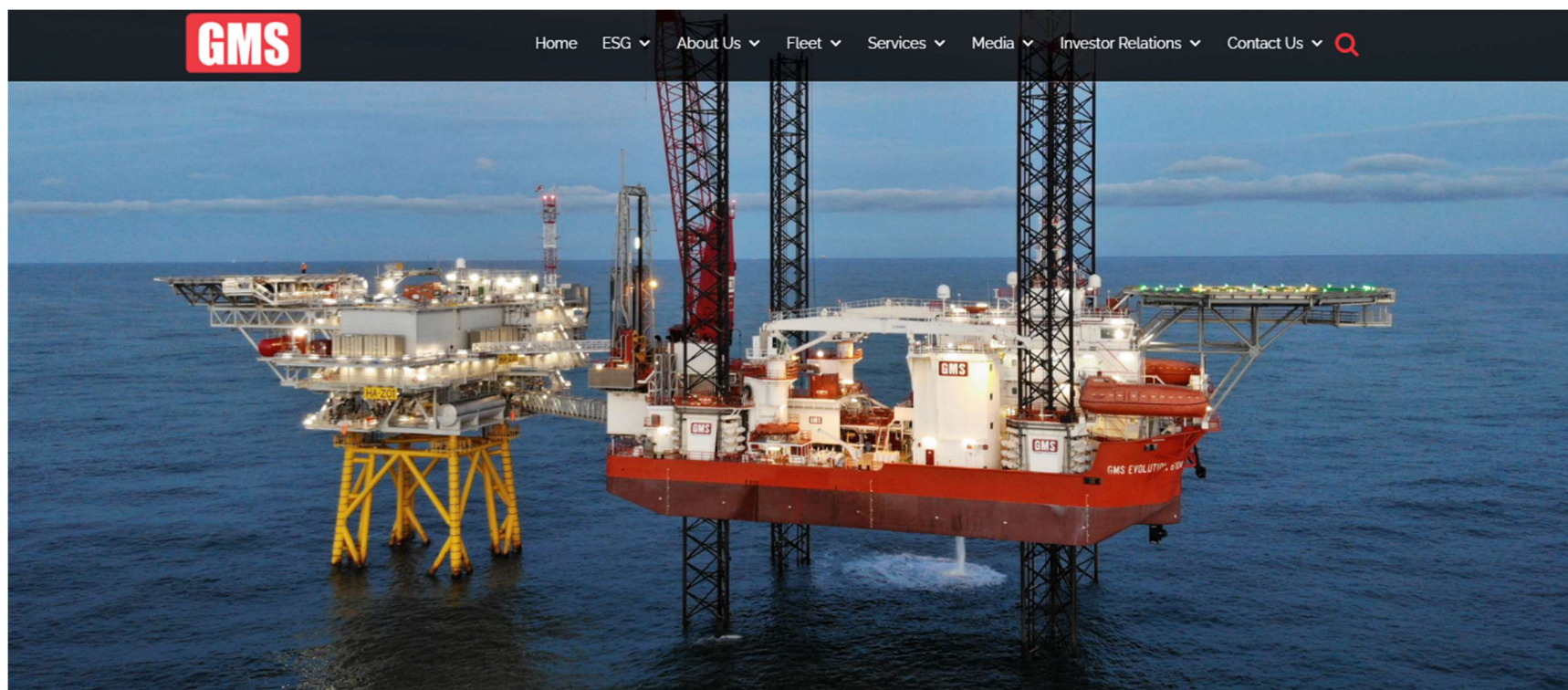
# Competitor Analysis



## 8. Competitor Analysis

### 8.1. Gulf Marine Services (UAE)

**Overview:** Gulf Marine Services (GMS) is a UAE-based offshore support contractor founded in Abu Dhabi in 1977. GMS is today the largest privately-owned marine services firm in the UAE. It operates a modern fleet (built in its own Mussafah shipyard) of elevated support vessels – eight self-propelled jack-up “accommodation” barges and two anchor-handling AHTS vessels. (GMS is owned by Gulf Capital and has global operations, but its principal area is the Arabian Gulf.)







- **Competitive Edge:** GMS's core differentiation is its fleet of self-elevating support vessels (SESVs) and in-house yard. Having its own shipyard gives GMS cost and quality control advantages during newbuilds. Its SESV fleet (jack-ups) shares common design and class, enabling uniform training and very high availability. GMS also markets its flexibility (vessels can self-propel over long distances without tug) and strong safety record.
- **Services Offered:** GMS provides offshore accommodation and support services - notably onshore/offshore well maintenance, platform construction and decommissioning projects. In practice this means hiring out jack-up accommodation rigs and AHTS support vessels to oil-and-gas operators. (GMS *does not* offer chandlery or crew-supply per se; its focus is vessel charter and project support.) Pricing is by charter contract; specific rates aren't publicly listed.
- **Strengths:** Its sizable SESV fleet and dedicated shipyard give GMS scale and reliability. The company consistently reports virtually zero unplanned downtime due to its uniform fleet and rigorous HSE programs. GMS's established relationships (through Gulf Capital) and track record on ADNOC-scale projects (e.g. offshore island construction) enhance its reputation. It is ISO-certified (for quality, safety and environment) and often awarded long-term charters by major oil companies.
- **Weaknesses:** GMS is highly specialized in jack-ups and anchor handlers, so it lacks business diversity (e.g. it offers *no* chandlery or manpower-supply services). Its fortunes are tied to the offshore oil-gas cycle; a downturn in E&P activity can leave its niche assets underutilized. The fleet is modern but limited (8+2 vessels), so GMS cannot service multiple very large simultaneous projects without expansion.




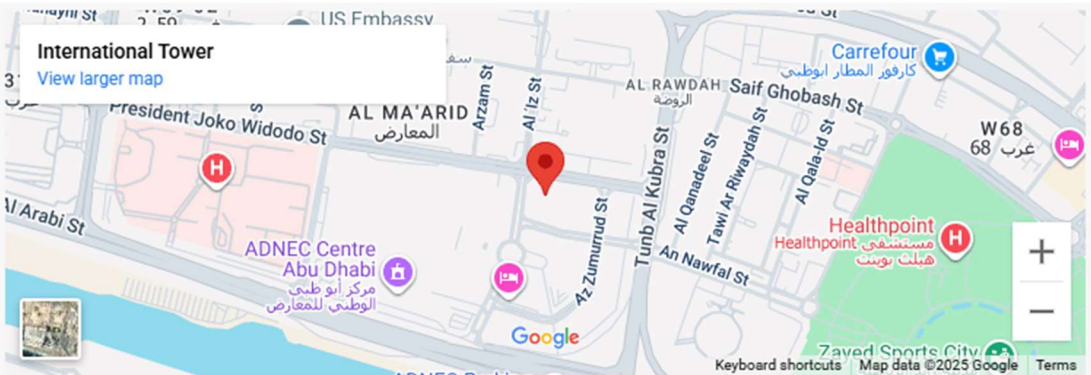
- **Marketing Strategies:** GMS markets via industry channels and its website (gmsplc.com). It highlights case studies (e.g. offshore wind support, British Gas Tunisia work) and participates in oil-gas/renewables conferences. The firm is publicly listed in London, which also raises its profile. GMS's digital presence (website, LinkedIn) and trade-press articles (e.g. *Energy, Oil & Gas* magazine) are key marketing vehicles.

 **Gulf Marine Services WLL**

Office 403, International Tower,  
24th (Karama) Street, P.O.Box 46046,  
Abu Dhabi, United Arab Emirates

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 gmsmena@gmsplc.com



International Tower  
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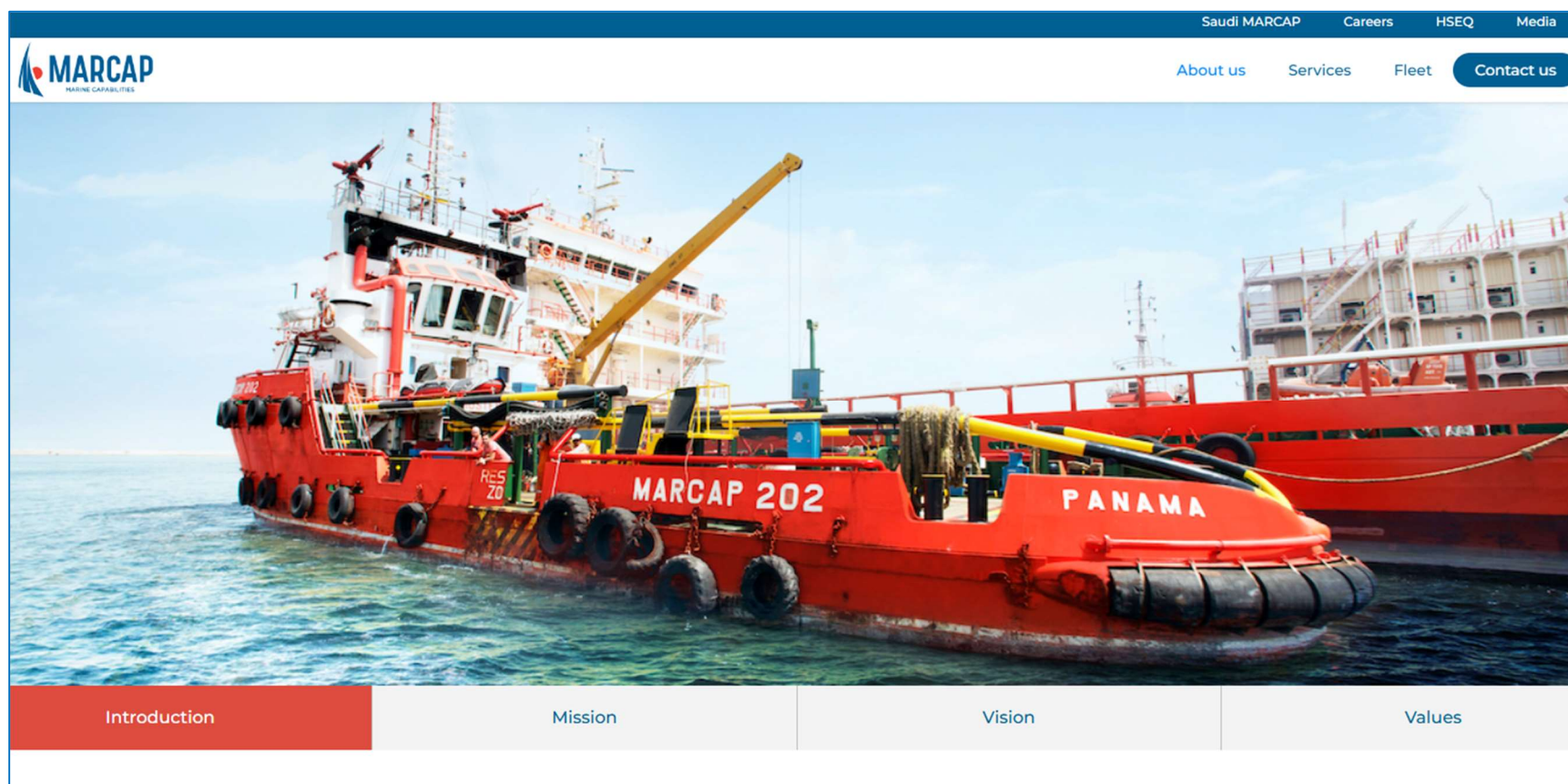
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## 8.2. Marine Capabilities (Marcap) - Abu Dhabi (UAE)

**Overview:** Established about 30 years ago, Marine Capabilities (Marcap) is a privately held Abu Dhabi company providing offshore support vessels. Marcap now operates **35+ vessels** (pilot/crew boats, tugs, AHTS, DPS-class PSVs, supply barges, etc.) and has a workforce spanning the Arabian Gulf. Headquartered in Abu Dhabi with offices in Saudi Arabia, it has completed 200+ projects for 100+ clients.





- **Competitive Edge:** Marcap's differentiation comes from its diverse fleet and regional presence. It offers one-stop vessel solutions (crew transfers, towing, anchor handling, supply barging) often in both UAE and Saudi waters. Its Abu Dhabi base (with Saudi Aramco acceptance) and integrated logistics support (onshore yards, equipment charters) let it serve large E&P projects. Marcap is an ADNOC-EMDAD registered supplier, which helps it win contracts with UAE oil majors.
- **Services Offered:** Marcap charteres a range of vessels: fast crew boats and utility boats for personnel transfer, tugs (harbor/anchor handling), DP2 offshore AHTS and supply vessels, plus flat-top barges (LCTs) for cargo. It also provides associated offshore project support (helipad use, mooring, and marine logistics). (It does not sell chandlery; rather, it is primarily an OSV owner/operator.) Pricing is contractual per project; no tariff sheet is public.
- **Strengths:** Marcap's key strengths are its fleet size/diversity and regional experience. Its 35+ vessels allow multiple concurrent charters, reducing downtime. The company emphasizes 100% HSE (shown on its website) and has decades of working with major oil&gas firms. Marcap's ties to the local industry and its EMDAD status (for ADNOC Logistics & Services) suggest strong client relationships. Its project management know-how and cross-chartering network (e.g. moving vessels between UAE and Saudi projects) are additional assets.
- **Weaknesses:** Marcap is still smaller than global OSV giants, so it may lack the absolute scale or capital of international contractors. Its focus on the Gulf/Arabian Sea means it has limited exposure outside the region. As an owner/operator, it may face challenges updating to the very latest vessel designs. Finally, it offers limited services beyond maritime (no dredging or rig fabrication).



- **Marketing Strategies:** Marcap’s marketing is through its corporate website (marcap.ae), industry networking and trade shows (e.g. Offshore Arabia). It publishes newsletters (featured on its site) and uses digital campaigns targeting E&P companies. Marcap also highlights its ADNOC-approved status (EMDAD) and Saudi Aramco projects to attract clients. Partnerships (e.g. recent contracts in KSA) are announced via press releases, enhancing visibility.

## Pioneering Marine Heritage

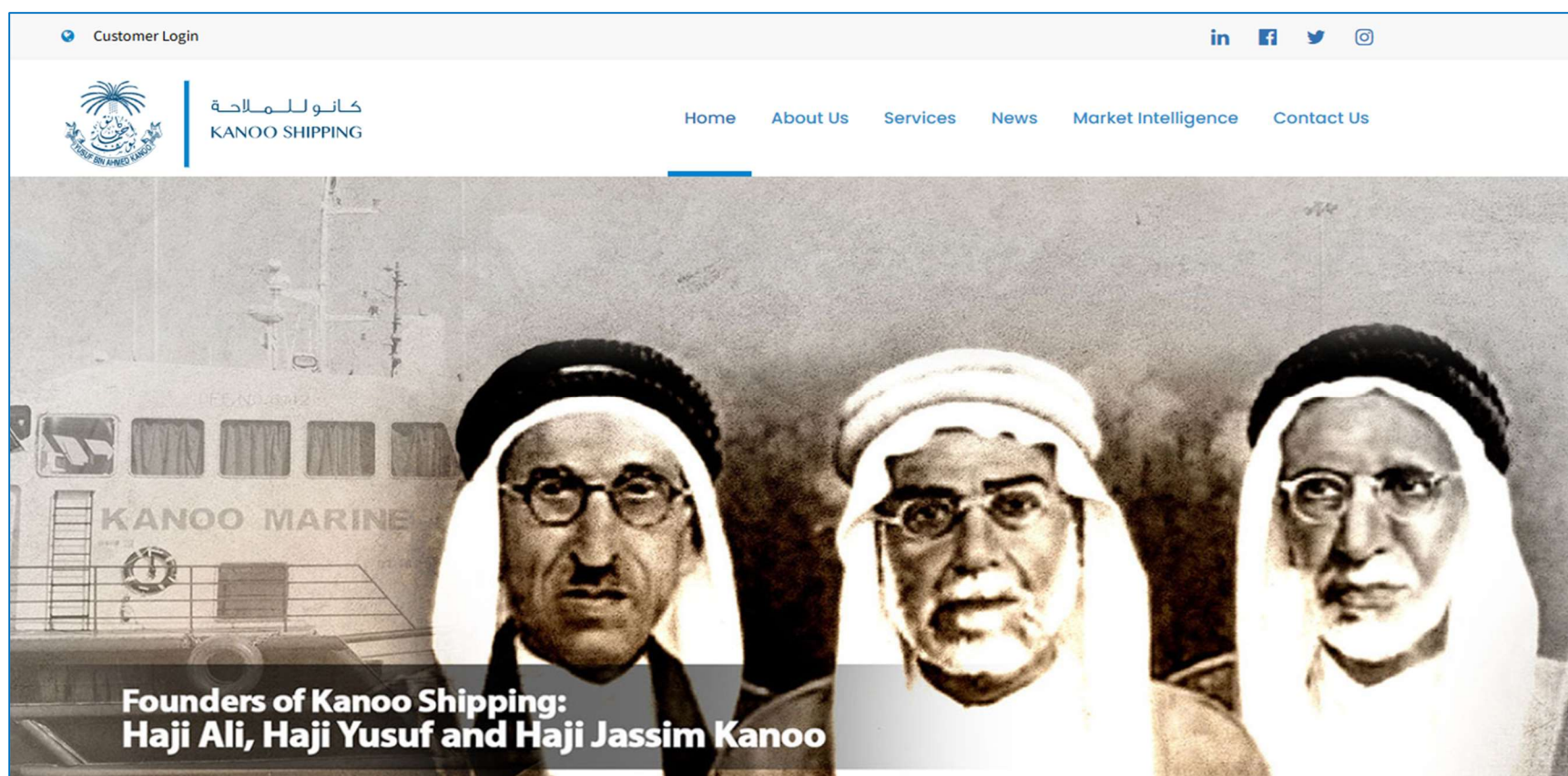
<p><b>100+</b> pre-qualified clients</p>	<p><b>200+</b> projects completed</p>	<p><b>29+</b> years of experience</p>
<p><b>35+</b> operating vessels</p>	<p><b>100%</b> HSE</p>	

<b>MARCAP Marine Capabilities LLC</b>		<b>Quick links</b>	<b>Engage with us</b>
Abu Dhabi, United Arab Emirates Lulu Street, Safar Travel Building 3rd Floor, P.O Box 30175 Tel: <b>+971 2 622 5100</b> Email: <b>info@marcap.ae</b>	Kingdom of Saudi Arabia, Al Khubar 34226 - 6700, Unit No 108 Tel: <b>+966 13 859 1972</b> Email: <b>info@saudimarcap.com</b>	History Blog Newsletter Gallery  	   <b>Stay up to date</b> <input type="text" value="Email Address"/> <input type="button" value="Submit"/>



### 8.3. Yusuf Bin Ahmed Kanoo (Kanoo Marine)

**Overview:** Kanoo Marine is a division of Yusuf Bin Ahmed Kanoo, a century-old Gulf conglomerate. Kanoo's shipping arm began in 1912 and is now one of the Middle East's largest maritime groups. Kanoo Marine operates in the UAE, Saudi and other Gulf states, leveraging Kanoo's network of 45+ offices and 20,000 annual ship calls. In particular, Kanoo's fleet of modern offshore service boats handles crew transfer, charter and support for oil & gas projects.

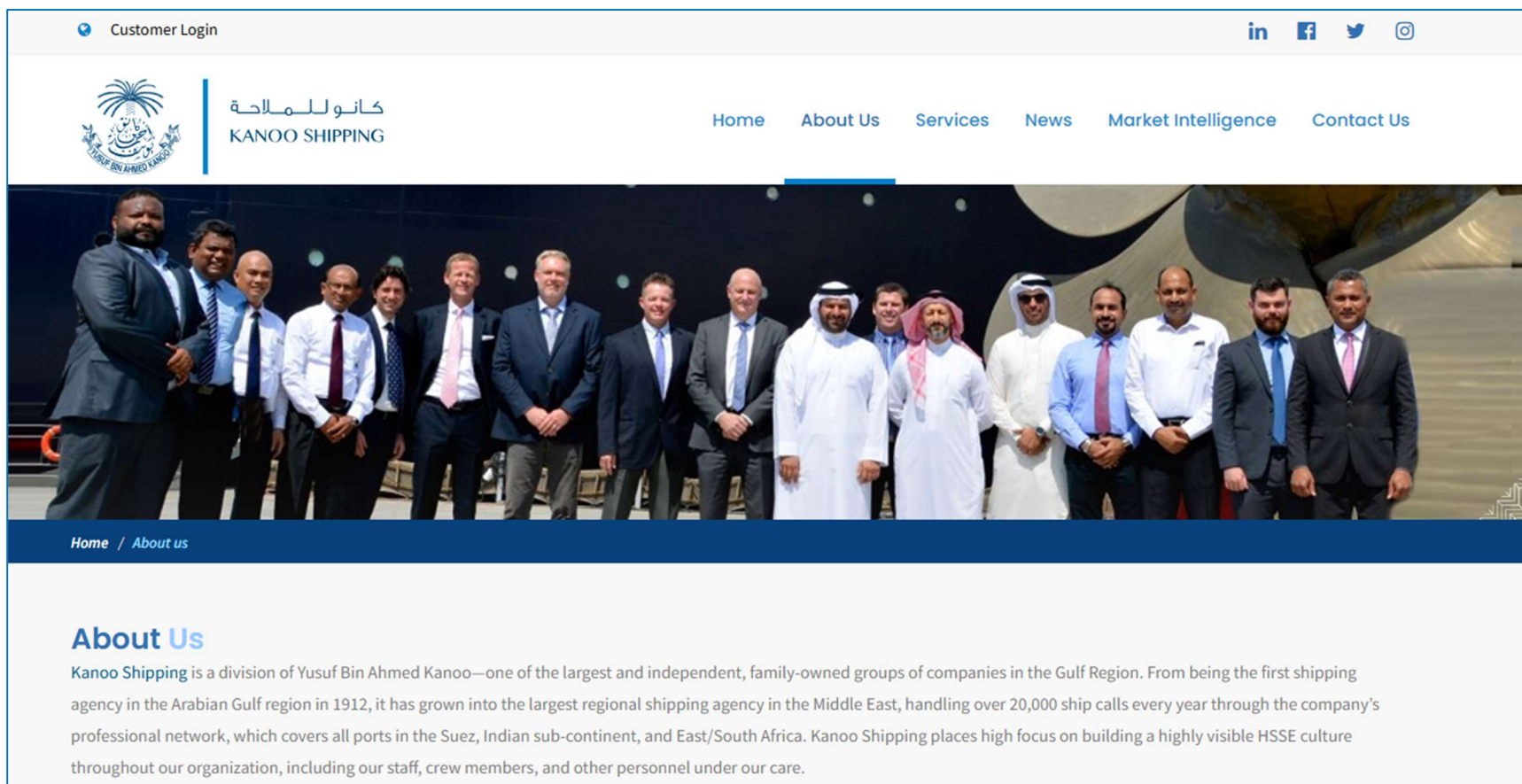




- **Competitive Edge:** Kanoo Marine's main edge is its vast regional agency network and brand legacy. The company provides turnkey shipping and offshore logistics (from port agency to vessel charter) under one roof. Its 40+ years of offshore experience plus partnerships (e.g. Kanoo CrewCare, Kanoo Offshore) allow it to bundle services. This broad service scope and its ability to draw on Kanoo's global contacts make it a preferred vendor for integrated logistic solutions.
- **Services Offered:** Kanoo Marine charters its own fleet of offshore boats (crew boats, crew transfer vessels) for safe personnel and cargo transfers. It also offers full ship-agency services: port agency (clearance, berthing), cargo broking and logistics for project shipments. The Kanoo group even handles crew medical emergencies and travel (via Kanoo Travel). (Chandlery is offered through a separate Kanoo division, but not highlighted here.)
- **Strengths:** Kanoo's strengths lie in its reputation and network. Its established relationships with Gulf authorities (ADNOC L&S, Saudi oil companies) grant credibility. The company boasts modern, fast vessels with onboard medivac facilities. Its all-in-one model (agency + offshore support) simplifies procurement for EPCs and O&G firms. Advanced certifications and a large workforce underpin its capability to handle large volumes.
- **Weaknesses:** As a diversified conglomerate, Kanoo Marine may be less specialized than niche pure-players. Decision-making and pricing may be influenced by the parent group's policies. The focus on traditional shipping/agency services means it may not innovate as aggressively in new offshore tech (e.g. digital vessel optimization) as specialized OSV companies.
- **Marketing Strategies:** Kanoo leverages its heritage and digital presence for marketing. Its website (kanooshipping.com) and brochures emphasize long experience and Gulf reach. The group attends



regional trade fairs (ADIPEC, Marine projects exhibitions) to showcase its offshore fleet. It uses SEO and industry publications to reinforce its “trusted partner” brand image. Partnerships with travel and logistics arms (e.g. offering bundled services) also serve as marketing differentiators.



Customer Login

in f t i

كانول للملاحة  
KANOOSHIPING

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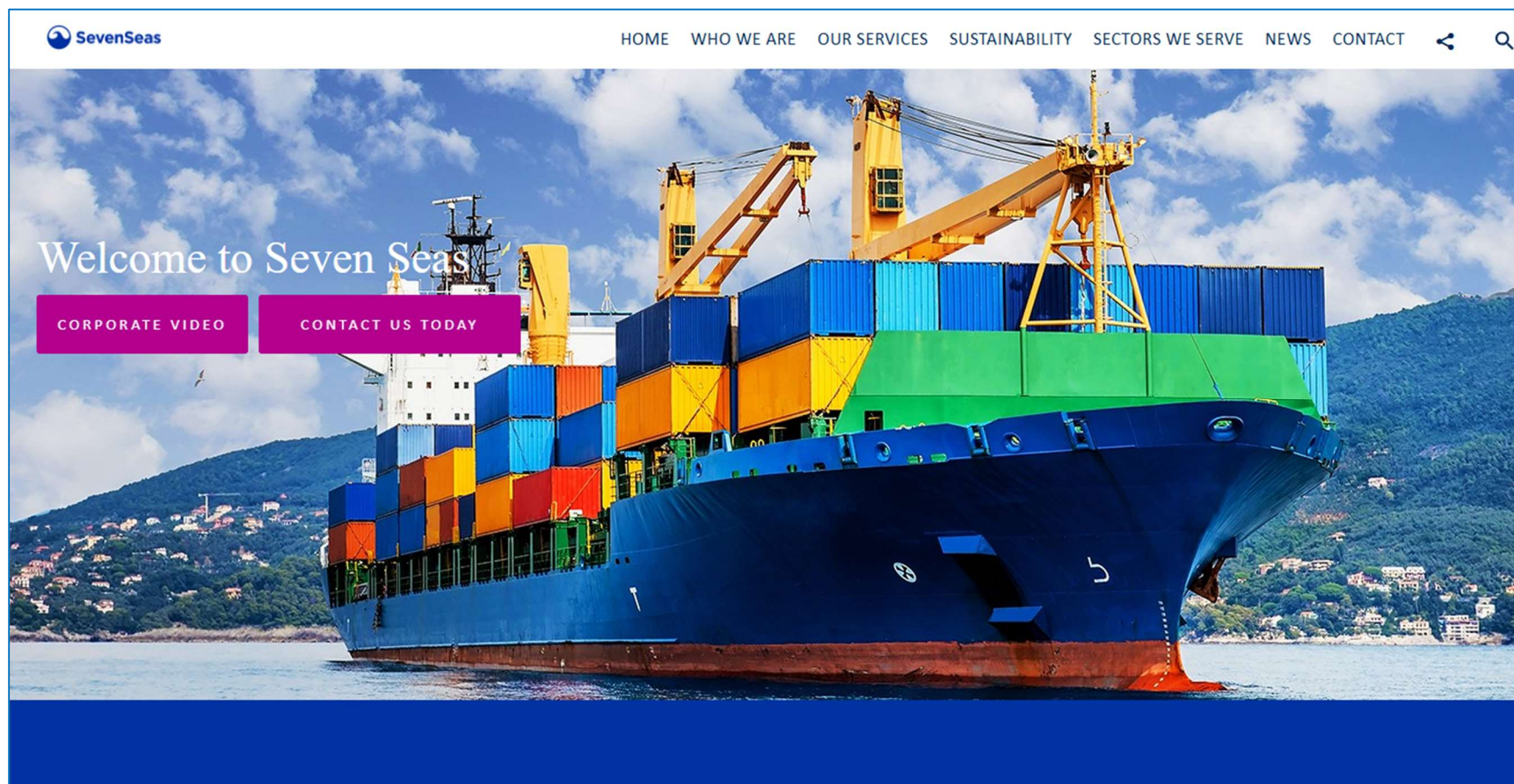
### About Us

Kanoo Shipping is a division of Yusuf Bin Ahmed Kanoo—one of the largest and independent, family-owned groups of companies in the Gulf Region. From being the first shipping agency in the Arabian Gulf region in 1912, it has grown into the largest regional shipping agency in the Middle East, handling over 20,000 ship calls every year through the company's professional network, which covers all ports in the Suez, Indian sub-continent, and East/South Africa. Kanoo Shipping places high focus on building a highly visible HSSE culture throughout our organization, including our staff, crew members, and other personnel under our care.



## 8.4. Seven Seas Shiphandlers (Dubai, UAE)

**Overview:** Seven Seas Shiphandlers (UAE) is the local arm of the global Seven Seas maritime services group. Operating since 1986 in Dubai, it is a leading ship supplier to merchant, offshore and naval vessels. Seven Seas UAE (see [sevenseasgroup.com](http://sevenseasgroup.com)) offers a vast inventory (stores, provisions, bonded goods and technical parts) via its Dubai Investment Park headquarters.






- **Competitive Edge:** The company's edge is its global network and stock breadth. Seven Seas' worldwide presence (600 ports) allows sourcing of parts and brands that smaller local chandlers cannot match. As part of a major international group, it also secures exclusive distribution rights for many marine equipment brands. This "one-stop" global sourcing makes it very competitive on price and availability for big ship-owners and offshore outfits.
- **Services Offered:** Seven Seas supplies consumables and technical ship supplies (engine spares, deck hardware, safety gear, food provisions, etc.) to vessels in UAE ports. It handles all store supplies (bonded and non-bonded), provisions, spare parts and even hotel supplies. They also offer logistics and customs clearance for ship supply cargo. (They do **not** provide vessel charter or crew; their domain is store supply.)
- **Strengths:** Their strengths include ISO 9001 certification, extensive inventory, and strong brand partnerships. Rapid response is possible via 24/7 service and DHL-backed global deliveries. ISSA membership and decades in the market add credibility. Being part of Seven Seas means automatic scale (bargaining power with suppliers) and knowledge transfer from other regions.
- **Weaknesses:** Seven Seas is focused only on supply – they have no offshore vessels or manpower supply arm. This limits cross-selling opportunities to clients who might want charters or logistics. Competition from local chandlers (with lower overhead) can pressure pricing on routine items. Also, being a large global group can sometimes lead to slower client responsiveness compared to small local players.
- **Marketing Strategies:** Seven Seas markets through its website and industry channels. It maintains a detailed online product catalog and leverages SEO (e.g. ranking on ISSA directories). The company




exhibits at shipping and offshore events (e.g. SMM Hamburg, Gulfship) to reach tanker and offshore operators. It also advertises in maritime trade magazines and attends port authority supplier lists. Personalized account management and technical promotions (e.g. new engine spares lines) are part of its marketing mix.

WHO WE ARE  
Meet The Team

Executive Management



PATRICK JUHL



ANU RAJMOHAN



## 8.5. Middle East Fuji (Dubai/Oman)

**Overview:** Middle East Fuji LLC (UAE) – in joint venture with Khimji Ramdas (Oman) – is a long-established marine supplier in the Gulf. The Dubai entity traces to 1993, and expanded via an Oman JV in 2008. Altogether, ME Fuji leverages over 130 years of parent companies' heritage. It provides marine and offshore MRO solutions throughout the region (Dubai, Muscat, Salalah, Sohar, etc.).

MIDDLE EAST FUJI

+971 4 3474444 info.uae@mefgroup.com

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Enquire Now

**14 DEC** MEF 30TH ANNIVERSARY CELEBRATING 30 YEAR OF EXCELLENCE A JOURNEY OF SUCCESS & GROWTH  
Middle East Fuji LLC proudly celebrated its 30th anniversary, marking three decades...

**12 DEC** MIDDLE EAST FUJI NEW OFFICE INAUGURATION IN INDIA  
Expanding Horizons: Middle east Fuji inaugurated new Office in



- **Competitive Edge:** ME Fuji's competitive edge is its combination of global know-how and local partnership. Through Khimji Ramdas (Oman) and Fuji Trading (Japan), it offers Japanese-quality products and service. It specializes in technical marine supplies (rigging, valves, hoses, pumps) and engineering services, which fewer general chandlers handle. Its local ties (e.g. Oman Drydock in Duqm) and broad branch network let it serve ships and rig operators seamlessly.
- **Services Offered:** The company's main services are **Marine Supply & Services** – a full range of MRO and chandlery support. This includes spare parts, provisioning, stevedoring gear, ropes/rigging, mooring equipment, valves & pumps, and even hotel supplies for crew. It also offers technical services: valve refurbishment, hydraulics maintenance, and 24/7 field support. (It does **not** have an offshore vessel fleet or crew brokerage.)
- **Strengths:** ME Fuji's strengths are its engineering expertise and wide offerings. It represents many global brands (as agent/distributor) in the Middle East, ensuring quality. Its sister company Khimji's legacy in Oman and relationship with Shipyards (e.g. Odys) give it a strong project customer base. The ability to serve both commercial vessels and offshore platforms with the same logistical network is another plus.
- **Weaknesses:** It competes in a crowded space with giants like Seven Seas and regional suppliers. Its niche engineering services raise expectations, but smaller outfits may be more nimble on price. Also, as primarily a supply/technical firm, it lacks vertical integration into shipping or ports (unlike Kanoo or GAC).
- **Marketing Strategies:** ME Fuji markets through direct client relationships and B2B networking. The company has a bilingual website and catalogs showing its product range. It participates in Middle



East maritime fairs (Seatrade Gulf, Oman Maritime Summit) and engineers often attend technical symposiums. Since much business is repeat (through loyal customers), it relies on word-of-mouth and on being listed as a qualified vendor by port authorities and oil companies.

### Our Brands



#### QUICK LINKS

Industrial Solution  
Goodfood  
Plant Machinery  
MEFKS  
MEFKOMAN

#### POPULAR SEARCH

Marine Supply & Services  
Logistics & Supply Chain Management  
MEF Engineering Services  
MEF Maintenance & Technical Services  
PPE Suppliers

#### CONTACT US

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Email: info.uae@mefgroup.com  
Phone: +971 4 3474444

#### OUR NETWORK

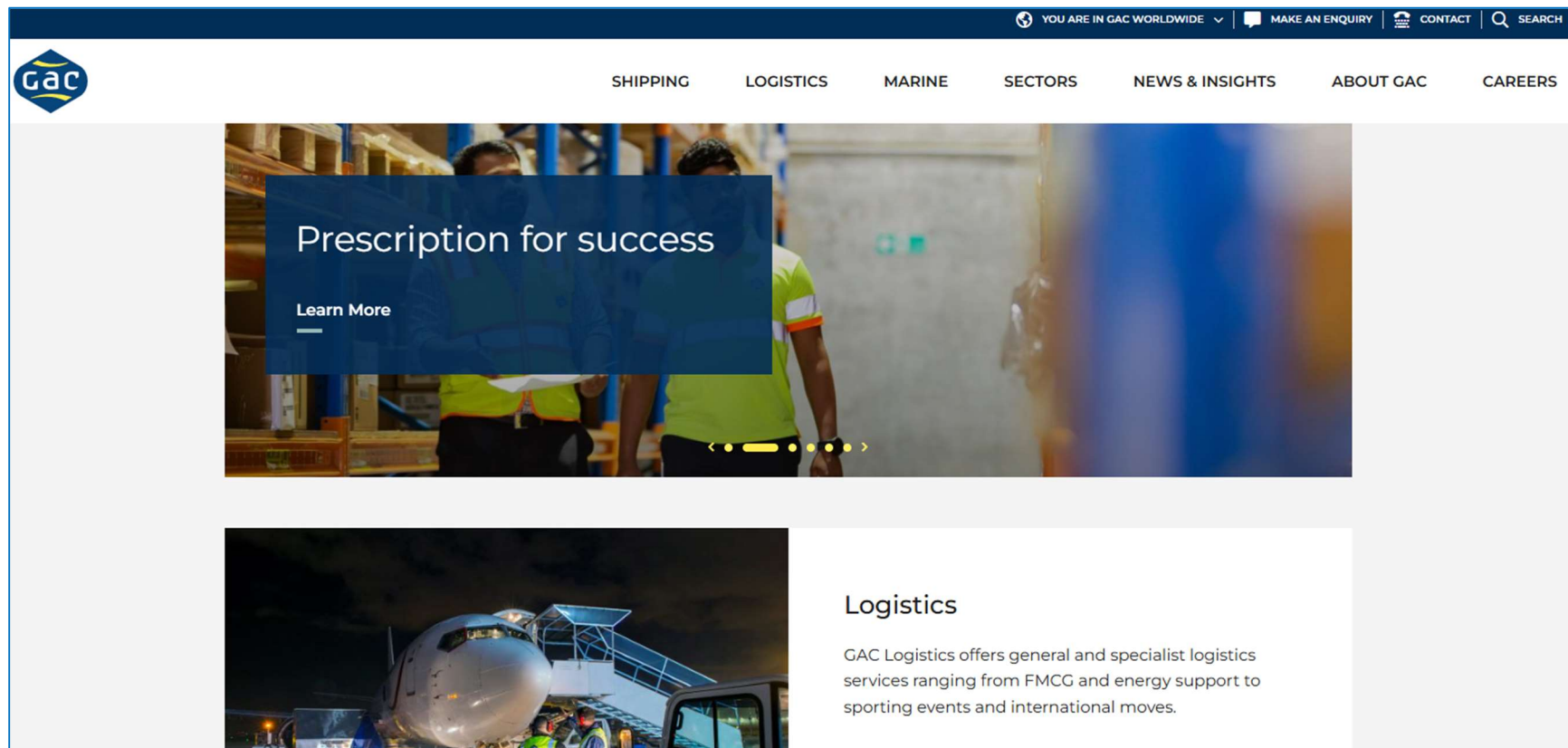
UAE  
KSA  
Qatar  
Oman  
Kuwait  
Bahrain  
Djibouti





## 8.6. GAC Marine (Global, with UAE operations)

**Overview:** GAC Marine is the offshore division of GAC Group (a global shipping, logistics and marine services conglomerate). Although GAC is headquartered in Dubai (UAE), its marine arm operates worldwide. In the Gulf, GAC Marine is known for integrated support: it partners with GAC Energy to offer the full spectrum of offshore support services.





- **Competitive Edge:** GAC's edge is its global network and broad service scope. Unlike a local-only player, GAC can coordinate everything from vessel charter to cargo logistics under one brand. Its strict compliance with international safety and quality standards is a selling point. GAC also cross-promotes with its sister businesses (e.g. freight forwarding, bunkering), providing one-stop solutions to major clients.
- **Services Offered:** GAC Marine's range includes chartering tugs, anchor-handling and platform-supply vessels, crew transfer boats, and barges. They handle anchor-handling, rig moves, project cargo transport, platform support, and crew changes. Essentially, GAC can supply OSVs and manpower transfers for any offshore phase. (GAC does *not* directly offer chandlery or vessel construction; its focus is marine transportation.)
- **Strengths:** GAC Marine's strengths lie in its diversified fleet and reputation. The company maintains a mix of AHTS, PSV, crew boats and barges, enabling it to fulfill complex offshore project requirements. Its size and capital backing allow it to enter big consortia contracts (some contracts list GAC alongside major EPCs). GAC's professional brand also appeals to international clients operating in the UAE/Gulf (e.g. oil majors, drilling contractors).
- **Weaknesses:** Being part of a large global group, GAC can be less price-competitive than local firms with lower overhead. Its services tend to be "by-the-book", which is excellent for quality but may lack the local agility of smaller contractors. Also, GAC's Gulf operations are just one part of a vast network, so local clients may sometimes feel they compete for attention with global accounts.
- **Marketing Strategies:** GAC markets via its comprehensive website (gac.com) and by leveraging its global brand. It attends major offshore exhibitions (like ADIPEC, Gastech) and places ads in



industry journals. Locally, GAC maintains social media and publishes success stories (e.g. delivering LNG bunkers, rig moves). The company emphasizes digital marketing through LinkedIn and Google Ads targeting energy firms, and it often partners with Gulf governments on maritime safety programs, raising its profile.

## Our corporate DNA

World-class shipping, logistics and marine services built on quality, safety and sustainability with the human touch. Emphasising a long-term approach, sustainability, innovation and ethics, GAC delivers flexible integrated portfolios to customers globally.

### About GAC

7500 +

Employees around the world

300 +

Strategically located offices

50 +

Countries





# Customer Analysis



## 9. Customer Analysis

### 9.1. Overview of the Target Customer Base

ABC Marine Services and Brokerage LLC is strategically positioned to serve a highly specialized and niche customer base within the UAE's maritime and offshore industry. The company's target clients are predominantly organizations that operate in oil & gas, engineering, procurement, and construction (EPC), shipping, and marine construction. These customers demand reliability, compliance with strict regulations, safety-conscious practices, and rapid responsiveness to project requirements.

By aligning its service offerings—marine brokerage, manpower supply, technical services, and chandlery—with the operational priorities of these industries, the company is well placed to become a trusted partner and solutions provider.

### 9.2. Primary Customer Segments

#### 9.2.1. EPC Contractors

- **Profile:** EPC (Engineering, Procurement, and Construction) companies manage large-scale marine and offshore projects, often requiring specialized marine assets, manpower, and technical services.
- **Examples:** Saipem, Target Engineering.
- **Needs:**
  - Access to reliable vessels, tugs, and barges for project execution.
  - Skilled manpower such as engineers, divers, and welders on both short- and long-term contracts.



- Technical services for inspection, underwater welding, and compliance checks.
- Quick and efficient chandlery supply to ensure smooth project timelines.
- **Value Proposition:** ABC Marine Services and Brokerage LLC offers a single-window solution, reducing procurement complexity and ensuring timely delivery of services critical to EPC project success.

### 9.2.2. Oil & Gas Operators

- **Profile:** Oil & gas companies are the backbone of the UAE's economy and operate within strict compliance, safety, and operational frameworks.
- **Examples:** ADNOC, National Marine Dredging Company (NMDC).
- **Needs:**
  - Offshore manpower supply including captains, technical teams, and safety officers.
  - High-standard marine technical services to ensure vessel compliance and avoid downtime.
  - Reliable chandlery support with provisions, safety gear, and spare parts.
- **Value Proposition:** With the founder's established credibility and prior relationships with ADNOC and NMDC, the company is uniquely positioned to deliver trustworthy, safe, and efficient services aligned with oil & gas operational standards.

### 9.2.3. Ship Owners, Charterers, and Port Authorities

- **Profile:** These entities operate, maintain, and manage fleets of vessels, tugs, and barges, requiring regular servicing and compliance support.
- **Needs:**



- Brokerage services for buying, selling, or chartering vessels.
- Regular supply of chandlery items and spare parts.
- Technical services to maintain vessel readiness and regulatory compliance.
- **Value Proposition:** ABC Marine Services and Brokerage LLC provides direct access to reliable brokerage services coupled with ongoing support through chandlery and technical expertise, offering peace of mind and operational continuity.

#### 9.2.4. Engineering and Marine Construction Companies

- **Profile:** Companies engaged in marine infrastructure development, dredging, and port-related projects.
- **Needs:**
  - Skilled technical teams to support marine construction activities.
  - Specialized equipment and vessels through brokerage.
  - Chandlery and technical maintenance for project-related marine assets.
- **Value Proposition:** The company's agility in scaling manpower and providing turnkey marine support solutions ensures construction companies have dependable support to meet tight schedules and demanding project requirements.

### 9.3. Customer Needs and Buying Behavior

1. **Reliability and Trust:** Customers prioritize long-term, trust-based partnerships with service providers who consistently deliver. With the founder's reputation and relationships in the UAE marine market, ABC Marine Services and Brokerage LLC can capitalize on this expectation.



2. **Compliance and Safety:** Oil & gas and EPC sectors demand strict adherence to safety protocols and regulatory standards. Service providers who demonstrate compliance, provide certified manpower, and deliver high-quality technical services gain a competitive edge.
3. **Cost Efficiency:** While reliability is key, competitive pricing and efficiency are critical for clients managing large budgets and complex projects. Customers prefer lean, value-driven service providers capable of balancing quality with cost control.
4. **Responsiveness and Agility:** Marine projects often involve urgent requirements and changing dynamics. Clients value providers who can rapidly mobilize manpower, arrange vessels, or supply chandlery on short notice.
5. **Comprehensive Solutions:** Customers prefer one-stop service providers who can reduce procurement complexity. The integration of brokerage, manpower supply, technical services, and chandlery makes ABC Marine Services and Brokerage LLC attractive to such buyers.

## 9.4. Customer Pain Points

- **Fragmented Supply Chains:** Many customers face challenges coordinating between multiple providers for vessels, manpower, and chandlery, leading to inefficiencies.
- **Compliance Risks:** Non-compliance with regulations or safety standards can cause operational delays and reputational risks.
- **Project Delays:** Shortages of manpower, equipment, or supplies often delay marine and offshore projects.
- **High Costs:** Overheads from multiple service providers increase project costs, pushing clients to seek consolidated, cost-effective solutions.



## 9.5. Customer Relationship Strategy

ABC Marine Services and Brokerage LLC will build and sustain strong customer relationships through:

- **Relationship Management:** Leveraging the founder's established connections with key market players like ADNOC, NMDC, and EPC contractors.
- **Dedicated Account Support:** Assigning dedicated points of contact to ensure seamless communication and faster response times.
- **Tailored Solutions:** Offering customized service packages to meet client-specific requirements.
- **Service Excellence:** Ensuring reliability, transparency, and professionalism in every transaction to build long-term loyalty.

## 9.6. Growth Potential of the Customer Base

- **Repeat Business:** EPC and oil & gas projects are long-term in nature, leading to recurring demand for manpower, technical services, and chandlery.
- **Cross-Selling Opportunities:** A customer requiring brokerage services may also need chandlery and manpower, creating multiple revenue streams from a single client.
- **Geographic Expansion:** As the company grows, it can extend services to clients in Dubai, Sharjah, and other emirates, while also exploring Gulf-wide opportunities.
- **Sector Diversification:** With strong relationships in place, the company can later expand into vessel management and offshore consultancy, tapping into evolving client needs.



## 9.7. Conclusion

ABC Marine Services and Brokerage LLC's customer base is well defined, consisting of high-value clients in oil & gas, EPC contracting, shipping, and marine construction. These clients demand reliability, compliance, efficiency, and tailored solutions—qualities that the company is uniquely positioned to deliver. By offering integrated services and leveraging the founder's established industry reputation, the company is poised to build enduring customer relationships, secure repeat business, and capture significant market share in the UAE's marine and offshore industry.



# SWOT Analysis



## 10. SWOT Analysis

### SWOT Analysis – ABC Marine Services and Brokerage LLC

Category	Detailed Description	Impact on Business	Strategic Response
Strengths	<b>Founder's Extensive Industry Experience:</b> Over 16 years in the UAE marine sector with a proven track record in client relations, project execution, and compliance.	Strong credibility with major industry players, easier market entry, and trust in service delivery.	Leverage personal network to secure initial contracts and long-term partnerships.
	<b>Established Client Relationships:</b> Direct access to NMDC, ADNOC, Saipem, Astra Engineering, and Target Engineering.	Accelerated business development without long sales cycles.	Focus on tailored proposals to these clients, reinforcing relationship-based trust.
	<b>Comprehensive Service Portfolio:</b> Marine brokerage, manpower supply, technical services, and chandlery.	Positions company as a one-stop solution provider, increasing client convenience.	Cross-sell multiple services to existing clients for higher revenue per account.



	<b>Agility in Operations:</b> Lean structure allows quick mobilization and adaptation to client needs.	Competitive advantage in responding to urgent or specialized requests.	Maintain flexible subcontractor and supplier agreements for rapid scaling.
	<b>Strategic Location:</b> Based in Abu Dhabi, close to major ports and offshore hubs.	Reduces delivery lead times, enabling better service levels.	Promote location advantage in marketing materials.
<b>Weaknesses</b>	<b>New Market Entrant:</b> No prior operational history under this brand name.	May face initial skepticism from prospective clients.	Showcase founder's personal track record and secure early high-visibility projects.
	<b>Limited In-House Resources Initially:</b> Reliance on subcontractors for technical work and manpower.	Potential quality control and scheduling challenges.	Vet subcontractors rigorously and use performance-based contracts.
	<b>High Startup Capital Allocation:</b> AED 500,000 initial investment, requiring tight financial management.	Financial strain if revenues are delayed beyond projections.	Maintain lean overheads and focus on quick-win contracts to generate cash flow.



	<b>Brand Recognition:</b> New brand in a competitive market.	Lower initial brand visibility.	Invest in targeted marketing campaigns and participate in industry events.
<b>Opportunities</b>	<b>Expanding UAE Maritime Sector:</b> Increased oil & gas offshore activity, dredging, and infrastructure projects.	Higher demand for marine services and manpower supply.	Position as a specialist provider for oil & gas marine support.
	<b>Government Maritime Initiatives:</b> UAE Vision 2030 supports diversification and maritime infrastructure growth ( <a href="#">UAE Vision 2030</a> ).	Greater project opportunities across marine construction and logistics.	Align services with government-backed projects for visibility and credibility.
	<b>Technology Adoption in Marine Services:</b> AI-based navigation, remote monitoring, and automation ( <a href="#">Lloyd's Register Digitalisation</a> ).	Ability to improve efficiency, safety, and service offerings.	Incorporate tech-driven services such as digital vessel monitoring.
	<b>Growing Demand for Compliance &amp; Safety Services:</b> Stricter regulations for offshore	Clients seeking reliable service providers with compliance expertise.	Market compliance expertise as a key differentiator.



	safety and environmental protection ( <a href="#">IMO MARPOL</a> ).		
<b>Threats</b>	<b>High Industry Competition:</b> Established players with greater resources and brand presence.	Price competition and risk of losing tenders to larger firms.	Differentiate through speed, flexibility, and niche expertise.
	<b>Payment Delays from Clients:</b> Common in large-scale contracts, especially in EPC and oil & gas.	Cash flow strain impacting operational capacity.	Implement strict payment terms and secure partial advances.
	<b>Geopolitical Instability in the Region:</b> Potential disruptions in supply chain and offshore operations.	Project delays and increased insurance costs.	Diversify client base and maintain contingency planning.
	<b>Regulatory Changes:</b> New licensing, labor, or environmental laws increasing operational complexity.	Potential delays in service delivery or additional compliance costs.	Keep a compliance officer or consultant on retainer to manage changes quickly.
	<b>Oil Price Volatility:</b> Impacts marine service demand in oil & gas sectors.	Revenue fluctuations tied to client activity levels.	Diversify into non-oil marine sectors like port services and leisure marine.



**Sales &  
Marketing Plan**



# 11. Sales & Marketing Plan

The sales and marketing plan outlines how **ABC Marine Services and Brokerage LLC** will position itself in the UAE's marine industry, attract clients, convert opportunities into contracts, and build a sustainable pipeline of business. This plan integrates **relationship-driven sales**, **targeted digital marketing**, and **strategic partnerships** to leverage the founder's existing network while also expanding into new client segments.

With an initial focus on **Abu Dhabi's oil & gas, marine construction, and port services markets**, the company will differentiate itself through **fast mobilization, niche technical expertise, and reliable supply chain management**.

## 11.1. Sales Strategy

### 11.1.1. Target Markets

The company will focus on **business-to-business (B2B)** sales, with priority on:

- **EPC Contractors:** e.g., Saipem, Target Engineering – requiring manpower, chandlery, and technical support.
- **Oil & Gas Operators:** e.g., ADNOC, NMDC – requiring offshore vessel support and marine equipment.
- **Marine Construction Firms:** engaged in dredging, port expansion, and offshore installations.
- **Ship Owners & Charterers:** seeking brokerage services, crew supply, and chandlery.
- **Port Authorities & Terminal Operators:** for supply and technical services.



### 11.1.2. Unique Selling Propositions (USPs)

- **Speed:** 24–48-hour mobilization for manpower and chandlery delivery.
- **Expertise:** 16 years of local industry knowledge and regulatory compliance experience.
- **Integrated Services:** One-stop solution for brokerage, technical services, manpower, and chandlery.
- **Relationship Access:** Direct connections with high-value clients in the UAE marine industry.

### 11.1.3. Sales Channels

Sales Channel	Description	Purpose
<b>Direct B2B Sales</b>	Face-to-face meetings with procurement managers and operations heads	Build trust and secure contracts
<b>Tender Participation</b>	ADNOC and EPC tender portals	Win long-term supply and service agreements
<b>Online Inquiries</b>	Via company website and LinkedIn	Capture inbound leads
<b>Industry Networking</b>	Marine trade shows, seminars, and conferences	Relationship building and visibility
<b>Referrals &amp; Word-of-Mouth</b>	Leveraging founder's network	Low-cost, high-conversion sales source

### 11.1.4. Sales Process Workflow

- **Lead Identification:** Research and outreach to target companies.
- **Qualification:** Assess client needs, budget, and timelines.
- **Proposal & Quotation:** Customized solutions with competitive pricing.
- **Negotiation & Contracting:** Finalize scope, terms, and payment structure.
- **Delivery & Follow-Up:** Ensure quality, gather feedback, and explore repeat opportunities.



## 11.2. Marketing Strategy

### 2.1 Branding & Positioning

- Develop a **professional, SEO-optimized website** showcasing services, certifications, and case studies.
- Build a consistent brand identity (logo, colors, tagline: *“Your Trusted Marine Solutions Partner”*).
- Highlight compliance with **IMO, MARPOL, and STCW standards** to attract safety-conscious clients.

### 11.3. Digital Marketing Tactics

Platform	Strategy	Frequency
LinkedIn	Industry insights, project updates, crew deployment highlights	3–4 posts per week
Google Ads	Keyword targeting for marine services, chandlery, manpower supply	Ongoing campaigns
Marine Directories	Listings on platforms like <a href="#">MarineTraffic</a> and <a href="#">ShipServ</a>	Annual subscription
Email Marketing	Monthly newsletter to procurement managers and industry contacts	Monthly
SEO	Optimize website for “Marine Services UAE,” “Marine Brokerage Abu Dhabi”	Ongoing



## 11.4.Offline Marketing Tactics

- Participation in Seatrade Maritime Middle East and Abu Dhabi International Boat Show.
- Distributing company brochures and capability statements at networking events.
- Hosting private networking dinners for key clients and prospects.
- Sponsoring marine industry safety workshops.

## 11.5.Strategic Partnerships

- Partner with **training institutes** to offer certified crew and technical personnel.
- Collaborate with **logistics firms** for rapid chandlery delivery and offshore supply.
- Align with **equipment manufacturers** for preferred pricing on marine hardware and spares.

## 11.6.Pricing Strategy

- Competitive market-based pricing with built-in margins for service scalability.
- For manpower supply, offer **tiered pricing** based on skill level and contract duration.
- For chandlery, offer **volume discounts** for repeat bulk orders.
- For brokerage, charge **commission-based fees** on vessel sales/charters.

## 11.7.Marketing & Sales KPIs

KPI	Target (Year 1)	Measurement Method
Monthly Leads Generated	20	CRM lead tracker
Proposal Conversion Rate	30%	Closed contracts vs proposals sent



<b>Website Traffic</b>	2,000 visits/month	Google Analytics
<b>LinkedIn Engagement</b>	10% increase/month	LinkedIn analytics
<b>Revenue from Repeat Clients</b>	50% of total sales	Sales reports

## 11.8. Year 1 Sales & Marketing Budget

Activity	Estimated Cost (AED)
<b>Website Development &amp; SEO</b>	15,000
<b>Google Ads &amp; LinkedIn Campaigns</b>	20,000
<b>Trade Show Participation</b>	25,000
<b>Brochures &amp; Collateral</b>	5,000
<b>Networking &amp; Client Entertainment</b>	10,000
<b>Email Marketing Tools</b>	3,000
<b>Total</b>	<b>78,000</b>

## 11.9. Implementation Timeline

Month	Activity
<b>Month 1</b>	Website launch, LinkedIn company page setup
<b>Month 2</b>	First Google Ads and SEO campaign live
<b>Month 3</b>	Participate in first marine industry networking event
<b>Month 4</b>	Email marketing campaign launch
<b>Month 6</b>	Exhibit at Seatrade Maritime Middle East
<b>Month 9</b>	Evaluate campaign ROI, adjust targeting
<b>Month 12</b>	Reach 50% repeat client revenue target



This **Sales & Marketing Plan** Positions **ABC Marine Services and Brokerage LLC** to penetrate the UAE marine services market rapidly, capitalize on existing relationships, and build a strong brand presence both online and offline, ensuring consistent growth in its early years.



# Human Resource Plan



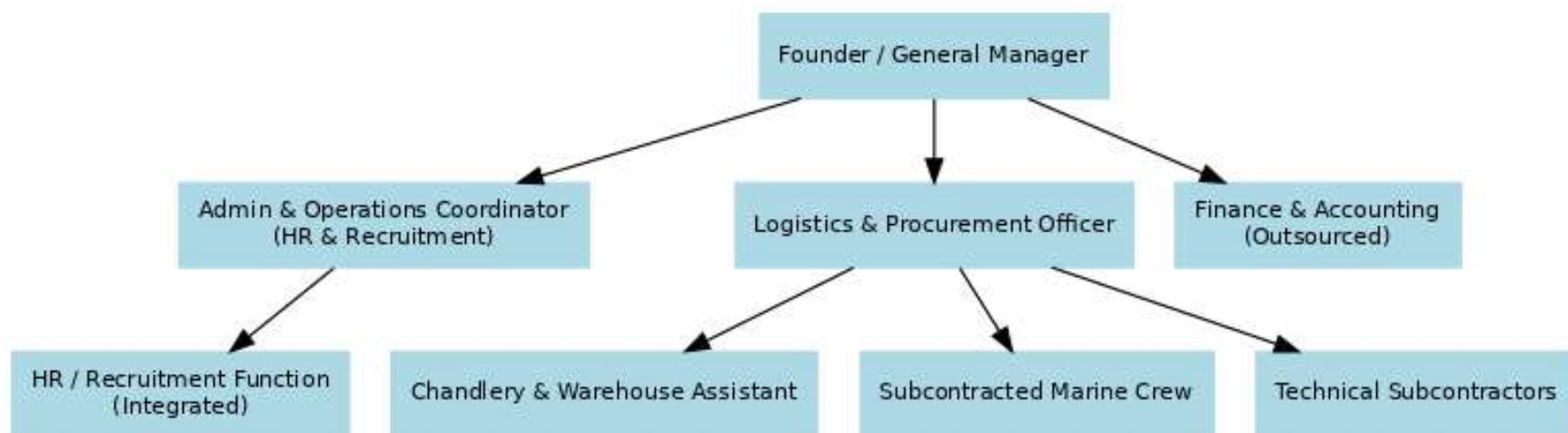
## 12. Human Resource Plan

The Human Resource (HR) Plan for **ABC Marine Services and Brokerage LLC** outlines the structure, staffing requirements, policies, and workforce management strategies necessary to support the company's operational, financial, and strategic objectives. As a startup in the competitive UAE marine industry, the HR framework is designed to combine **lean internal staffing** with **strategic outsourcing and subcontracting**, ensuring flexibility, cost efficiency, and access to specialized skills.

The HR Plan is aligned with UAE labor laws, maritime industry compliance standards (**STCW, IMO, MARPOL**), and ADNOC vendor requirements, ensuring the company can operate seamlessly in both onshore and offshore environments.

### 12.1. Organizational Structure

The organizational structure is designed to ensure **clear reporting lines, accountability, and operational efficiency**. The structure follows a **functional model** where each department has defined responsibilities, reporting to the Founder/General Manager





## 12.2. Staffing Requirements

### Year 1 Core Internal Staff

Position	Headcount	Employment Type	Key Responsibilities	Required Skills/Qualifications
Founder General Manager	/ 1	Full-time	Strategic leadership, client relations, contract negotiations, oversight of operations	16+ years marine industry experience, leadership, contract management
Admin Operations Coordinator	& 1	Full-time	Scheduling, licensing, HR admin, client communication, document control	UAE admin experience, MS Office, coordination skills
Logistics Procurement Officer	& 1	Full-time	Supplier management, chandlery inventory, offshore deliveries, procurement	Supply chain management, vendor negotiation, UAE driving license
Finance Accounting	& 1 (outsourced)	Part-time	Bookkeeping, payroll, financial reporting, VAT compliance	Accounting certification, UAE tax knowledge
Chandlery Warehouse Assistant	& 1	Part-time	Stock handling, packing, deliveries	Inventory control, physical handling capacity



<b>HR/Recruitment Function</b>	-	Integrated in Admin Role	Crew sourcing, vetting, onboarding	HR experience, recruitment systems knowledge
<b>Technical &amp; Marine Crew Teams</b>	Project-based	Subcontracted	Vessel repair, diving, inspections, welding	Relevant certifications (STCW, diving, welding)

## 12.3. Recruitment Plan

### Recruitment Sources:

- **Industry Networks:** Founder’s professional connections for senior and technical roles.
- **Specialist Agencies:** Marine crew and offshore manpower providers.
- **Online Platforms:** LinkedIn, Indeed UAE, and marine-specific portals like [SeaCareer](#) and [Maritime Union](#).
- **Trade Events:** Direct engagement with candidates at Seatrade Maritime Middle East and Abu Dhabi International Boat Show.

### Recruitment Process Steps:

1. Job description preparation.
2. Posting on targeted platforms and agencies.
3. Shortlisting based on qualifications and experience.
4. Technical and behavioral interviews.
5. Reference and certification checks.
6. Offer issuance and onboarding.



## 12.4. Training & Development

### Core Training Areas:

- **HSE & Offshore Safety:** Mandatory for all crew and technical staff before deployment.
- **Regulatory Compliance:** IMO/MARPOL/STCW certification refreshers.
- **Technical Skills:** Welding, underwater inspection, chandlery operations.
- **Soft Skills:** Client service excellence, communication, teamwork.
- **Technology Training:** ERP, CRM, and inventory management software.

### Training Delivery:

- **In-house induction programs** for company policies and procedures.
- **External certification courses** via approved maritime training centers in Abu Dhabi and Dubai.
- **On-the-job mentoring** from senior professionals.

## 12.5. Performance Management

### Performance Review Cycle:

- **Quarterly Reviews:** Track KPIs and individual contributions.
- **Annual Review:** Salary increments, role expansions, or promotions based on performance.



### KPIs by Role Example:

Role	KPI Examples
<b>Admin &amp; Operations Coordinator</b>	On-time licensing renewals, client response times, accuracy of documentation
<b>Logistics &amp; Procurement Officer</b>	Delivery punctuality rate, supplier cost savings, stock accuracy
<b>Chandlery &amp; Warehouse Assistant</b>	Inventory accuracy %, order fulfillment speed
<b>Technical Crew</b>	Quality of work, compliance with HSE, client satisfaction scores

## 12.6.Compensation & Benefits

### Compensation Structure:

- Competitive base salary aligned with UAE market rates.
- Performance-based bonuses linked to project completion and client satisfaction.
- Overtime pay for extended offshore assignments.

### Benefits Package:

- Medical insurance (mandatory per UAE labor law).
- Annual leave in line with UAE labor law.
- End-of-service gratuity.



- Travel allowance for offshore deployment.

## 12.7.HR Policies & Compliance

### Key HR Policies:

- Equal opportunity employment and non-discrimination.
- Zero-tolerance for unsafe work practices.
- Confidentiality of client and company information.
- Adherence to UAE Labor Law, ADNOC contractor requirements, and maritime crew regulations.

### Compliance Mechanisms:

- Annual audit of crew certifications and visas.
- HSE compliance monitoring for all offshore assignments.
- Contract management to ensure subcontractors meet legal and safety standards.

## 12.8.Year 1 HR Implementation Timeline

Month	Activity
Month 1	Hire Admin & Operations Coordinator, Logistics & Procurement Officer
Month 2	Contract outsourced accountant, recruit chandlery assistant
Month 3	Build subcontractor and crew database
Month 4	Conduct first HSE and compliance training session



<b>Month 6</b>	Performance check-in for all internal staff
<b>Month 9</b>	Specialized technical training for crew
<b>Month 12</b>	Annual review and workforce planning for Year 2

This HR Plan ensures **ABC Marine Services and Brokerage LLC** has the right mix of **internal leadership, operational staff, and on-demand specialist talent** to deliver on its business goals while maintaining flexibility and compliance in the dynamic UAE marine sector.



**Risks &  
Mitigation Plan**



## 13. Risks and Mitigation Plan

The following table outlines the key risks facing **ABC Marine Services and Brokerage LLC** across operational, financial, market, compliance, and strategic areas, along with detailed mitigation strategies to minimize potential impacts.

Risk Category	Risk Description	Potential Impact	Mitigation Strategy
<b>Market Risks</b>	<b>High Industry Competition:</b> Established marine service providers with larger fleets, inventories, and marketing budgets could capture market share.	Reduced contract wins, price pressure, slower revenue growth.	Differentiate through fast mobilization, niche expertise, and leveraging founder's personal network for high-value client relationships. Participate in industry events to increase visibility.
	<b>Oil Price Volatility:</b> The UAE marine industry is closely tied to oil & gas projects; fluctuations may reduce demand.	Revenue instability, delayed projects, budget cuts from clients.	Diversify into non-oil segments such as port services, marine tourism, and offshore renewables. Maintain flexible cost structure.
<b>Operational Risks</b>	<b>Reliance on Subcontractors:</b> Heavy dependence on third-party manpower and technical service providers could lead to quality or scheduling issues.	Service delays, client dissatisfaction, reputational damage.	Vet subcontractors thoroughly, maintain a roster of pre-qualified suppliers, use performance-based contracts, and keep critical services in-house where possible.

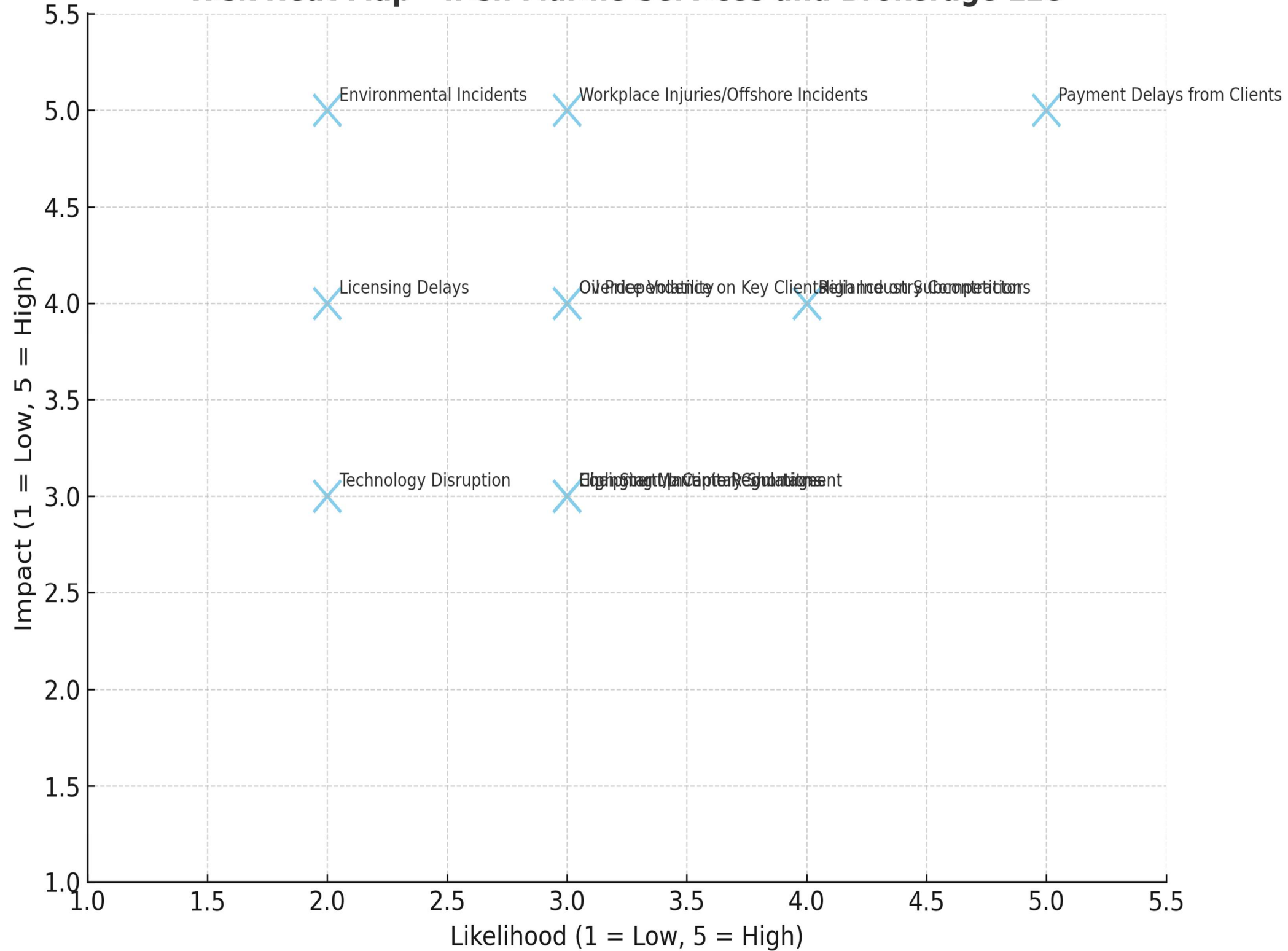


	<b>Equipment or Inventory Shortages:</b> Delays from suppliers or sudden demand spikes could lead to operational bottlenecks.	Inability to meet urgent client needs, loss of contracts.	Maintain buffer stock of critical chandlery items, establish multiple suppliers for redundancy, implement inventory forecasting system.
<b>Financial Risks</b>	<b>Payment Delays from Clients:</b> Large corporate clients, especially in EPC and oil & gas, may have long payment cycles.	Cash flow strain, difficulty covering operational expenses.	Negotiate partial upfront payments, offer early payment discounts, maintain a reserve fund, and stagger supplier payments to align with receivables.
	<b>High Startup Capital Commitment:</b> Initial AED 500,000 investment requires tight cash flow management.	Potential liquidity issues in early months.	Monitor budgets monthly, prioritize high-margin contracts, limit discretionary spending until breakeven is reached.
<b>Compliance &amp; Regulatory Risks</b>	<b>Licensing Delays:</b> Delays in securing ADDED, ADNOC, or maritime authority approvals could postpone operations.	Missed revenue opportunities, loss of client confidence.	Start licensing process early, engage experienced PRO services, maintain updated documentation to speed renewals.
	<b>Changing Maritime Regulations:</b> New IMO/MARPOL/STCW rules may require operational changes or additional certifications.	Compliance costs, operational disruption.	Assign a compliance officer, maintain close contact with maritime authorities, and schedule annual compliance audits.



<b>Health, Safety &amp; Environmental Risks</b>	<b>Workplace Injuries or Offshore Incidents:</b> Marine operations involve inherent safety hazards.	Legal liabilities, insurance claims, reputational harm.	Enforce strict HSE policies, mandatory safety training, regular audits, and full insurance coverage for crew and operations.
	<b>Environmental Incidents (e.g., oil spill, waste mishandling):</b> Failure to manage environmental risks can lead to fines and loss of ADNOC/vendor approvals.	Legal penalties, contract termination, reputational loss.	Follow MARPOL waste handling protocols, provide environmental training, and use certified waste disposal partners.
<b>Strategic Risks</b>	<b>Overdependence on Key Clients:</b> Heavy reliance on a few large contracts may create revenue vulnerability.	Significant revenue drop if key client is lost.	Broaden client base through marketing, explore regional expansion, and develop service offerings for new sectors.
	<b>Technology Disruption:</b> Adoption of automation and AI in marine operations could reduce demand for certain manpower services.	Declining manpower contracts in the long term.	Integrate technology-driven services such as remote monitoring, digital vessel tracking, and predictive maintenance solutions.

# Risk Heat Map - Irish Marine Services and Brokerage LLC





# Financial Plan



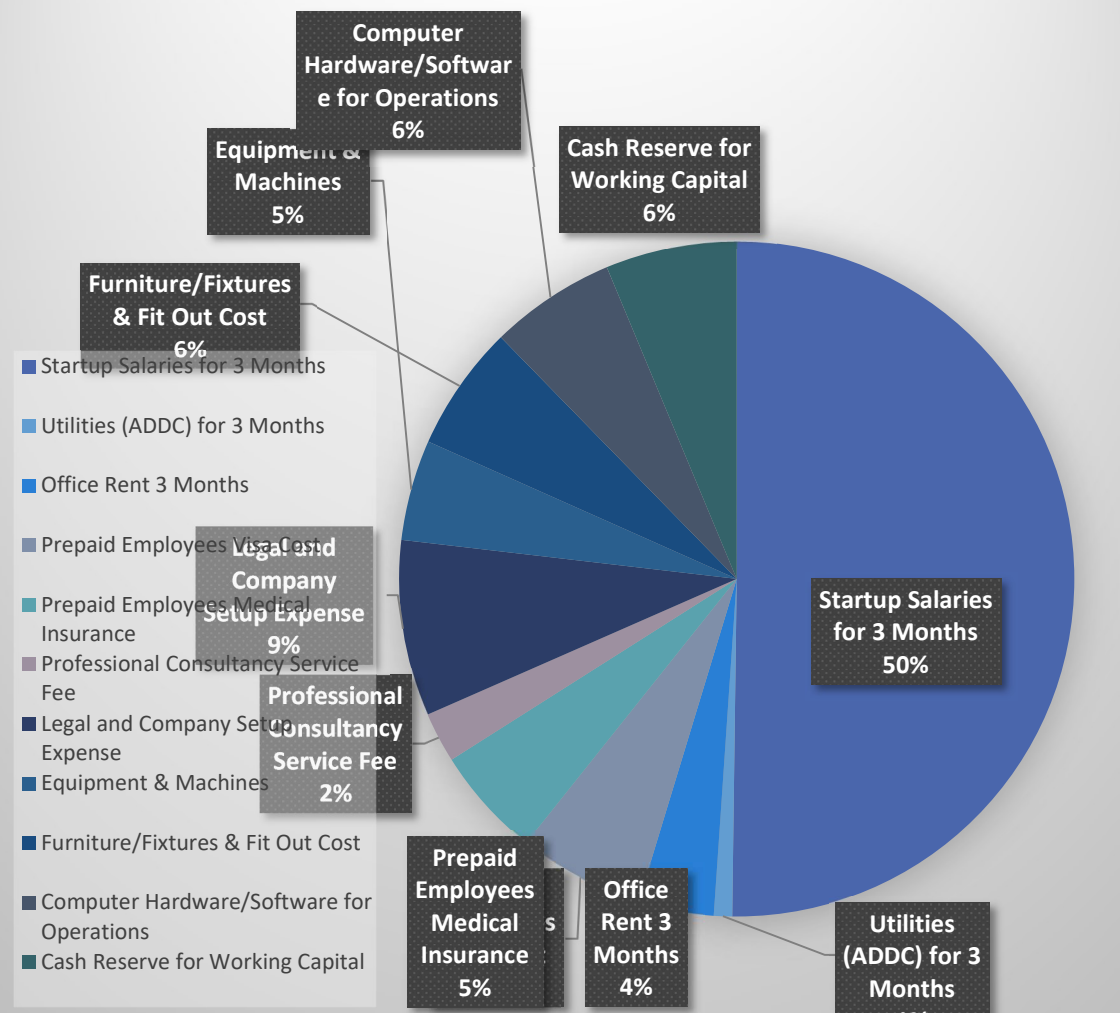
# 14. Financial Plan

## 14.1. Project Financial Highlights

### Startup Cost Indicator - Key Performance Indicator (KPI)

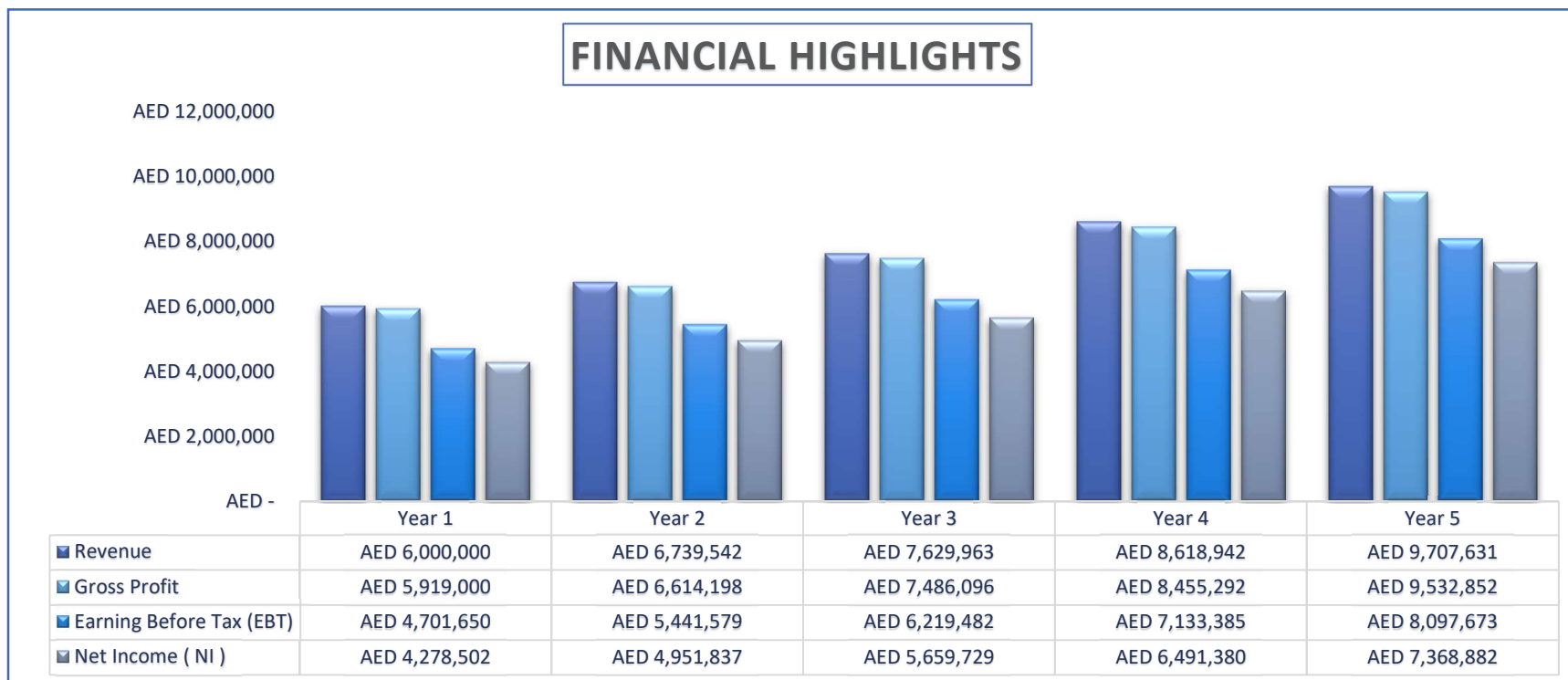
Project Startup Expenses / Pre- Incorporation Expenses	
Start-up Expenses	Amount
Startup Salaries for 3 Months	AED 208,500
Utilities (ADDC) for 3 Months	AED 3,600
Utilities (Telephone & Internet) for 3 Months	AED 4,800
Office Rent 3 Months	AED 15,000
Office Supplies (Cleaning, etc.)	AED 3,000
Prepaid Employees Visa Cost	AED 25,000
Prepaid Employees Medical Insurance	AED 22,000
Entertainment Expense Office	AED 3,000
Business Cards/Stationery	AED 2,000
Brand Development & Promotion Cost	AED 30,000
Accounting & CRM Software	AED 10,000
Website Development Costs	AED 15,000
Professional Consultancy Service Fee	AED 10,000
Legal and Company Setup Expense	AED 35,000
<b>Total Start-up Expenses</b>	<b>AED 386,900</b>
Start-up Assets	Amount
Land & Building	AED -
Equipment & Machines	AED 20,000
Furniture/Fixtures & Fit Out Cost	AED 25,000
Computer Hardware/Software for Operations	AED 25,000
Security deposit (ADDC)	AED 2,000
Startup Inventory	AED 15,000
Security deposit (ADDC Deposit)	AED -
Cash Reserve for Working Capital	AED 26,100
<b>Total Start-up Assets - Capital Outflow</b>	<b>AED 113,100</b>
<b>Total Capital Requirement</b>	<b>AED 500,000</b>
Project Financing	Amount
Owner's Capital	AED 500,000

### Startup Cost





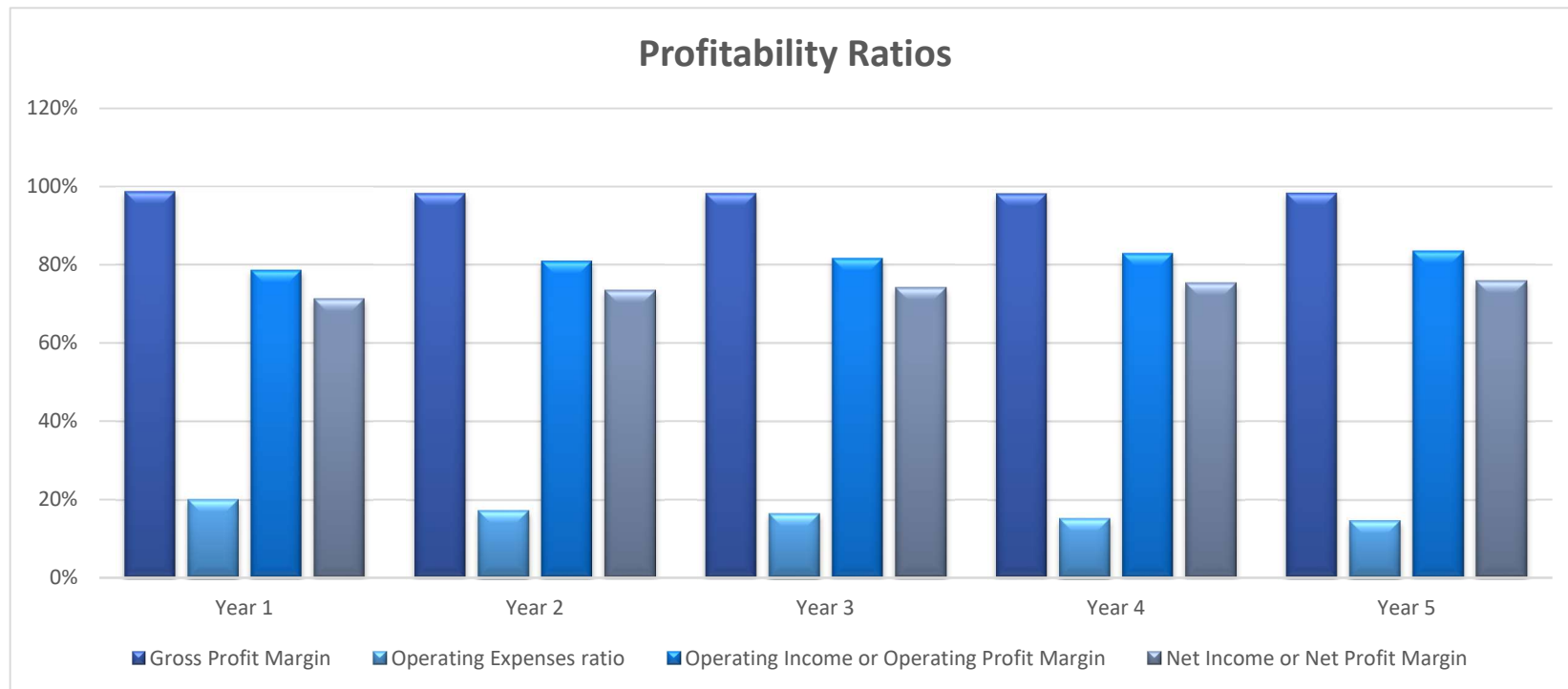
Projected Income Statement	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Forecast	Forecast	Forecast	Forecast	Forecast	
Revenue	AED 6,000,000	AED 6,739,542	AED 7,629,963	AED 8,618,942	AED 9,707,631	AED 38,696,078
Less: Cost of Revenue	AED 81,000	AED 125,344	AED 143,867	AED 163,650	AED 174,779	AED 688,640
<b>Gross Profit</b>	<b>AED 5,919,000</b>	<b>AED 6,614,198</b>	<b>AED 7,486,096</b>	<b>AED 8,455,292</b>	<b>AED 9,532,852</b>	<b>AED 38,007,438</b>
Less: Operating Expenses	AED 1,206,350	AED 1,163,669	AED 1,259,311	AED 1,315,929	AED 1,430,269	AED 6,375,528
<b>Earning Before Interest, Tax, Depreciation and Amortization (EBITDA)</b>	<b>AED 4,712,650</b>	<b>AED 5,450,529</b>	<b>AED 6,226,784</b>	<b>AED 7,139,362</b>	<b>AED 8,102,584</b>	<b>AED 31,631,910</b>
Less: Depreciation & Amortization	AED 11,000	AED 8,950	AED 7,303	AED 5,977	AED 4,911	AED 38,140
<b>Earning Before Interest and Tax (EBIT)</b>	<b>AED 4,701,650</b>	<b>AED 5,441,579</b>	<b>AED 6,219,482</b>	<b>AED 7,133,385</b>	<b>AED 8,097,673</b>	<b>AED 31,593,769</b>
Less: Finance Cost (Bank charges)	AED -	AED -	AED -	AED -	AED -	AED -
<b>Earning Before Tax (EBT)</b>	<b>AED 4,701,650</b>	<b>AED 5,441,579</b>	<b>AED 6,219,482</b>	<b>AED 7,133,385</b>	<b>AED 8,097,673</b>	<b>AED 31,593,769</b>
Less: Corporate Tax	AED 423,149	AED 489,742	AED 559,753	AED 642,005	AED 728,791	AED 2,843,439
Less: Zakat Expense	AED -	AED -	AED -	AED -	AED -	AED -
<b>Net Income ( NI )</b>	<b>AED 4,278,502</b>	<b>AED 4,951,837</b>	<b>AED 5,659,729</b>	<b>AED 6,491,380</b>	<b>AED 7,368,882</b>	<b>AED 28,750,330</b>





## Projected Income Statement -Key Performance Indicator (KPI) in % age

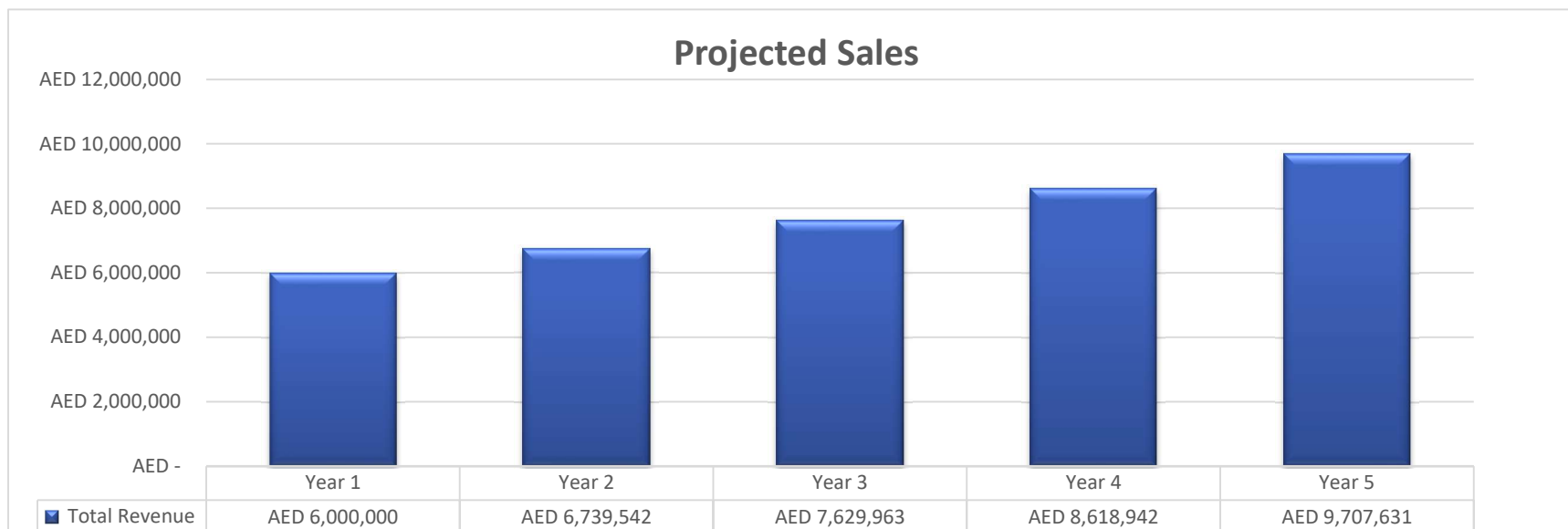
Key Financial Ratios	Year 1	Year 2	Year 3	Year 4	Year 5	Forecasted Average
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	
Revenue ratio	100%	100%	100%	100%	100%	100%
Cost of Revenue ratio	1%	2%	2%	2%	2%	2%
Gross Margin ratio	99%	98%	98%	98%	98%	98%
Operating Expense ratio	20%	17%	17%	15%	15%	16%
EBITDA ratio	79%	81%	82%	83%	83%	81%
Depreciation Expense ratio	0%	0%	0%	0%	0%	0%
Corporate Tax Expense ratio	7%	7%	7%	7%	8%	7%
Net Margin ratio	71%	73%	74%	75%	76%	74%





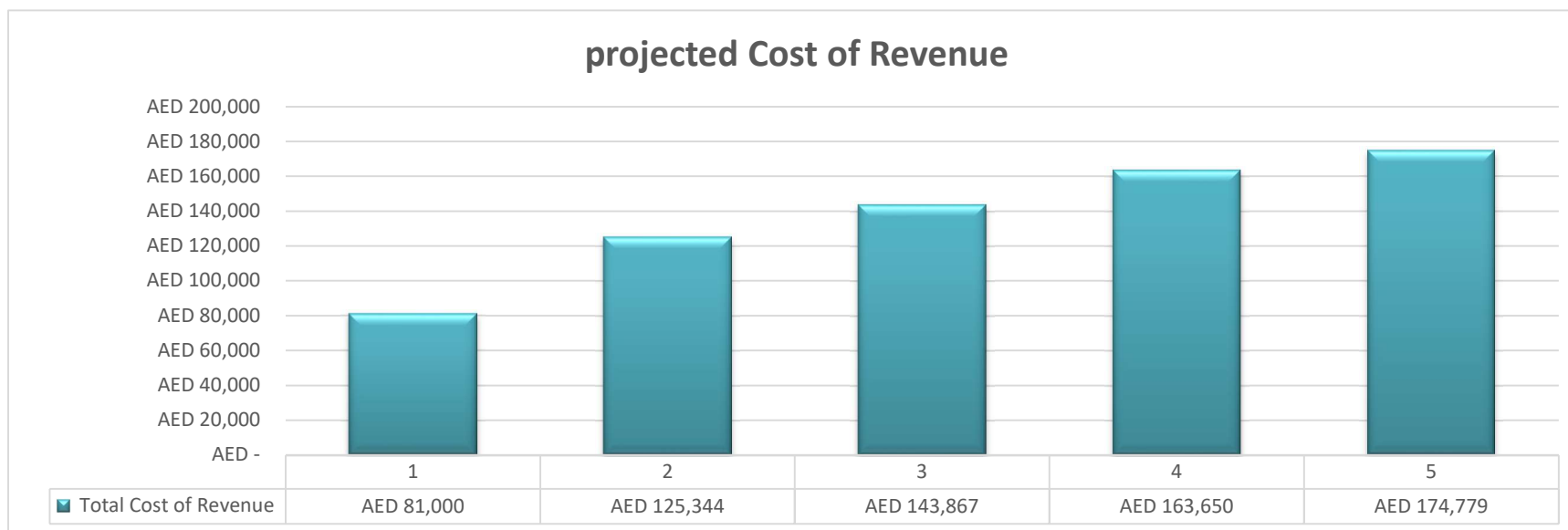
## Projected Revenue year by year

Projected Revenue by Year	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	
Marine Equipment & Vessel Brokerage	AED 1,200,000	AED 1,329,900	AED 1,517,454	AED 1,712,928	AED 1,916,600	AED 7,676,882
Specialist Marine Manpower Supply	AED 1,200,000	AED 1,350,360	AED 1,527,890	AED 1,723,666	AED 1,949,456	AED 7,751,372
Marine Technical Services	AED 1,200,000	AED 1,350,360	AED 1,527,963	AED 1,734,372	AED 1,949,456	AED 7,762,151
Marine Chandlery	AED 2,400,000	AED 2,708,922	AED 3,056,656	AED 3,447,976	AED 3,892,119	AED 15,505,673
<b>Total</b>	<b>AED 6,000,000</b>	<b>AED 6,739,542</b>	<b>AED 7,629,963</b>	<b>AED 8,618,942</b>	<b>AED 9,707,631</b>	<b>AED 38,696,078</b>



## Projected Cost of Revenue

Projected Cost of Revenue by Year	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	
Operational Staff Salaries	AED 81,000	AED 125,344	AED 143,867	AED 163,650	AED 174,779	AED 688,640
Direct Operational Cost	AED -	AED -	AED -	AED -	AED -	AED -
<b>Total</b>	<b>AED 81,000</b>	<b>AED 125,344</b>	<b>AED 143,867</b>	<b>AED 163,650</b>	<b>AED 174,779</b>	<b>AED 688,640</b>



### Projected Free Cash Flow Statement FCFF

Projected Cost of Revenue by Year	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
<b>Net Income ( NI )</b>	AED 4,278,502	AED 4,951,837	AED 5,659,729	AED 6,491,380	AED 7,368,882	AED 28,750,330
<i>Plus: NonCash Charges (NCC)</i>						
Depreciation & Amortization	AED 11,000	AED 8,950	AED 7,303	AED 5,977	AED 4,911	AED 38,140
Plus: Interest Expense x (1-Tax rate)	AED -	AED -	AED -	AED -	AED -	AED -
Less: Investment in Fixed Capital	AED (500,000)	AED -	AED -	AED -	AED -	AED (500,000)
Less: Investment in Working Capital	AED (7,875)	AED 14,484	AED (34,340)	AED (32,293)	AED (56,660)	AED (116,684)
<b>Total</b>	<b>AED 3,781,627</b>	<b>AED 4,975,271</b>	<b>AED 5,632,691</b>	<b>AED 6,465,065</b>	<b>AED 7,317,133</b>	<b>AED 28,171,787</b>



### Projected Income Statement KPI vs Industry Benchmarking in % age

Profitability Ratios	Industry Standard	Year 1 Forecasted	Year 2 Forecasted	Year 3 Forecasted	Year 4 Forecasted	Year 5 Forecasted
Gross Profit Margin	> 30%	99%	98%	98%	98%	98%
Operating Expenses ratio	10% - 15%	20%	17%	17%	15%	15%
Operating Income or Operating Profit Margin	> 10%	79%	81%	82%	83%	83%
Net Income or Net Profit Margin	> 5%	71%	73%	74%	75%	76%
Return on Assets ( ROA)	> 0.2	58.2	95.1	126.5	167.4	217.6
Return on Investment (ROI)	> 0.2	856%	990%	1132%	1298%	1474%
Return on equity (ROE)	> 0.2	90%	51%	37%	30%	25%
Return on Capital Employed (ROCE)	> 0.2	940%	114%	64%	46%	37%
Return on Invested Capital	> 0.2	856%	990%	1132%	1298%	1474%
Operating Cash Flow Ratio	> 1	#REF!	#REF!	#REF!	#REF!	#REF!
EBITDA Margin	>10%	79%	81%	82%	83%	83%
EBIT Margin	>10%	78%	81%	82%	83%	83%
Corporate Tax Ratio	< 5%	7%	7%	7%	7%	8%

### Balance Sheet Ratios - Key Performance Indicator (KPI)

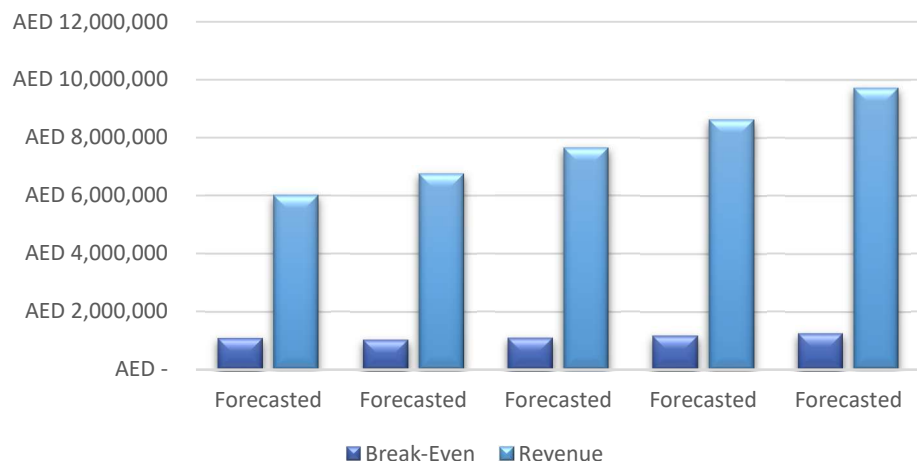
Key Financial Ratios	Industry Standard	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Current Ratio	> 1	7.6	12.7	17.3	21.5	25.3
Quick Ratio	> 1	7.6	12.7	17.3	21.5	25.3

### Projected Summary Sheet of Breakeven Analysis

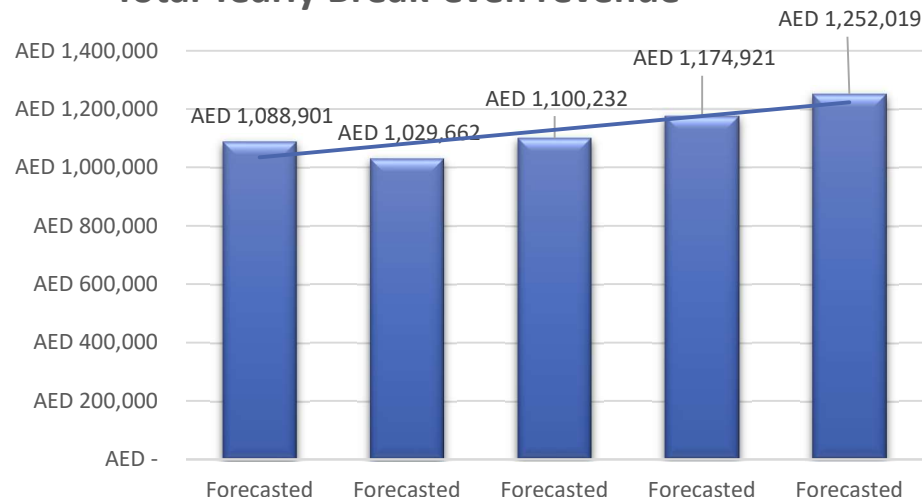
Multiproduct Breakeven	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Fixed Cost	AED 1,044,900	AED 974,592	AED 1,041,252	AED 1,119,232	AED 1,192,449
Weighted Average Selling Price	AED 17,000	AED 17,271	AED 17,742	AED 18,159	AED 18,508
Weighted Average Variable Cost	AED 687	AED 924	AED 951	AED 861	AED 881
Weighted Average Multiproduct Contribution Margin	AED 16,313	AED 16,347	AED 16,791	AED 17,298	AED 17,627
Weighted Average Multiproduct Contribution Margin Ratio	0.96	0.95	0.95	0.95	0.95
<b>Breakeven Point in Multiproduct (Revenue (No. of Deals) )</b>	<b>211 Deals</b>	<b>196 Deals</b>	<b>204 Deals</b>	<b>213 Deals</b>	<b>222 Deals</b>
<b>Weighted Average Breakeven Point in Multiproduct Revenue (in AED)</b>	<b>AED 1,088,901</b>	<b>AED 1,029,662</b>	<b>AED 1,100,232</b>	<b>AED 1,174,921</b>	<b>AED 1,252,019</b>



### Revenue vs Break-even



### Total Yearly Break-even revenue



Yearly Breakeven Analysis in Amount (AED)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
-----Per Year-----					
Marine Equipment & Vessel Brokerage	AED 217,780	AED 203,181	AED 218,815	AED 233,504	AED 247,189
Specialist Marine Manpower Supply	AED 217,780	AED 206,307	AED 220,320	AED 234,968	AED 251,427
Marine Technical Services	AED 217,780	AED 206,307	AED 220,331	AED 236,427	AED 251,427
Marine Chandlery	AED 435,560	AED 413,867	AED 440,766	AED 470,023	AED 501,977
<b>Total Yearly Break-even Revenue</b>	<b>AED 1,088,901</b>	<b>AED 1,029,662</b>	<b>AED 1,100,232</b>	<b>AED 1,174,921</b>	<b>AED 1,252,019</b>

Normal Projected Yearly Revenue (AED)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
-----Per Year-----					
Marine Equipment & Vessel Brokerage	AED 1,200,000	AED 1,329,900	AED 1,517,454	AED 1,712,928	AED 1,916,600
Specialist Marine Manpower Supply	AED 1,200,000	AED 1,350,360	AED 1,527,890	AED 1,723,666	AED 1,949,456
Marine Technical Services	AED 1,200,000	AED 1,350,360	AED 1,527,963	AED 1,734,372	AED 1,949,456
Marine Chandlery	AED 2,400,000	AED 2,708,922	AED 3,056,656	AED 3,447,976	AED 3,892,119
<b>Total</b>	<b>AED 6,000,000</b>	<b>AED 6,739,542</b>	<b>AED 7,629,963</b>	<b>AED 8,618,942</b>	<b>AED 9,707,631</b>



### Fixed Cost (For Break-Even Analysis)



### Profitability Ratios



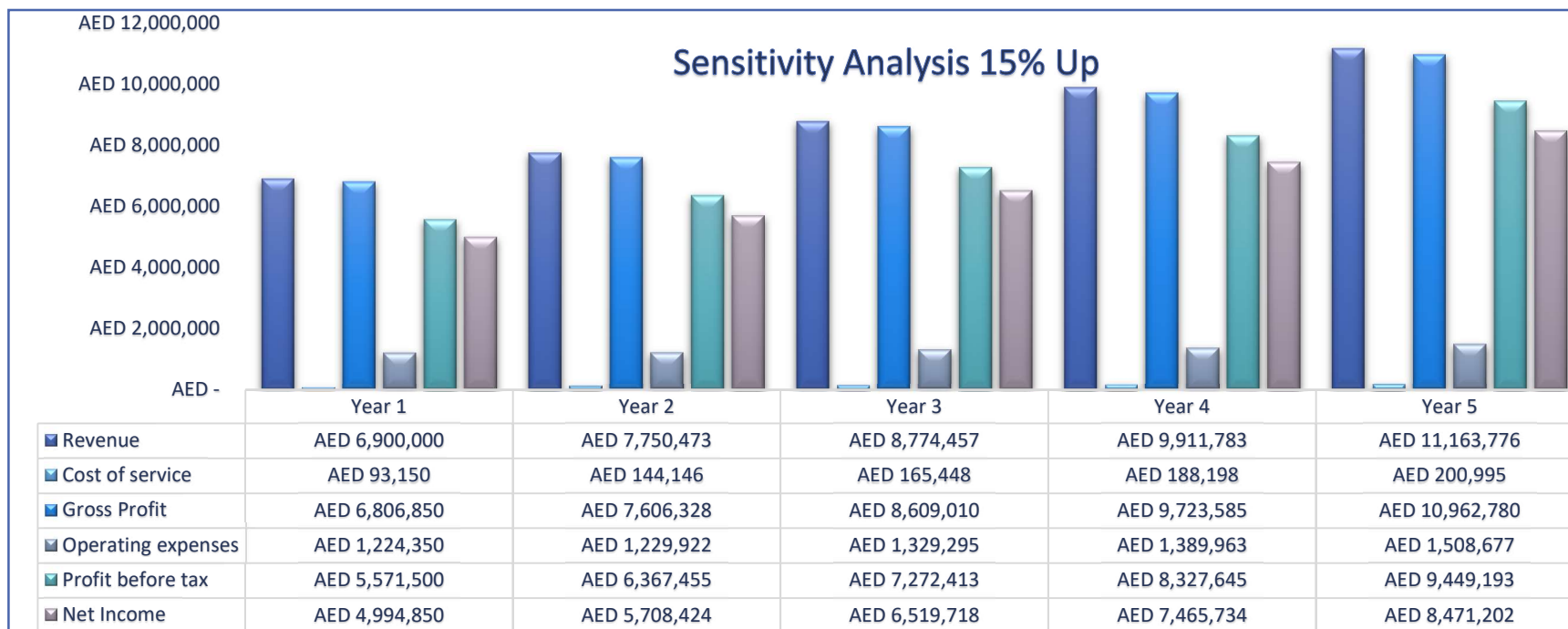
Yearly Breakeven Analysis in Revenue (No. of Deals)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
	-----Per Year-----				
Marine Equipment & Vessel Brokerage	4 Deals	4 Deals	4 Deals	4 Deals	5 Deals
Specialist Marine Manpower Supply	22 Deals	20 Deals	21 Deals	22 Deals	23 Deals
Marine Technical Services	11 Deals	10 Deals	11 Deals	11 Deals	11 Deals
Marine Chandlery	174 Deals	162 Deals	168 Deals	176 Deals	183 Deals
<b>Total</b>	<b>211 Deals</b>	<b>196 Deals</b>	<b>204 Deals</b>	<b>213 Deals</b>	<b>222 Deals</b>

### Project Risk Analysis 1 -Sensitivity Analysis

Description	Note	Low Value (85%)	Base Value (100%)	High Value (115%)
Weighted Average Price per Product (@ 15 %)		AED 14,450	AED 17,000	AED 19,550
Average Variable Cost per Product		AED 584	AED 687	AED 790
Advertising & Marketing		AED 114,572	AED 134,791	AED 155,009
Tax rate		8%	9%	10%
Average Profit After Tax		(4,768,613)	5,750,066	6,631,985

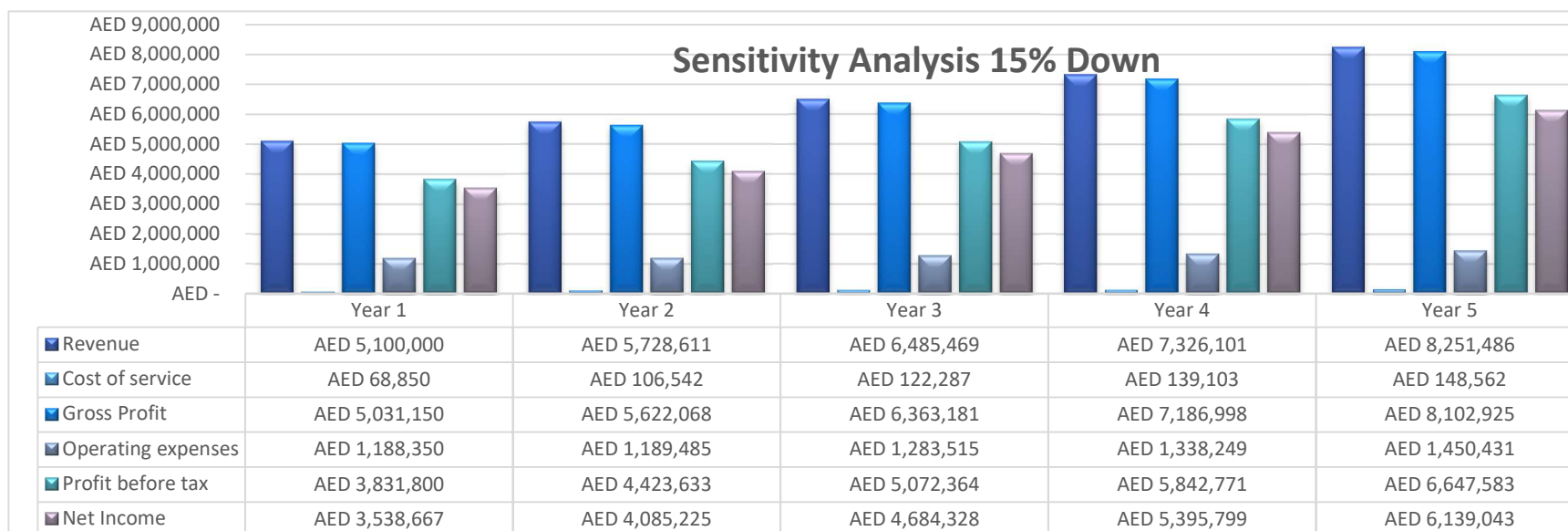


Sensitivity Analysis 15% Up	Year 1		Year 2		Year 3		Year 4		Year 5	
	Forecast		Forecast		Forecast		Forecast		Forecast	
Revenue	AED	6,900,000	AED	7,750,473	AED	8,774,457	AED	9,911,783	AED	11,163,776
Cost of service	AED	93,150	AED	144,146	AED	165,448	AED	188,198	AED	200,995
Gross Profit	AED	6,806,850	AED	7,606,328	AED	8,609,010	AED	9,723,585	AED	10,962,780
Operating expenses	AED	1,224,350	AED	1,229,922	AED	1,329,295	AED	1,389,963	AED	1,508,677
Profit before tax	AED	5,571,500	AED	6,367,455	AED	7,272,413	AED	8,327,645	AED	9,449,193
Net Income	AED	4,994,850	AED	5,708,424	AED	6,519,718	AED	7,465,734	AED	8,471,202





Sensitivity Analysis 15% Down	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue	AED 5,100,000	AED 5,728,611	AED 6,485,469	AED 7,326,101	AED 8,251,486
Cost of service	AED 68,850	AED 106,542	AED 122,287	AED 139,103	AED 148,562
Gross Profit	AED 5,031,150	AED 5,622,068	AED 6,363,181	AED 7,186,998	AED 8,102,925
Operating expenses	AED 1,188,350	AED 1,189,485	AED 1,283,515	AED 1,338,249	AED 1,450,431
Profit before tax	AED 3,831,800	AED 4,423,633	AED 5,072,364	AED 5,842,771	AED 6,647,583
Net Income	AED 3,538,667	AED 4,085,225	AED 4,684,328	AED 5,395,799	AED 6,139,043



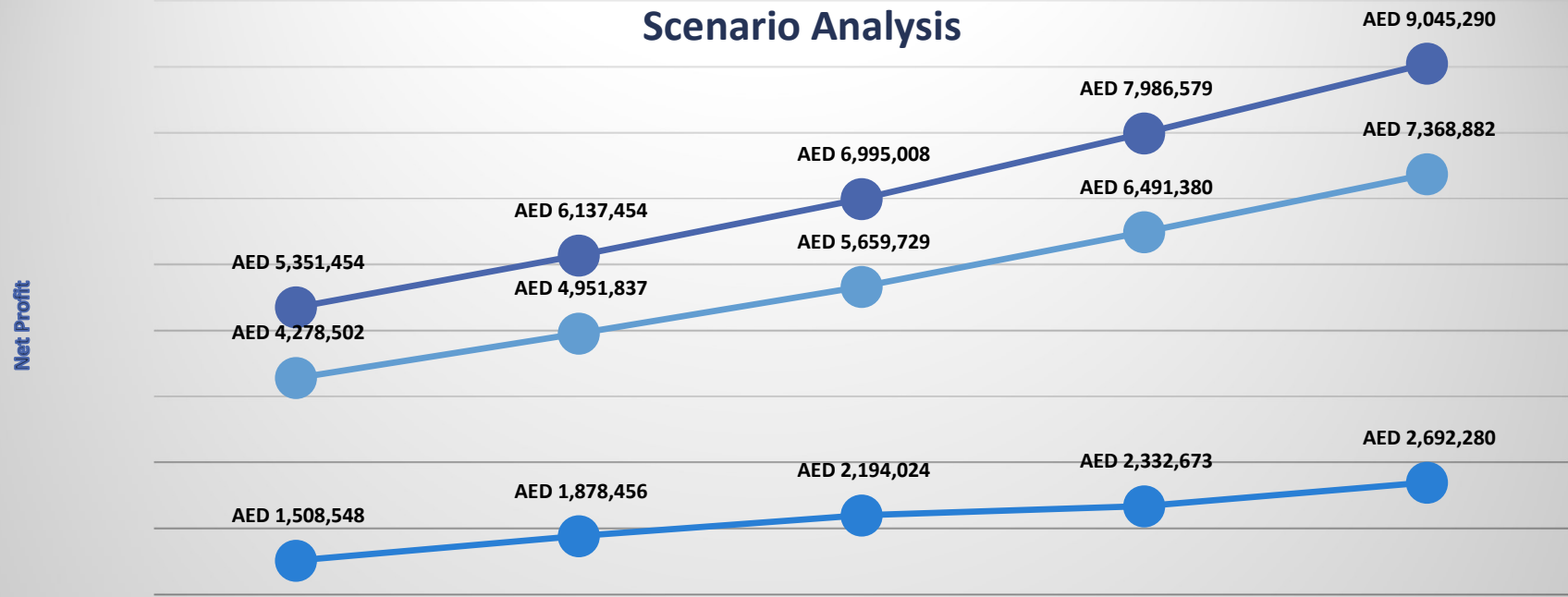
### Project Risk Analysis 2 -Scenario Analysis

#### Net Income (Effect on Net Income in each Scenario Analysis)

Scenario	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
Best Case	AED 5,351,454	AED 6,137,454	AED 6,995,008	AED 7,986,579	AED 9,045,290
Base Case	AED 4,278,502	AED 4,951,837	AED 5,659,729	AED 6,491,380	AED 7,368,882
Worst Case	AED 1,508,548	AED 1,878,456	AED 2,194,024	AED 2,332,673	AED 2,692,280



## Scenario Analysis



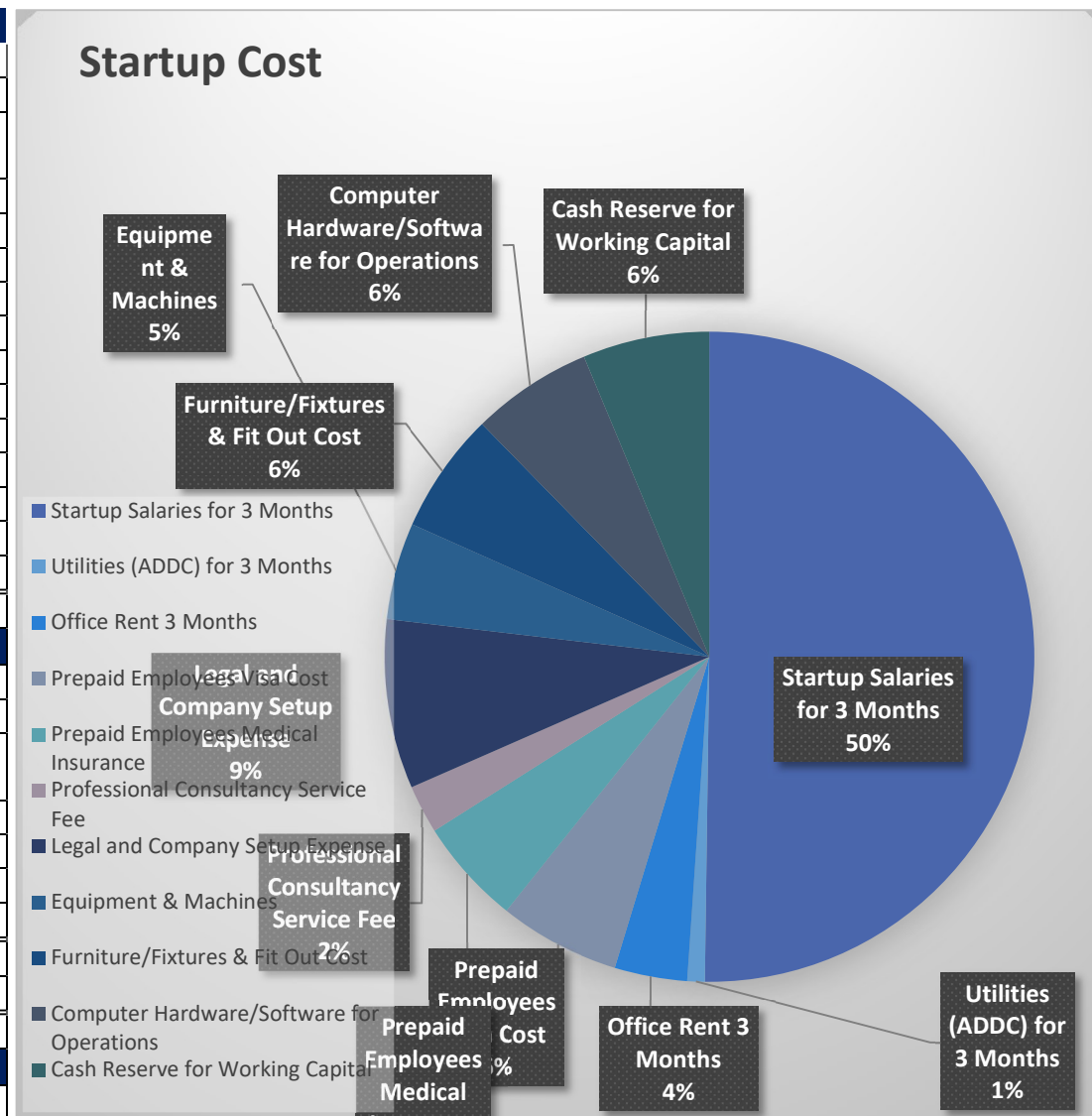
	Year 1	Year 2	Year 3	Year 4	Year 5
Best Case	AED 5,351,454	AED 6,137,454	AED 6,995,008	AED 7,986,579	AED 9,045,290
Base Case	AED 4,278,502	AED 4,951,837	AED 5,659,729	AED 6,491,380	AED 7,368,882
Worst Case	AED 1,508,548	AED 1,878,456	AED 2,194,024	AED 2,332,673	AED 2,692,280

Best Case Base Case Worst Case



## 14.2. Project Startup Expenses / Pre- Incorporation Expenses

Project Start-up Expenses - Breakup		Note	Amount
Startup Salaries for 3 Months	1	AED	208,500
Utilities (ADDC) for 3 Months	2	AED	3,600
Utilities (Telephone & Internet) for 3 Months	2	AED	4,800
Office Rent 3 Months		AED	15,000
Office Supplies (Cleaning, etc.)		AED	3,000
Prepaid Employees Visa Cost	1	AED	25,000
Prepaid Employees Medical Insurance	1	AED	22,000
Entertainment Expense Office		AED	3,000
Business Cards/Stationery		AED	2,000
Brand Development & Promotion Cost		AED	30,000
Accounting & CRM Software		AED	10,000
Website Development Costs		AED	15,000
Professional Consultancy Service Fee		AED	10,000
Legal and Company Setup Expense	3	AED	35,000
<b>Total Start-up Expenses</b>		<b>AED</b>	<b>386,900</b>
Project Start-up Assets - Breakup		Amount	
Equipment & Machines	4	AED	20,000
Furniture/Fixtures & Fit Out Cost	5	AED	25,000
Computer Hardware/Software for Operations	6	AED	25,000
Security deposit (ADDC)		AED	2,000
Startup Inventory	7	AED	15,000
Cash Reserve for Working Capital		AED	26,100
<b>Total Start-up Assets - Capital Outflow</b>		<b>AED</b>	<b>113,100</b>
<b>Total Capital Requirement</b>		<b>AED</b>	<b>500,000</b>
Project Financing		Amount	
Owner's Capital		AED	500,000





**Note 1** Salary of 3 months is considered. Salary, Employees Visa and Insurance breakup is shown in below in table.

Designations	Number	Total Per Month Salary	Total 3 month Salary	Prepaid Employees Visa Cost	Total Prepaid Employees Visa Cost	Prepaid Employee Medical Insurance / Per Employee	Total Prepaid Employee Medical Insurance
<b>Direct Staff / Operational Staff</b>							
Admin / Coordinator	1	AED 5,000	AED 15,000	AED 5,000	AED 5,000	AED 4,000	AED 4,000
Logistics & Procurement Officer	1	AED 4,000	AED 12,000	AED 5,000	AED 5,000	AED 4,000	AED 4,000
<b>Total Operational Staff</b>	<b>2</b>	<b>AED 9,000</b>	<b>AED 27,000</b>	<b>AED 10,000</b>	<b>AED 10,000</b>	<b>AED 8,000</b>	<b>AED 8,000</b>
<b>Indirect Staff / Non-Operational Staff</b>							
Owner / MD	1	AED 50,000	AED 150,000	AED -	AED -	AED 6,000	AED 6,000
Accountant	1	AED 6,500	AED 19,500	AED 5,000	AED 5,000	AED 4,000	AED 4,000
Security Personnel	1	AED 2,000	AED 6,000	AED 5,000	AED 5,000	AED 2,000	AED 2,000
Cleaning Staff	1	AED 2,000	AED 6,000	AED 5,000	AED 5,000	AED 2,000	AED 2,000
<b>Total Operational Staff</b>	<b>4</b>	<b>AED 60,500</b>	<b>AED 181,500</b>	<b>AED 15,000</b>	<b>AED 15,000</b>	<b>AED 14,000</b>	<b>AED 14,000</b>
<b>Grand Total</b>	<b>6</b>	<b>AED 69,500</b>	<b>AED 208,500</b>	<b>AED 25,000</b>	<b>AED 25,000</b>	<b>AED 22,000</b>	<b>AED 22,000</b>

### Headcount Table Year Wise

Description	Projected Number of Total Employees					Avg. Monthly salary per employee	Total Per Month Salary
	Year 1	Year 2	Year 3	Year 4	Year 5		
<b>Direct Staff / Operational Staff</b>							
Admin / Coordinator	1	2	3	4	4	AED 5,000	AED 5,000
Logistics & Procurement Officer	1	2	3	4	4	AED 4,000	AED 4,000
<b>Total Operational Staff</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>8</b>	<b>8</b>		<b>AED 9,000</b>
<b>Indirect Staff / Non-Operational Staff</b>							
Owner / MD	1	1	1	1	1	AED 50,000	AED 50,000
Accountant	1	1	2	2	2	AED 6,500	AED 6,500
Security Personnel	1	1	1	1	1	AED 2,000	AED 2,000
Cleaning Staff	1	1	1	1	1	AED 2,000	AED 2,000
<b>Total Operational Staff</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>		<b>AED 60,500</b>
<b>Grand Total</b>	<b>6</b>	<b>8</b>	<b>11</b>	<b>13</b>	<b>13</b>		<b>AED 69,500</b>



### Startup Expenses Amortization Break-up

Description	Note	Total Amount	Amount to be Amortized for 1 Month	Monthly Amortization Amount first 3 Months	Monthly Amortization Amount after 3 Months	Total Useful Tenure
Startup Salaries for 3 Months		AED 208,500	AED 69,500	AED 69,500	AED -	3 Months
Utilities (ADDC) for 3 Months		AED 3,600	AED 1,200	AED 1,200	AED -	3 Months
Utilities (Telephone & Internet) for 3 Months		AED 4,800	AED 1,600	AED 1,600	AED -	3 Months
Office Rent 3 Months		AED 15,000	AED 5,000	AED 5,000	AED -	3 Months
Office Supplies (Cleaning, etc.)		AED 3,000	AED 3,000	AED -	AED -	1 Year
Prepaid Employees Visa Cost		AED 25,000	AED 1,042	AED 1,042	AED 1,042	2 Year
Prepaid Employees Medical Insurance		AED 22,000	AED 1,833	AED 1,833	AED 1,833	1 Year
Entertainment Expense Office		AED 3,000	AED 1,000	AED 1,000	AED -	3 Months
Business Cards/Stationery		AED 2,000	AED 167	AED 167	AED 167	1 Year
Brand Development & Promotion Cost		AED 30,000	AED 2,500	AED 2,500	AED 2,500	1 Year
Accounting & CRM Software		AED 10,000	AED 833	AED 833	AED 833	1 Year
Website Development Costs		AED 15,000	AED 1,250	AED 1,250	AED 1,250	1 Year
Professional Consultancy Service Fee		AED 10,000	AED 833	AED 833	AED 833	1 Year
Legal and Company Setup Expense		AED 35,000	AED 2,917	AED 2,917	AED 2,917	1 Year
<b>Total Start-up Expenses</b>		<b>AED 386,900</b>	<b>AED 92,675</b>	<b>AED 89,675</b>	<b>AED 11,375</b>	

**Note 2** Utilities of 3 months is considered. Utilities include Energy, Water (ADDC), Internet, and Telephone bill. The estimated breakup of utility bill is following.

Average Utilities	Per month	Total 3 Months
Energy & Water Bill (ADDC)*	AED 1,200	AED 3,600
Telephone	AED 800	AED 2,400
Internet	AED 800	AED 2,400
<b>Total</b>	<b>AED 2,800</b>	<b>AED 8,400</b>

**Note 3** Legal cost for company setup include preliminary expense include e.g. company registration , Article of Association and license. It is one year license.

**Note 4** Equipment & Machines include office electronics and tools used for work purposes.



**Note 5** Office Furniture/Fixtures & Fit out Cost includes, all designed to promote a conducive working environment and accommodate the needs of the Employees.

**Note 6** laptop for using software or solution and desktop for the team working, shared printer , TV in the waiting area , desktop and laptop.

**Note 8** The startup inventory cost reflects the cost of purchasing materials.

### **Sources**

Legal Cost for Company Setup

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Visa Cost

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Office Equipment's

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Computer and Accessories

[https://www.ebay.com/sch/i.html?\\_from=R40&\\_trksid=p2334524.m570.l1313&\\_nkw=computer+and+laptops&\\_sac](https://www.ebay.com/sch/i.html?_from=R40&_trksid=p2334524.m570.l1313&_nkw=computer+and+laptops&_sac)

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Car

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Laptop

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## 14.3. Project - Breakeven Analysis

### Projected Summary Sheet of Breakeven Analysis

Multiproduct Breakeven	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Fixed Cost	AED 1,044,900	AED 974,592	AED 1,041,252	AED 1,119,232	AED 1,192,449
Weighted Average Selling Price	AED 17,000	AED 17,271	AED 17,742	AED 18,159	AED 18,508
Weighted Average Variable Cost	AED 687	AED 924	AED 951	AED 861	AED 881
Weighted Average Multiproduct Contribution Margin	AED 16,313	AED 16,347	AED 16,791	AED 17,298	AED 17,627
Weighted Average Multiproduct Contribution Margin Ratio	0.96	0.95	0.95	0.95	0.95
<b>Breakeven Point in Multiproduct (Revenue (No. of Deals) )</b>	<b>211 Shifts</b>	<b>196 Shifts</b>	<b>204 Shifts</b>	<b>213 Shifts</b>	<b>222 Shifts</b>
<b>Weighted Average Breakeven Point in Multiproduct Revenue (in AED)</b>	<b>AED 1,088,901</b>	<b>AED 1,029,662</b>	<b>AED 1,100,232</b>	<b>AED 1,174,921</b>	<b>AED 1,252,019</b>

Yearly Breakeven Analysis in Amount (AED)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
	-----Per Year-----				
Marine Equipment & Vessel Brokerage	AED 217,780	AED 203,181	AED 218,815	AED 233,504	AED 247,189
Specialist Marine Manpower Supply	AED 217,780	AED 206,307	AED 220,320	AED 234,968	AED 251,427
Marine Technical Services	AED 217,780	AED 206,307	AED 220,331	AED 236,427	AED 251,427
Marine Chandlery	AED 435,560	AED 413,867	AED 440,766	AED 470,023	AED 501,977
<b>Total Yearly Break-even Revenue</b>	<b>AED 1,088,901</b>	<b>AED 1,029,662</b>	<b>AED 1,100,232</b>	<b>AED 1,174,921</b>	<b>AED 1,252,019</b>

Yearly Breakeven Analysis in Revenue (No. of Deals)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted Breakeven	Forecasted Breakeven	Forecasted Breakeven	Forecasted Breakeven	Forecasted Breakeven
	-----Yearly Revenue (No. of Deals)-----				
Marine Equipment & Vessel Brokerage	4 Deals	4 Deals	4 Deals	4 Deals	5 Deals
Specialist Marine Manpower Supply	22 Deals	20 Deals	21 Deals	22 Deals	23 Deals
Marine Technical Services	11 Deals	10 Deals	11 Deals	11 Deals	11 Deals



Marine Chandlery	174 Deals	162 Deals	168 Deals	176 Deals	183 Deals
<b>Total</b>	<b>211 Deals</b>	<b>196 Deals</b>	<b>204 Deals</b>	<b>213 Deals</b>	<b>222 Deals</b>

Monthly Breakeven Analysis in Amount (AED)	Year 1-Monthly	Year 2-Monthly	Year 3-Monthly	Year 4-Monthly	Year 5-Monthly
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
	-----Per month-----				
Marine Equipment & Vessel Brokerage	AED 18,148	AED 16,932	AED 18,235	AED 19,459	AED 20,599
Specialist Marine Manpower Supply	AED 18,148	AED 17,192	AED 18,360	AED 19,581	AED 20,952
Marine Technical Services	AED 18,148	AED 17,192	AED 18,361	AED 19,702	AED 20,952
Marine Chandlery	AED 36,297	AED 34,489	AED 36,731	AED 39,169	AED 41,831
<b>Total Monthly Break-even Revenue</b>	<b>AED 90,742</b>	<b>AED 85,805</b>	<b>AED 91,686</b>	<b>AED 97,910</b>	<b>AED 104,335</b>

Monthly Breakeven Analysis in Revenue (No. of Deals)	Year 1-Monthly	Year 2-Monthly	Year 3-Monthly	Year 4-Monthly	Year 5-Monthly
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
	-----Monthly Revenue (No. of Deals) -----				
Marine Equipment & Vessel Brokerage	0 Deals	0 Deals	0 Deals	0 Deals	0 Deals
Specialist Marine Manpower Supply	2 Deals	2 Deals	2 Deals	2 Deals	2 Deals
Marine Technical Services	1 Deals	1 Deals	1 Deals	1 Deals	1 Deals
Marine Chandlery	15 Deals	13 Deals	14 Deals	15 Deals	15 Deals
<b>Total Monthly Break-even quantity</b>	<b>18 Deals</b>	<b>16 Deals</b>	<b>17 Deals</b>	<b>18 Deals</b>	<b>19 Deals</b>

Normal Projected Yearly Revenue (AED)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
	-----Per Year-----				
Marine Equipment & Vessel Brokerage	AED 1,200,000	AED 1,329,900	AED 1,517,454	AED 1,712,928	AED 1,916,600
Specialist Marine Manpower Supply	AED 1,200,000	AED 1,350,360	AED 1,527,890	AED 1,723,666	AED 1,949,456
Marine Technical Services	AED 1,200,000	AED 1,350,360	AED 1,527,963	AED 1,734,372	AED 1,949,456
Marine Chandlery	AED 2,400,000	AED 2,708,922	AED 3,056,656	AED 3,447,976	AED 3,892,119
<b>Total</b>	<b>AED 6,000,000</b>	<b>AED 6,739,542</b>	<b>AED 7,629,963</b>	<b>AED 8,618,942</b>	<b>AED 9,707,631</b>



Projected Monthly Revenue (AED)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
	-----Per month-----				
Marine Equipment & Vessel Brokerage	AED 100,000	AED 110,825	AED 126,455	AED 142,744	AED 159,717
Specialist Marine Manpower Supply	AED 100,000	AED 112,530	AED 127,324	AED 143,639	AED 162,455
Marine Technical Services	AED 100,000	AED 112,530	AED 127,330	AED 144,531	AED 162,455
Marine Chandlery	AED 200,000	AED 225,744	AED 254,721	AED 287,331	AED 324,343
<b>Total</b>	<b>AED 500,000</b>	<b>AED 561,629</b>	<b>AED 635,830</b>	<b>AED 718,245</b>	<b>AED 808,969</b>
Projected Monthly Revenue (No. of Deals)	Year 1-Monthly	Year 2-Monthly	Year 3-Monthly	Year 4-Monthly	Year 5-Monthly
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
	-----Monthly Revenue (No. of Deals) -----				
Marine Equipment & Vessel Brokerage	2 Shifts	2 Shifts	2 Shifts	3 Shifts	3 Shifts
Specialist Marine Manpower Supply	10 Shifts	11 Shifts	12 Shifts	13 Shifts	15 Shifts
Marine Technical Services	5 Shifts	6 Shifts	6 Shifts	7 Shifts	7 Shifts
Marine Chandlery	80 Shifts	88 Shifts	97 Shifts	107 Shifts	118 Shifts
<b>Total</b>	<b>97 Shifts</b>	<b>107 Shifts</b>	<b>118 Shifts</b>	<b>130 Shifts</b>	<b>144 Shifts</b>

Projected Fee Value will charge on Monthly Basis	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Marine Equipment & Vessel Brokerage	AED 50,000	AED 51,150	AED 52,326	AED 53,529	AED 54,760
Specialist Marine Manpower Supply	AED 10,000	AED 10,230	AED 10,465	AED 10,706	AED 10,952
Marine Technical Services	AED 20,000	AED 20,460	AED 20,931	AED 21,412	AED 21,904
Marine Chandlery	AED 2,500	AED 2,558	AED 2,617	AED 2,677	AED 2,739
<b>Total</b>	<b>AED 82,500</b>	<b>AED 84,398</b>	<b>AED 86,339</b>	<b>AED 88,324</b>	<b>AED 90,355</b>

Variable Cost Per Revenue (No. of Deals)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Marine Equipment & Vessel Brokerage	AED 2,020	AED 2,736	AED 2,805	AED 2,537	AED 2,605
Specialist Marine Manpower Supply	AED 404	AED 547	AED 561	AED 507	AED 521
Marine Technical Services	AED 808	AED 1,094	AED 1,122	AED 1,015	AED 1,042
Marine Chandlery	AED 101	AED 137	AED 140	AED 127	AED 130
<b>Total</b>	<b>AED 3,334</b>	<b>AED 4,514</b>	<b>AED 4,628</b>	<b>AED 4,186</b>	<b>AED 4,299</b>



Contribution Margin	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Marine Equipment & Vessel Brokerage	AED 47,980	AED 48,414	AED 49,521	AED 50,992	AED 52,155
Specialist Marine Manpower Supply	AED 9,596	AED 9,683	AED 9,904	AED 10,199	AED 10,431
Marine Technical Services	AED 19,192	AED 19,366	AED 19,809	AED 20,397	AED 20,862
Marine Chandlery	AED 2,399	AED 2,421	AED 2,477	AED 2,550	AED 2,609
<b>Total</b>	<b>AED 79,166</b>	<b>AED 79,884</b>	<b>AED 81,711</b>	<b>AED 84,138</b>	<b>AED 86,056</b>

Projected Yearly Revenue (No. of Deals) in % age	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Marine Equipment & Vessel Brokerage	20%	20%	20%	20%	20%
Specialist Marine Manpower Supply	20%	20%	20%	20%	20%
Marine Technical Services	20%	20%	20%	20%	20%
Marine Chandlery	40%	40%	40%	40%	40%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Weighted Average Contribution Margin by Applying the %age	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Marine Equipment & Vessel Brokerage	AED 9,596	AED 9,553	AED 9,849	AED 10,134	AED 10,297
Specialist Marine Manpower Supply	AED 1,919	AED 1,940	AED 1,983	AED 2,040	AED 2,095
Marine Technical Services	AED 3,838	AED 3,880	AED 3,967	AED 4,104	AED 4,189
Marine Chandlery	AED 960	AED 973	AED 992	AED 1,020	AED 1,046
<b>Total</b>	<b>AED 16,313</b>	<b>AED 16,347</b>	<b>AED 16,791</b>	<b>AED 17,298</b>	<b>AED 17,627</b>

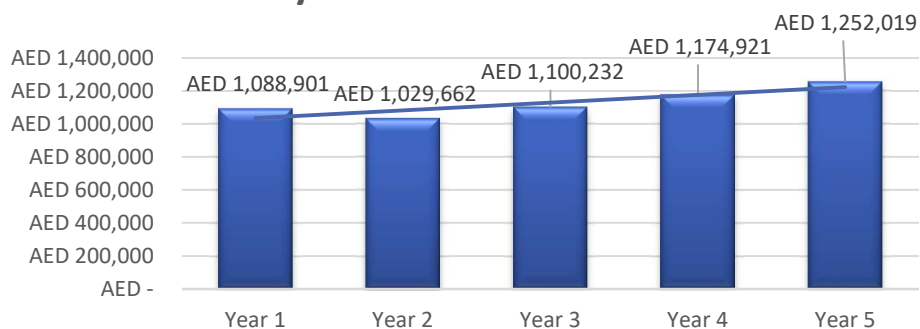
Variable Operating Expenses (V.C)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Advertising & Marketing	AED 120,000	AED 134,791	AED 152,599	AED 172,379	AED 194,153
Utilities (ADDC)	AED 10,800	AED 14,731	AED 15,070	AED 15,417	AED 15,771
Utilities (Telephone & Internet)	AED 14,400	AED 19,642	AED 20,093	AED 20,556	AED 21,028
Office Repaire & Maintenance Cost	AED -	AED 5,115	AED 5,233	AED 5,353	AED 5,476
Amortization Employees Visa Cost	AED -	AED -	AED 25,575	AED -	AED 26,163
Amortization Employees Medical Insurance	AED -	AED 22,506	AED 23,024	AED 23,553	AED 24,095
Amortization Business Insurance	AED 30,000	AED 30,690	AED 31,396	AED 32,118	AED 32,857
Website Maintenance Cost	AED -	AED 2,046	AED 2,093	AED 2,141	AED 2,190
Accounting & CRM Software	AED -	AED 10,230	AED 10,465	AED 10,706	AED 10,952



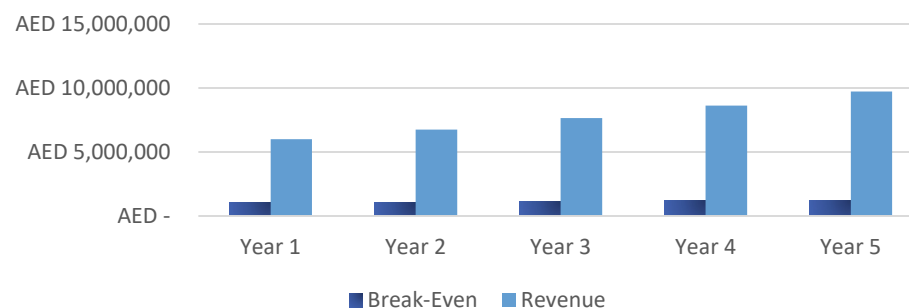
Entertainment Expense Office	AED 9,000	AED 12,276	AED 12,558	AED 12,847	AED 13,143
Printing and Stationary	AED 6,000	AED 8,184	AED 8,372	AED 8,565	AED 8,762
Legal and Professional Expense	AED -	AED 46,035	AED 47,094	AED 48,177	AED 49,285
Office Supplies (Cleaning, etc.)	AED 2,250	AED 3,060	AED 3,121	AED 3,184	AED 3,247
Miscellaneous Expenses	AED 50,000	AED 51,150	AED 52,326	AED 53,530	AED 54,761
<b>Total</b>	<b>AED 242,450</b>	<b>AED 360,456</b>	<b>AED 409,020</b>	<b>AED 408,525</b>	<b>AED 461,884</b>

Fixed Expenses (F.C)	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Office Rent	AED 45,000	AED 61,380	AED 62,792	AED 64,236	AED 65,713
Project Startup / Pre-Incorporation Expenses	AED 374,400	AED 12,500	AED -	AED -	AED -
Operational Staff Salaries	AED 81,000	AED 125,344	AED 143,867	AED 163,650	AED 174,779
Non-Operational Staff Salaries	AED 544,500	AED 775,368	AED 834,593	AED 891,345	AED 951,957
<b>Total</b>	<b>AED 1,044,900</b>	<b>AED 974,592</b>	<b>AED 1,041,252</b>	<b>AED 1,119,232</b>	<b>AED 1,192,449</b>

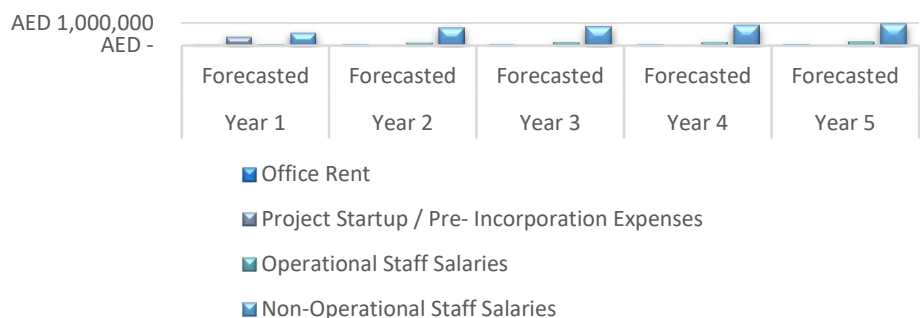
### Total Yearly Break-even revenue



### REVENUE VS Break-Even



### Fixed Cost (For Break-Even Analysis)



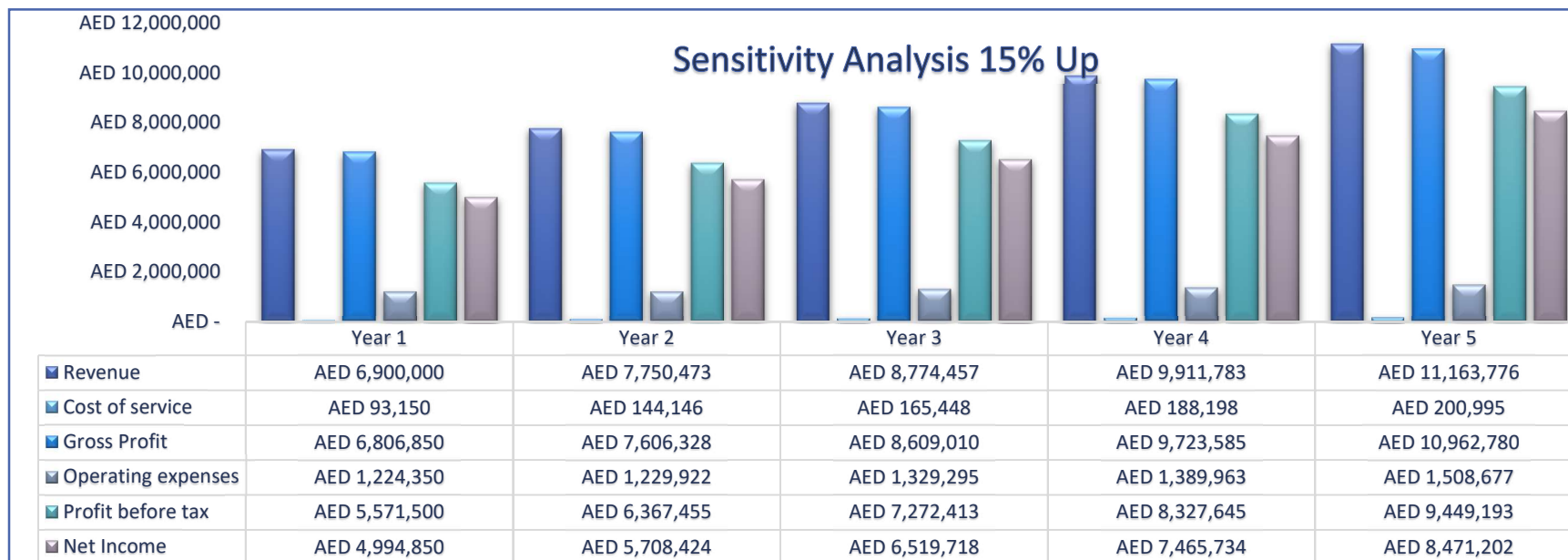


## 14.4. Project Sensitivity Analysis Risk Analysis 1

Description	Low Value (85%)	Base Value (100%)	High Value (115%)
Weighted Average Price per Product (@ 15 %)	AED 14,450	AED 17,000	AED 19,550
Average Variable Cost per Product	AED 584	AED 687	AED 790
Advertising & Marketing	AED 114,572	AED 134,791	AED 155,009
Tax rate	8%	9%	10%

Sensitivity Analysis 15% Up	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue	AED 6,900,000	AED 7,750,473	AED 8,774,457	AED 9,911,783	AED 11,163,776
Cost of Revenue	AED 93,150	AED 144,146	AED 165,448	AED 188,198	AED 200,995
<b>Gross Profit</b>	AED 6,806,850	AED 7,606,328	AED 8,609,010	AED 9,723,585	AED 10,962,780
% of Revenue	99%	98%	98%	98%	98%
Operating expenses	AED 1,224,350	AED 1,229,922	AED 1,329,295	AED 1,389,963	AED 1,508,677
% of Revenue	18%	16%	15%	14%	14%
<b>Operating Income</b>	AED 5,582,500	AED 6,376,405	AED 7,279,715	AED 8,333,622	AED 9,454,104
Depreciation & Amortization	AED 11,000	AED 8,950	AED 7,303	AED 5,977	AED 4,911
Finance cost	AED -	AED -	AED -	AED -	AED -
<b>Profit Before Tax</b>	AED 5,571,500	AED 6,367,455	AED 7,272,413	AED 8,327,645	AED 9,449,193
Provision for taxation	AED 576,650	AED 659,032	AED 752,695	AED 861,911	AED 977,991
<b>Net Profit / Income</b>	AED 4,994,850	AED 5,708,424	AED 6,519,718	AED 7,465,734	AED 8,471,202
% of Revenue	72%	74%	74%	75%	76%

Revenue	AED 6,900,000	AED 7,750,473	AED 8,774,457	AED 9,911,783	AED 11,163,776
Cost of service	AED 93,150	AED 144,146	AED 165,448	AED 188,198	AED 200,995
Gross Profit	AED 6,806,850	AED 7,606,328	AED 8,609,010	AED 9,723,585	AED 10,962,780
Operating expenses	AED 1,224,350	AED 1,229,922	AED 1,329,295	AED 1,389,963	AED 1,508,677
Profit before tax	AED 5,571,500	AED 6,367,455	AED 7,272,413	AED 8,327,645	AED 9,449,193
Net Income	AED 4,994,850	AED 5,708,424	AED 6,519,718	AED 7,465,734	AED 8,471,202

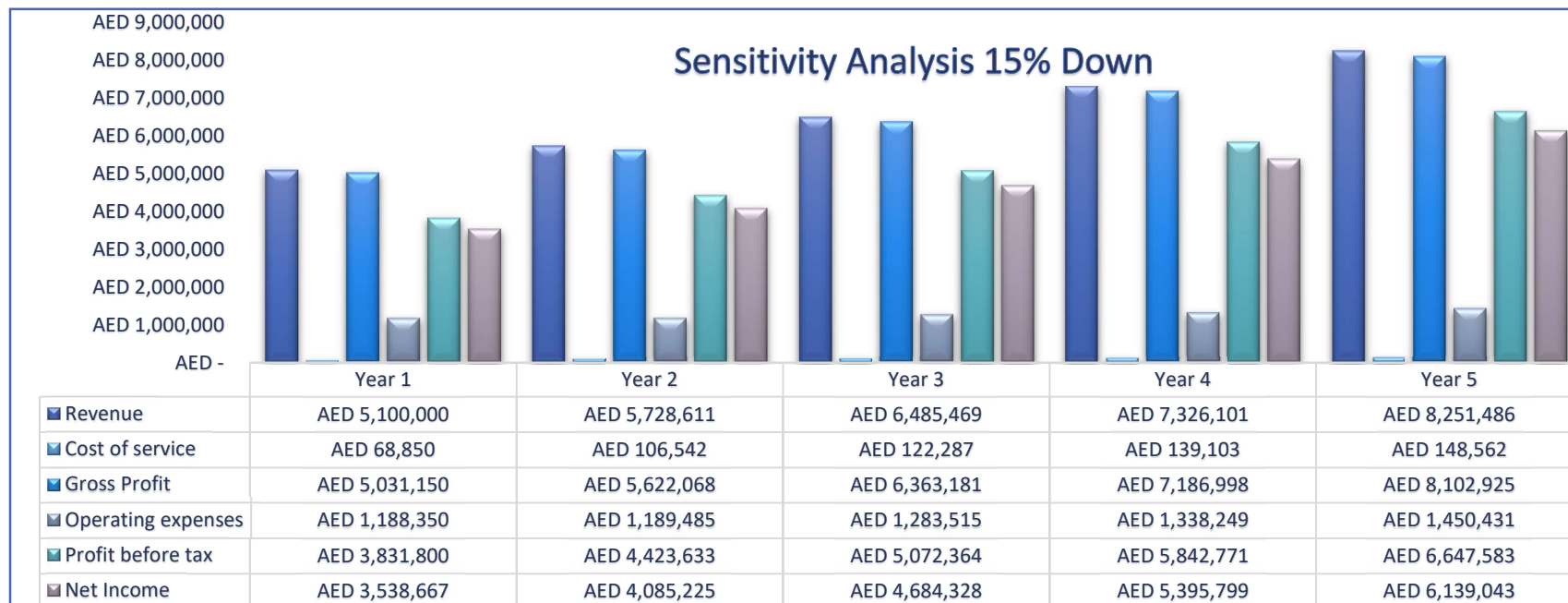


Sensitivity Analysis 15% Down	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue	AED 5,100,000	AED 5,728,611	AED 6,485,469	AED 7,326,101	AED 8,251,486
Cost of Revenue	AED 68,850	AED 106,542	AED 122,287	AED 139,103	AED 148,562
<b>Gross Profit</b>	AED 5,031,150	AED 5,622,068	AED 6,363,181	AED 7,186,998	AED 8,102,925
% of Revenue	99%	98%	98%	98%	98%
Operating expenses	AED 1,188,350	AED 1,189,485	AED 1,283,515	AED 1,338,249	AED 1,450,431
% of Revenue	23%	21%	20%	18%	18%
<b>Operating Income</b>	AED 3,842,800	AED 4,432,583	AED 5,079,666	AED 5,848,749	AED 6,652,494
Depreciation & Amortization	AED 11,000	AED 8,950	AED 7,303	AED 5,977	AED 4,911
Finance cost	AED -	AED -	AED -	AED -	AED -
<b>Profit Before Tax</b>	AED 3,831,800	AED 4,423,633	AED 5,072,364	AED 5,842,771	AED 6,647,583
Provision for taxation	AED 293,133	AED 338,408	AED 388,036	AED 446,972	AED 508,540
<b>Net Profit / Income</b>	AED 3,538,667	AED 4,085,225	AED 4,684,328	AED 5,395,799	AED 6,139,043
% of Revenue	69%	71%	72%	74%	74%

Revenue	AED 5,100,000	AED 5,728,611	AED 6,485,469	AED 7,326,101	AED 8,251,486
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Cost of service	AED 68,850	AED 106,542	AED 122,287	AED 139,103	AED 148,562
Gross Profit	AED 5,031,150	AED 5,622,068	AED 6,363,181	AED 7,186,998	AED 8,102,925
Operating expenses	AED 1,188,350	AED 1,189,485	AED 1,283,515	AED 1,338,249	AED 1,450,431
Profit before tax	AED 3,831,800	AED 4,423,633	AED 5,072,364	AED 5,842,771	AED 6,647,583
Net Income	AED 3,538,667	AED 4,085,225	AED 4,684,328	AED 5,395,799	AED 6,139,043





## 14.5. Project Scenario Analysis Risk Analysis 2

Description	Worst Case		Base Case		Best Case	
	%age	Amount in Year 1	%age	Amount in Year 1	%age	Amount in Year 1
<b>Revenue</b>	50%	AED 3,000,000	100%	AED 6,000,000	115%	AED 6,900,000
<b>Cost of Revenue</b>	115%	AED 93,150	100%	AED 81,000	85%	AED 68,850
<b>Operating Expenses</b>	115%	-	100%	-	85%	-
Non-Operational Staff Salaries	115%	AED 626,175	100%	AED 544,500	85%	AED 462,825
Project Startup / Pre-Incorporation Expenses	115%	AED 430,560	100%	AED 374,400	85%	AED 318,240
Advertising & Marketing	115%	AED 138,000	100%	AED 120,000	85%	AED 102,000
Utilities (ADDC)	115%	AED 12,420	100%	AED 10,800	85%	AED 9,180
Utilities (Telephone & Internet)	115%	AED 51,750	100%	AED 45,000	85%	AED 38,250
Office Rent	115%	AED -	100%	AED -	85%	AED -
Office Repaire & Maintenance Cost	115%	AED -	100%	AED -	85%	AED -
Amortization Employees Visa Cost	115%	AED -	100%	AED -	85%	AED -
Amortization Business Insurance	115%	AED 34,500	100%	AED 30,000	85%	AED 25,500
Website Maintenance Cost	115%	AED -	100%	AED -	85%	AED -
Accounting & CRM Software	115%	AED -	100%	AED -	85%	AED -
Entertainment Expense Office	115%	AED 10,350	100%	AED 9,000	85%	AED 7,650
Printing and Stationary	115%	AED -	100%	AED -	85%	AED -
Legal and Professional Expense	115%	AED -	100%	AED -	85%	AED -
Office Supplies (Cleaning, etc.)	115%	AED 2,588	100%	AED 2,250	85%	AED 1,913
Miscellaneous Expenses	115%	AED 57,500	100%	AED 50,000	85%	AED 42,500
<b>Tax rate</b>	10%	AED -	9%	AED 423,149	8%	AED 443,299

### Earning After Tax in each Scenario

Scenario	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Best Case</b>	AED 5,351,454	AED 6,137,454	AED 6,995,008	AED 7,986,579	AED 9,045,290
<b>Base Case</b>	AED 4,278,502	AED 4,951,837	AED 5,659,729	AED 6,491,380	AED 7,368,882
<b>Worst Case</b>	AED 1,508,548	AED 1,878,456	AED 2,194,024	AED 2,332,673	AED 2,692,280

Worst Case	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast

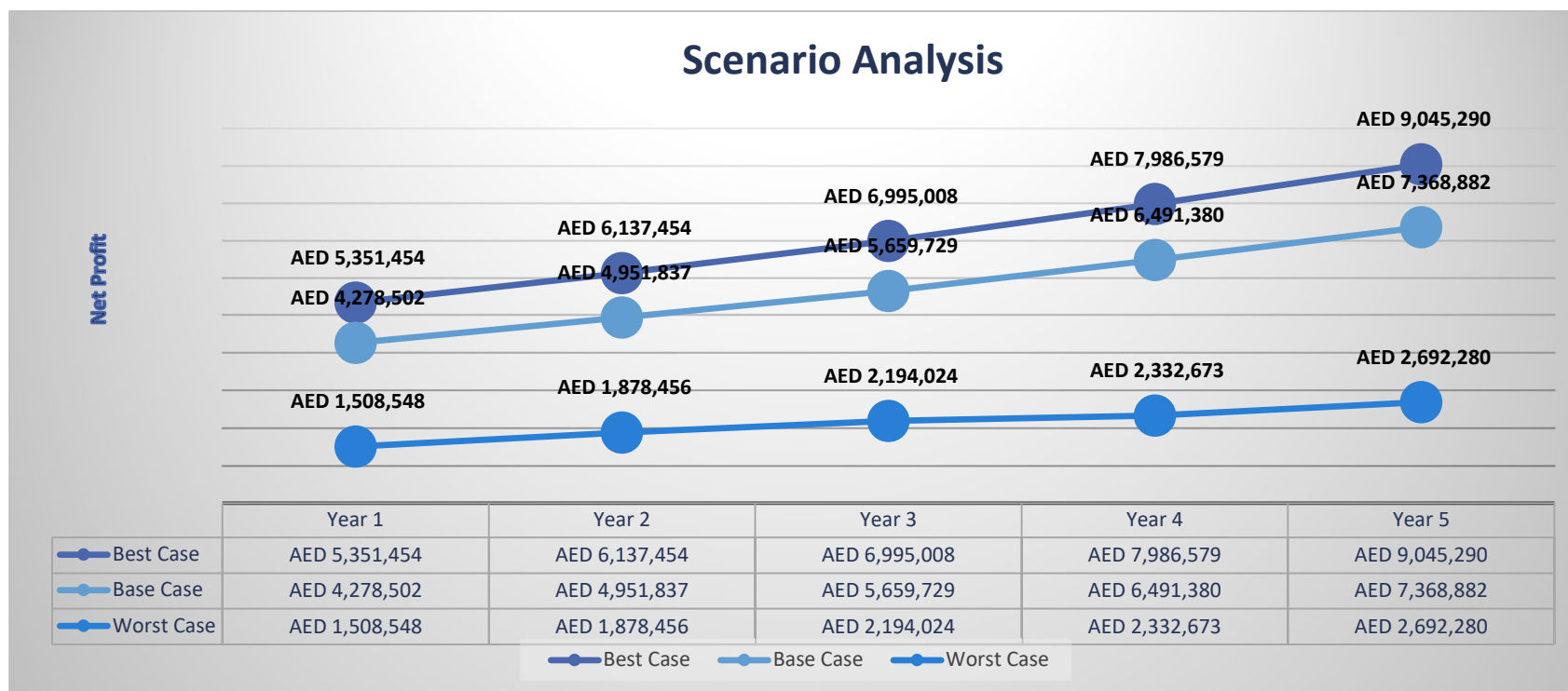


Revenue	AED 3,000,000	AED 3,369,771	AED 3,814,982	AED 4,309,471	AED 4,853,816
Cost of Revenue	AED (93,150)	AED (144,146)	AED (165,448)	AED (188,198)	AED (200,995)
<b>Gross Profit</b>	<b>AED 2,906,850</b>	<b>AED 3,225,625</b>	<b>AED 3,649,534</b>	<b>AED 4,121,273</b>	<b>AED 4,652,820</b>
% of Revenue	97%	96%	96%	96%	96%
<b>Operating expenses</b>	<b>AED (1,387,303)</b>	<b>AED (1,338,219)</b>	<b>AED (1,448,208)</b>	<b>AED (1,513,319)</b>	<b>AED (1,644,809)</b>
% of Revenue	46%	40%	38%	35%	34%
Operating Income	AED 1,519,548	AED 1,887,406	AED 2,201,326	AED 2,607,955	AED 3,008,011
Depreciation	AED (11,000)	AED (8,950)	AED (7,303)	AED (5,977)	AED (4,911)
Finance cost	AED -	AED -	AED -	AED -	AED -
<b>Earning Before Tax</b>	<b>AED 1,508,548</b>	<b>AED 1,878,456</b>	<b>AED 2,194,024</b>	<b>AED 2,601,977</b>	<b>AED 3,003,100</b>
Provision for taxation	AED -	AED -	AED -	AED (269,305)	AED (310,821)
<b>Earning After Tax</b>	<b>AED 1,508,548</b>	<b>AED 1,878,456</b>	<b>AED 2,194,024</b>	<b>AED 2,332,673</b>	<b>AED 2,692,280</b>
% of Revenue	50%	56%	58%	54%	55%

Base Case	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue	AED 6,000,000	AED 6,739,542	AED 7,629,963	AED 8,618,942	AED 9,707,631
Cost of Revenue	AED (81,000)	AED (125,344)	AED (143,867)	AED (163,650)	AED (174,779)
<b>Gross Profit</b>	<b>AED 5,919,000</b>	<b>AED 6,614,198</b>	<b>AED 7,486,096</b>	<b>AED 8,455,292</b>	<b>AED 9,532,852</b>
% of Revenue	99%	98%	98%	98%	98%
<b>Operating expenses</b>	<b>AED (1,206,350)</b>	<b>AED (1,163,669)</b>	<b>AED (1,259,311)</b>	<b>AED (1,315,929)</b>	<b>AED (1,430,269)</b>
% of Revenue	20%	17%	17%	15%	15%
Operating Income	AED 4,712,650	AED 5,450,529	AED 6,226,784	AED 7,139,362	AED 8,102,584
Depreciation	AED (11,000)	AED (8,950)	AED (7,303)	AED (5,977)	AED (4,911)
Finance cost	AED -	AED -	AED -	AED -	AED -
<b>Earning Before Tax</b>	<b>AED 4,701,650</b>	<b>AED 5,441,579</b>	<b>AED 6,219,482</b>	<b>AED 7,133,385</b>	<b>AED 8,097,673</b>
Provision for taxation	AED (423,149)	AED (489,742)	AED (559,753)	AED (642,005)	AED (728,791)
<b>Earning After Tax</b>	<b>AED 4,278,502</b>	<b>AED 4,951,837</b>	<b>AED 5,659,729</b>	<b>AED 6,491,380</b>	<b>AED 7,368,882</b>
% of Revenue	71%	73%	74%	75%	76%



Best Case	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue	AED 6,900,000	AED 7,750,473	AED 8,774,457	AED 9,911,783	AED 11,163,776
Cost of Revenue	AED (68,850)	AED (106,542)	AED (122,287)	AED (139,103)	AED (148,562)
<b>Gross Profit</b>	<b>AED 6,831,150</b>	<b>AED 7,643,931</b>	<b>AED 8,652,170</b>	<b>AED 9,772,680</b>	<b>AED 11,015,214</b>
% of Revenue	99%	99%	99%	99%	99%
<b>Operating expenses</b>	<b>AED (1,025,398)</b>	<b>AED (989,118)</b>	<b>AED (1,070,414)</b>	<b>AED (1,118,540)</b>	<b>AED (1,215,729)</b>
% of Revenue	15%	13%	12%	11%	11%
Operating Income	AED 5,805,753	AED 6,654,813	AED 7,581,756	AED 8,654,141	AED 9,799,485
Depreciation	AED (11,000)	AED (8,950)	AED (7,303)	AED (5,977)	AED (4,911)
Finance cost	AED -	AED -	AED -	AED -	AED -
<b>Earning Before Tax</b>	<b>AED 5,794,753</b>	<b>AED 6,645,863</b>	<b>AED 7,574,453</b>	<b>AED 8,648,163</b>	<b>AED 9,794,575</b>
Provision for taxation	AED (443,299)	AED (508,408)	AED (579,446)	AED (661,584)	AED (749,285)
<b>Earning After Tax</b>	<b>AED 5,351,454</b>	<b>AED 6,137,454</b>	<b>AED 6,995,008</b>	<b>AED 7,986,579</b>	<b>AED 9,045,290</b>
% of Revenue	78%	79%	80%	81%	81%





## 14.6. Projected Balance Sheet

Description	Note	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Assets</b>							
<i>Non-Current Assets</i>							
Equipment & Machines		AED 20,000	AED 19,000	AED 18,050	AED 17,148	AED 16,290	AED 15,476
Furniture/Fixtures & Fit Out Cost	8	AED 25,000	AED 20,000	AED 16,000	AED 12,800	AED 10,240	AED 8,192
Computer Hardware/Software for Operations		AED 25,000	AED 20,000	AED 16,000	AED 12,800	AED 10,240	AED 8,192
Security deposit (ADDC)		AED 2,000	AED 2,000	AED 2,000	AED 2,000	AED 2,000	AED 2,000
Major Preliminary Expenses	11	AED 386,900	AED 12,500	AED -	AED -	AED -	AED -
<b>Total Non-Current Assets</b>		<b>AED 458,900</b>	<b>AED 73,500</b>	<b>AED 52,050</b>	<b>AED 44,748</b>	<b>AED 38,770</b>	<b>AED 33,860</b>
<i>Current Assets</i>							
Inventory		AED 15,000	AED 27,000	AED 48,600	AED 87,480	AED 157,464	AED 283,435
Trade Receivables		AED -	AED 300,000	AED 336,977	AED 381,498	AED 430,947	AED 485,382
Cash and cash equivalents		AED 26,100	AED 5,090,275	AED 10,121,764	AED 15,816,076	AED 22,320,661	AED 29,649,556
<b>Total Current Assets</b>		<b>AED 41,100</b>	<b>AED 5,417,275</b>	<b>AED 10,507,342</b>	<b>AED 16,285,054</b>	<b>AED 22,909,072</b>	<b>AED 30,418,372</b>
<b>Total Assets</b>		<b>AED 500,000</b>	<b>AED 5,490,775</b>	<b>AED 10,559,392</b>	<b>AED 16,329,801</b>	<b>AED 22,947,842</b>	<b>AED 30,452,232</b>
<i>Liabilities</i>							
<i>Current Liability</i>							
Income tax payable	9	AED -	AED 423,149	AED 489,742	AED 559,753	AED 642,005	AED 728,791
Trade Payable		AED -	AED 240,000	AED 269,582	AED 305,199	AED 344,758	AED 388,305
Accrued liabilities		AED -	AED 49,125	AED 69,729	AED 74,782	AED 79,632	AED 84,806
Zakat Deduction		AED -	AED -	AED -	AED -	AED -	AED -
<b>Total Current Liabilities</b>		<b>AED -</b>	<b>AED 712,274</b>	<b>AED 829,053</b>	<b>AED 939,734</b>	<b>AED 1,066,394</b>	<b>AED 1,201,902</b>
<i>Non Current Liability</i>							
Bank Loan		AED -	AED -	AED -	AED -	AED -	AED -
<b>Total Liabilities</b>		<b>AED -</b>	<b>AED 712,274</b>	<b>AED 829,053</b>	<b>AED 939,734</b>	<b>AED 1,066,394</b>	<b>AED 1,201,902</b>
<i>Equity</i>							



Capital	10	AED 500,000	AED 500,000	AED 500,000	AED 500,000	AED 500,000	AED 500,000
Accumulated profits		AED -	AED 4,278,502	AED 9,230,339	AED 14,890,067	AED 21,381,448	AED 28,750,330
<b>Total Equity</b>		<b>AED 500,000</b>	<b>AED 4,778,502</b>	<b>AED 9,730,339</b>	<b>AED 15,390,067</b>	<b>AED 21,881,448</b>	<b>AED 29,250,330</b>
<b>Total Liabilities and Equity</b>		<b>AED 500,000</b>	<b>AED 5,490,775</b>	<b>AED 10,559,392</b>	<b>AED 16,329,801</b>	<b>AED 22,947,842</b>	<b>AED 30,452,232</b>

**Note 7** Harla Liabrary will not purchase any land and building for this project.

**Note 8** Tools and equipment include professional tools, and storage units, all designed to promote a conducive working environment.

**Note 9** It include tax expense at each year end.

**Note 10** The project is financed through owner equity of amounting to AED 500,000

**Note 11: Major Preliminary Expenses Break-up:**

Description	Note	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Startup Salaries for 3 Months		AED 208,500	AED -	AED -	AED -	AED -	AED -
Utilities (ADDC) for 3 Months		AED 3,600	AED -	AED -	AED -	AED -	AED -
Utilities (Telephone & Internet) for 3 Months		AED 4,800	AED -	AED -	AED -	AED -	AED -
Office Rent 3 Months		AED 15,000	AED -	AED -	AED -	AED -	AED -
Office Supplies (Cleaning, etc.)		AED 3,000	AED -	AED -	AED -	AED -	AED -
Prepaid Employees Visa Cost		AED 25,000	AED 12,500	AED -	AED -	AED -	AED -
Prepaid Employees Medical Insurance		AED 22,000	AED -	AED -	AED -	AED -	AED -
Entertainment Expense Office		AED 3,000	AED -	AED -	AED -	AED -	AED -
Business Cards/Stationery		AED 2,000	AED -	AED -	AED -	AED -	AED -
Brand Development & Promotion Cost		AED 30,000	AED -	AED -	AED -	AED -	AED -
Accounting & CRM Software		AED 10,000	AED -	AED -	AED -	AED -	AED -
Website Development Costs		AED 15,000	AED -	AED -	AED -	AED -	AED -
Professional Consultancy Service Fee		AED 10,000	AED -	AED -	AED -	AED -	AED -
Legal and Company Setup Expense		AED 35,000	AED -	AED -	AED -	AED -	AED -
<b>Total</b>		<b>AED 386,900</b>	<b>AED 12,500</b>	<b>AED -</b>	<b>AED -</b>	<b>AED -</b>	<b>AED -</b>



## 14.7. Projected Income Statement

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
		Forecast	Forecast	Forecast	Forecast	Forecast	
<b>Revenue</b>	Appendix 1	AED 6,000,000	AED 6,739,542	AED 7,629,963	AED 8,618,942	AED 9,707,631	AED 38,696,078
<b>Less: Cost of Revenue</b>	Appendix 2	AED (81,000)	AED (125,344)	AED (143,867)	AED (163,650)	AED (174,779)	AED (688,640)
<b>Gross Profit</b>		<b>AED 5,919,000</b>	<b>AED 6,614,198</b>	<b>AED 7,486,096</b>	<b>AED 8,455,292</b>	<b>AED 9,532,852</b>	<b>AED 38,007,438</b>
<i>Gross Margin %</i>		<i>99%</i>	<i>98%</i>	<i>98%</i>	<i>98%</i>	<i>98%</i>	<i>98%</i>
<b>Less: Operating expenses</b>							
Non-Operational Staff Salaries	Appendix 3	AED 544,500	AED 775,368	AED 834,593	AED 891,345	AED 951,957	AED 3,997,763
Project Startup / Pre-Incorporation Expenses		AED 374,400	AED 12,500	AED -	AED -	AED -	AED 386,900
Advertising & Marketing		AED 120,000	AED 134,791	AED 152,599	AED 172,379	AED 194,153	AED 773,922
Utilities (ADDC)		AED 10,800	AED 14,731	AED 15,070	AED 15,417	AED 15,771	AED 71,789
Utilities (Telephone & Internet)		AED 14,400	AED 19,642	AED 20,093	AED 20,556	AED 21,028	AED 95,719
Office Rent		AED 45,000	AED 61,380	AED 62,792	AED 64,236	AED 65,713	AED 299,121
Office Repaire & Maintenance Cost		AED -	AED 5,115	AED 5,233	AED 5,353	AED 5,476	AED 21,177
Amortization Employees Visa Cost		AED -	AED -	AED 25,575	AED -	AED 26,163	AED 51,738
Amortization Employees Medical Insurance		AED -	AED 22,506	AED 23,024	AED 23,553	AED 24,095	AED 93,178
Amortization Business Insurance		AED 30,000	AED 30,690	AED 31,396	AED 32,118	AED 32,857	AED 157,061
Website Maintenance Cost		AED -	AED 2,046	AED 2,093	AED 2,141	AED 2,190	AED 8,471
Accounting & CRM Software		AED -	AED 10,230	AED 10,465	AED 10,706	AED 10,952	AED 42,354
Entertainment Expense Office		AED 9,000	AED 12,276	AED 12,558	AED 12,847	AED 13,143	AED 59,824
Printing and Stationary	AED 6,000	AED 8,184	AED 8,372	AED 8,565	AED 8,762	AED 39,883	
Office Supplies (Cleaning, etc.)	AED 2,250	AED 3,060	AED 3,121	AED 3,184	AED 3,247	AED 14,862	



Miscellaneous Expenses		AED 50,000	AED 51,150	AED 52,326	AED 53,530	AED 54,761	AED 261,768
<b>Total Operating expenses</b>	<b>12</b>	<b>AED (1,206,350)</b>	<b>AED (1,163,669)</b>	<b>AED (1,259,311)</b>	<b>AED (1,315,929)</b>	<b>AED (1,430,269)</b>	<b>AED (6,375,528)</b>
<b>EBITDA</b>		<b>AED 4,712,650</b>	<b>AED 5,450,529</b>	<b>AED 6,226,784</b>	<b>AED 7,139,362</b>	<b>AED 8,102,584</b>	<b>AED 31,631,910</b>
Depreciation & Amortization		AED (11,000)	AED (8,950)	AED (7,303)	AED (5,977)	AED (4,911)	AED (38,140)
<b>Operating Income (EBIT)</b>		<b>AED 4,701,650</b>	<b>AED 5,441,579</b>	<b>AED 6,219,482</b>	<b>AED 7,133,385</b>	<b>AED 8,097,673</b>	<b>AED 31,593,769</b>
Less: Finance cost		AED -	AED -	AED -	AED -	AED -	AED -
<b>Earning Before Tax (EBT)</b>		<b>AED 4,701,650</b>	<b>AED 5,441,579</b>	<b>AED 6,219,482</b>	<b>AED 7,133,385</b>	<b>AED 8,097,673</b>	<b>AED 31,593,769</b>
Provision for taxation 9%	<b>13</b>	AED (423,149)	AED (489,742)	AED (559,753)	AED (642,005)	AED (728,791)	AED (2,843,439)
<b>Net Income(NI)</b>		<b>AED 4,278,502</b>	<b>AED 4,951,837</b>	<b>AED 5,659,729</b>	<b>AED 6,491,380</b>	<b>AED 7,368,882</b>	<b>AED 28,750,330</b>

### Short Financial Summary

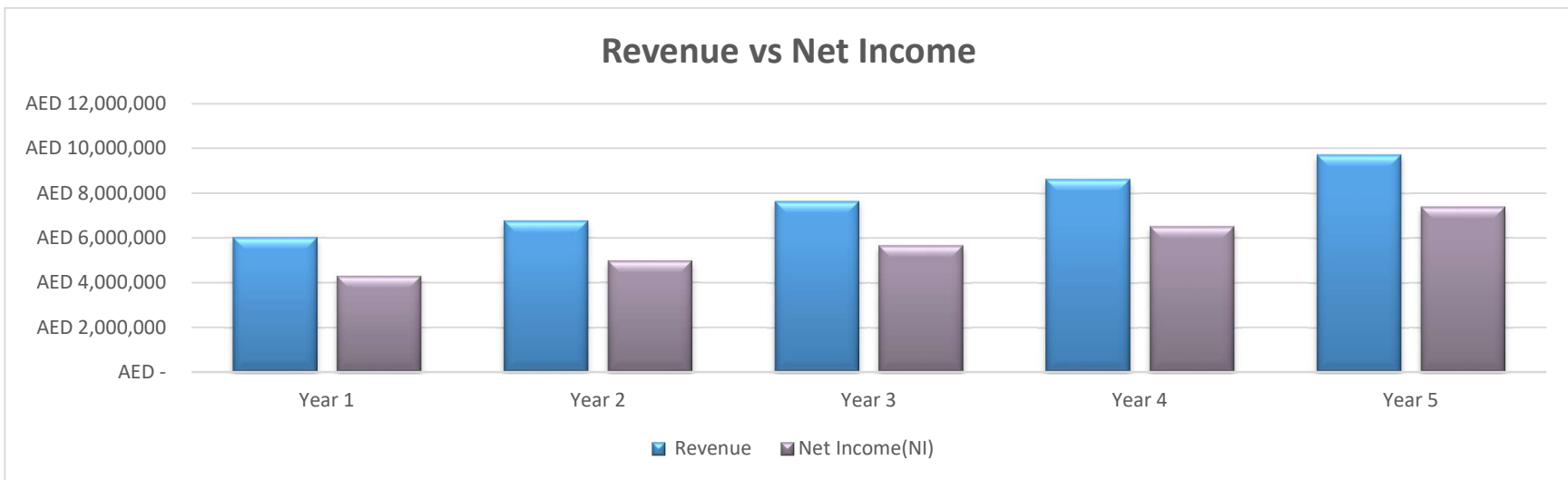
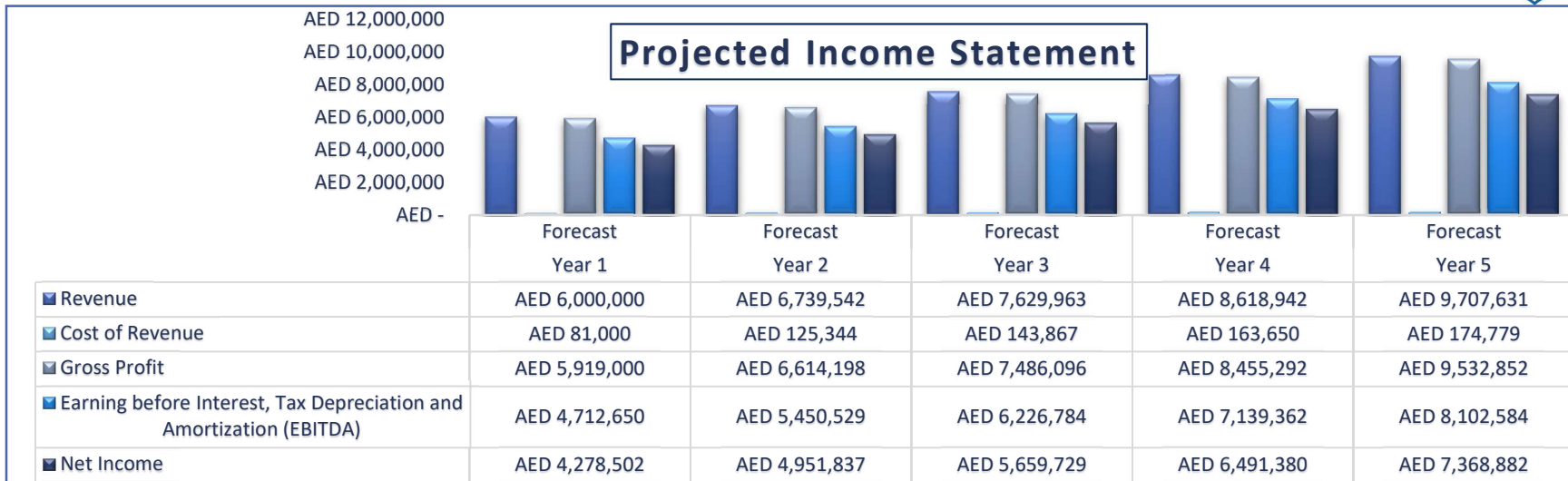
Description	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Revenue	AED 6,000,000	AED 6,739,542	AED 7,629,963	AED 8,618,942	AED 9,707,631	<b>AED 38,696,078</b>
Cost of Revenue	AED 81,000	AED 125,344	AED 143,867	AED 163,650	AED 174,779	<b>AED 688,640</b>
Gross Profit	AED 5,919,000	AED 6,614,198	AED 7,486,096	AED 8,455,292	AED 9,532,852	<b>AED 38,007,438</b>
Operating expenses	AED 1,206,350	AED 1,163,669	AED 1,259,311	AED 1,315,929	AED 1,430,269	<b>AED 6,375,528</b>
Earning before Interest, Tax Depreciation and Amortization (EBITDA)	AED 4,712,650	AED 5,450,529	AED 6,226,784	AED 7,139,362	AED 8,102,584	<b>AED 31,631,910</b>
Earning before Interest and Tax (EBIT)	AED 4,701,650	AED 5,441,579	AED 6,219,482	AED 7,133,385	AED 8,097,673	<b>AED 31,593,769</b>
Net Income	AED 4,278,502	AED 4,951,837	AED 5,659,729	AED 6,491,380	AED 7,368,882	<b>AED 28,750,330</b>

It includes all General, Administration and Marketing expenses. These expenses are projected as per the growth rate mentioned in Key Assumptions.

**Note 12**

**Note 13**

The 9% Tax in UAE, A 9% threshold for taxable profits up to and including AED 375,000. which is incorporated in the Financials.



**Sources**

**Tax provision**

<https://kpmg.com/sa/en/home/services/tax/tax-tools-and-resources/tax-rates-online/corporate-tax-rates-table.html#:~:text=In%20general%2C%20the%20corporation%20tax,public%20and%20private%20limited%20companies.>



## 14.8. Projected Cash Flows Statement

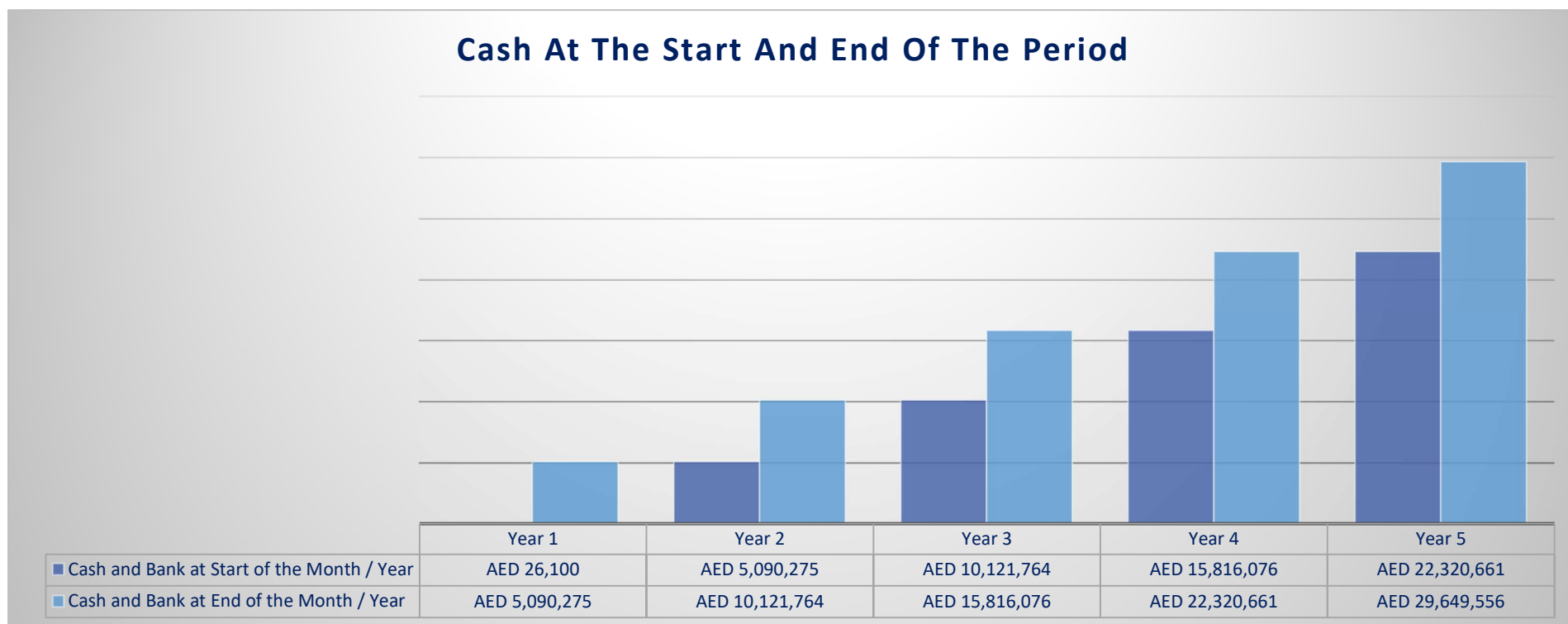
Description	Note	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Cash Flow from Operating Activities</b>							
Loss/ Profit Before Tax		AED -	AED 4,701,650	AED 5,441,579	AED 6,219,482	AED 7,133,385	AED 8,097,673
Adjustment for:							
Depreciation/ Amortization		AED -	AED 11,000	AED 8,950	AED 7,303	AED 5,977	AED 4,911
Finance cost		AED -	AED -	AED -	AED -	AED -	AED -
<b>Operating (loss)/ gain before working capital changes</b>		<b>AED -</b>	<b>AED 4,712,650</b>	<b>AED 5,450,529</b>	<b>AED 6,226,784</b>	<b>AED 7,139,362</b>	<b>AED 8,102,584</b>
Change in Current Assets		AED (15,000)	AED (312,000)	AED (58,577)	AED (83,401)	AED (119,433)	AED (180,406)
Change in Current Liabilities		AED -	AED 289,125	AED 50,186	AED 40,670	AED 44,409	AED 48,722
<b>Cash used/ generated in operations</b>		<b>AED (15,000)</b>	<b>AED 4,689,775</b>	<b>AED 5,442,138</b>	<b>AED 6,184,053</b>	<b>AED 7,064,338</b>	<b>AED 7,970,900</b>
Finance cost paid		AED -	AED -	AED -	AED -	AED -	AED -
Tax paid		AED -	AED -	AED (423,149)	AED (489,742)	AED (559,753)	AED (642,005)
Zakat Expense		AED -	AED -	AED -	AED -	AED -	AED -
<b>Net Cash (Outflows)/ Inflows for Operating Activities</b>		<b>AED (15,000)</b>	<b>AED 4,689,775</b>	<b>AED 5,018,989</b>	<b>AED 5,694,311</b>	<b>AED 6,504,585</b>	<b>AED 7,328,895</b>
<b>Cash Flow from Investing Activities</b>	<b>14</b>						
Land & Building		AED -	AED -	AED -	AED -	AED -	AED -
Equipment & Machines		AED (20,000)	AED -	AED -	AED -	AED -	AED -
Furniture/Fixtures & Fit Out Cost		AED (25,000)	AED -	AED -	AED -	AED -	AED -
Computer Hardware/Software for Operations		AED (25,000)	AED -	AED -	AED -	AED -	AED -
Security deposit (ADDC)		AED (2,000)	AED -	AED -	AED -	AED -	AED -
Major Preliminary Expenses		AED (386,900)	AED 374,400	AED 12,500	AED -	AED -	AED -
<b>Net Cash (Outflows)/Inflows from Investing Activities</b>		<b>AED (458,900)</b>	<b>AED 374,400</b>	<b>AED 12,500</b>	<b>AED -</b>	<b>AED -</b>	<b>AED -</b>
<b>Cash Flow from Financing Activities</b>							



Proceed from Equity	15	AED 500,000	AED -	AED -	AED -	AED -	AED -
Proceeds from borrowings		AED -	AED -	AED -	AED -	AED -	AED -
Repayment of Borrowing		AED -	AED -	AED -	AED -	AED -	AED -
<b>Net Cash Inflows from Financial Activities</b>		<b>AED 500,000</b>	<b>AED -</b>	<b>AED -</b>	<b>AED -</b>	<b>AED -</b>	<b>AED -</b>
<b>Net Increase in Cash Flows during the Month / Year</b>		AED 26,100	AED 5,064,175	AED 5,031,489	AED 5,694,311	AED 6,504,585	AED 7,328,895
<b>Cash and Bank at Start of the Month / Year</b>		AED -	AED 26,100	AED 5,090,275	AED 10,121,764	AED 15,816,076	AED 22,320,661
<b>Cash and Bank at End of the Month / Year</b>		<b>AED 26,100</b>	<b>AED 5,090,275</b>	<b>AED 10,121,764</b>	<b>AED 15,816,076</b>	<b>AED 22,320,661</b>	<b>AED 29,649,556</b>

**Note 14** The company purchased Fixed Asset amounting to AED 80,000 at startup.

**Note 15** The project is financed through owner equity of amounting to AED 500,000





## 14.9. Project Financial Analysis

Projected Income Statement	Notes	Year 1 Forecast	Year 2 Forecast	Year 3 Forecast	Year 4 Forecast	Year 5 Forecast
Revenue		AED 6,000,000	AED 6,739,542	AED 7,629,963	AED 8,618,942	AED 9,707,631
Less: Cost of Revenue		AED 81,000	AED 125,344	AED 143,867	AED 163,650	AED 174,779
<b>Gross Profit</b>		<b>AED 5,919,000</b>	<b>AED 6,614,198</b>	<b>AED 7,486,096</b>	<b>AED 8,455,292</b>	<b>AED 9,532,852</b>
Less: Operating Expenses		AED 1,206,350	AED 1,163,669	AED 1,259,311	AED 1,315,929	AED 1,430,269
<b>Earning Before Interest, Tax, Depreciation and Amortization (EBITDA)</b>		<b>AED 4,712,650</b>	<b>AED 5,450,529</b>	<b>AED 6,226,784</b>	<b>AED 7,139,362</b>	<b>AED 8,102,584</b>
Less: Depreciation & Amortization		AED 11,000	AED 8,950	AED 7,303	AED 5,977	AED 4,911
<b>Earning Before Interest and Tax (EBIT)</b>		<b>AED 4,701,650</b>	<b>AED 5,441,579</b>	<b>AED 6,219,482</b>	<b>AED 7,133,385</b>	<b>AED 8,097,673</b>
Less: Finance Cost (Bank charges)		AED -	AED -	AED -	AED -	AED -
<b>Earning Before Tax (EBT)</b>		<b>AED 4,701,650</b>	<b>AED 5,441,579</b>	<b>AED 6,219,482</b>	<b>AED 7,133,385</b>	<b>AED 8,097,673</b>
Less: Corporate Tax		AED 423,149	AED 489,742	AED 559,753	AED 642,005	AED 728,791
<b>Net Income (NI)</b>		<b>AED 4,278,502</b>	<b>AED 4,951,837</b>	<b>AED 5,659,729</b>	<b>AED 6,491,380</b>	<b>AED 7,368,882</b>

Description	Industry Standard	Year 1 Forecasted	Year 2 Forecasted	Year 3 Forecasted	Year 4 Forecasted	Year 5 Forecasted
<b>Profitability Ratios</b>						
Gross Profit Margin	> 30%	99%	98%	98%	98%	98%
Operating Expenses ratio	10% - 15%	20%	17%	17%	15%	15%
Operating Income or Operating Profit Margin	> 10%	79%	81%	82%	83%	83%
Net Income or Net Profit Margin	> 5%	71%	73%	74%	75%	76%
Return on Assets (ROA)	> 0.2	58.2	95.1	126.5	167.4	217.6
Return on Investment (ROI)	> 0.2	856%	990%	1132%	1298%	1474%
Return on equity (ROE)	> 0.2	90%	51%	37%	30%	25%
Return on Capital Employed (ROCE)	> 0.2	940%	114%	64%	46%	37%
Return on Invested Capital	> 0.2	856%	990%	1132%	1298%	1474%
EBITDA Margin	>10%	79%	81%	82%	83%	83%
EBIT Margin	>10%	78%	81%	82%	83%	83%
Corporate Tax Ratio	< 5%	7%	7%	7%	7%	8%



Projected Balance Sheet	Year 1 Forecasted	Year 2 Forecasted	Year 3 Forecasted	Year 4 Forecasted	Year 5 Forecasted
Non-Current Assets	AED 73,500	AED 52,050	AED 44,748	AED 38,770	AED 33,860
Current Assets	AED 5,417,275	AED 10,507,342	AED 16,285,054	AED 22,909,072	AED 30,418,372
<b>Total Assets</b>	<b>AED 5,490,775</b>	<b>AED 10,559,392</b>	<b>AED 16,329,801</b>	<b>AED 22,947,842</b>	<b>AED 30,452,232</b>
Non-Current Liabilities	AED -	AED -	AED -	AED -	AED -
Current Liabilities	AED 712,274	AED 829,053	AED 939,734	AED 1,066,394	AED 1,201,902
Total Equity	AED 4,778,502	AED 9,730,339	AED 15,390,067	AED 21,881,448	AED 29,250,330
<b>Total Equity and Liabilities</b>	<b>AED 5,490,775</b>	<b>AED 10,559,392</b>	<b>AED 16,329,801</b>	<b>AED 22,947,842</b>	<b>AED 30,452,232</b>

Description	Year 1 Forecasted	Year 2 Forecasted	Year 3 Forecasted	Year 4 Forecasted	Year 5 Forecasted
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Efficiency Ratios					
Fixed Assets Turnover	81.6	129.5	170.5	222.3	286.7
Total Asset Turnover	1.1	0.6	0.5	0.4	0.3
Inventory Turnover	N/A	N/A	N/A	N/A	N/A
Accounts Receivable Turnover	N/A	N/A	N/A	N/A	N/A
Accounts Payable Turnover	N/A	N/A	N/A	N/A	N/A

Liquidity Ratios					
Current Ratio	7.6	12.7	17.3	21.5	25.3
Quick Ratio / Acid Test Ratio	7.6	12.7	17.3	21.5	25.3
Working Capital Ratio	7.6	12.7	17.3	21.5	25.3
Cash Ratio	7.1	7.1	12.2	16.8	20.9
Cash return on Assets	0.9	0.5	0.3	0.3	0.2
Operating Cash Flow Ratio	#DIV/0!	7.0	6.9	6.9	6.9

Solvency Ratios					
Debt to Equity ratio	#DIV/0!	0	0	0	0
Total Assets to Debt ratio	N/A	N/A	N/A	N/A	N/A
Debt to Asset Ratio	N/A	N/A	N/A	N/A	N/A
Financial Leverage Ratio	N/A	N/A	N/A	N/A	N/A
Fixed Charge Ratio	N/A	N/A	N/A	N/A	N/A
Interest Coverage Ratio	N/A	N/A	N/A	N/A	N/A



## Financial Ratios List

- 1 Current ratio = Current assets ÷ Current liabilities
- 2 Quick ratio = (Cash + Short-term marketable investments + Receivables) ÷ Current liabilities
- 3 Cash ratio = (Cash + Short-term marketable investments) ÷ Current liabilities
- 4 Defensive interval ratio = (Cash + Short-term marketable investments + Receivables) ÷ Daily cash expenditures
- 5 **Receivables turnover ratio = Total Revenue ÷ Average receivables**
- 6 **Days of Revenue outstanding (DSO) = Number of days in period ÷ Receivables turnover ratio**
- 7 Inventory turnover ratio = Cost of goods sold ÷ Average inventory
- 8 Days of inventory on hand (DOH) = Number of days in period ÷ Inventory turnover ratio
- 9 Payables turnover ratio = Purchases ÷ Average trade payables
- 10 Number of days of payables = Number of days in period ÷ Payables turnover ratio
- 11 Cash conversion cycle (net operating cycle) = DOH + DSO - Number of days of payables
- 12 **Working capital turnover ratio = Total Revenue ÷ Average working capital**
- 13 **Fixed asset turnover ratio = Total Revenue ÷ Average net fixed assets**
- 14 **Total asset turnover ratio = Total Revenue ÷ Average total assets**
- 15 **Gross profit margin = Gross profit ÷ Total Revenue**
  1. Gross Profit ( GP ) = Revenues / Revenue - Cost of Revenue ( COGS )
  2. **Operating Expenses** = Selling , General & Administrative expenses ( Operating Expenses )
  3. **Non -Operating Expenses** = Depreciation & Amortization
- 16 **Operating profit margin = Operating profit ÷ Total Revenue**
  1. **Operating Income** = Gross Profit - Selling , General & Administrative expenses ( Operating expenses ) - Depreciation & Amortization ( Non - Operating Expenses )
  2. **Operating Income or Operating Profit** = Gross Profit - Operating Expenses - Depreciation & Amortization ( Non-operating expenses )
  3. Operating Profit or (EBIT) or Earning Before Interest & Tax or Operating Income = Revenue/ Revenue - Cost of Revenue - Operating Expenses - Non-Operating Expenses
- 17 **Pretax margin = Earnings before tax but after interest ÷ Total Revenue**
  1. **Earning before Tax ( EBT )** = Operating Income or Operating Profit ( EBIT ) - Interest on loan
  2. Earning Before Interest & Tax (EBIT) = Revenue / Revenue - Cost of Revenue ( COGS ) - Operating Expenses - Non Operating expenses
  3. **Earning Before Interest & Tax (EBIT)** = Net Income + Interest + Taxes
  4. **Earning Before Interest & Tax (EBIT)** or Operating Profit
- 18 **Net profit margin = Net income ÷ Total Revenue**
  1. **Net Profit or Net Income** = Earning Before Tax ( EBT ) - Tax on profit
- 19 Operating return on assets = Operating income ÷ Average total assets



- 20 Return on assets = Net income ÷ Average total assets
- 21 Return on equity = Net income ÷ Average shareholders' equity
- 22 Return on total capital = Earnings before interest and taxes ÷ (Interest bearing debt + Shareholders' equity)
- 23 Return on common equity = (Net income - Preferred dividends) ÷ Average common shareholders' equity
- 24 Tax burden = Net income ÷ Earnings before taxes
- 25 Interest burden = Earnings before taxes ÷ Earnings before interest and taxes
- 26 **EBIT margin = Earnings before interest and taxes ÷ Total Revenue**
- 27 Financial leverage ratio (equity multiplier) = Average total assets ÷ Average shareholders' equity
- 28 Total debt = The total of interest-bearing short-term and long-term debt, excluding liabilities such as accrued expenses and accounts payable
- 29 Debt-to-assets ratio = Total debt ÷ Total assets
- 30 Debt-to-equity ratio = Total debt ÷ Total shareholders' equity
- 31 Debt-to-capital ratio = Total debt ÷ (Total debt + Total shareholders' equity)
- 32 Interest coverage ratio = Earnings before interest and taxes ÷ Interest payments
- 33 Fixed charge coverage ratio = (Earnings before interest and taxes + Lease payments) ÷ (Interest payments + Lease payments)
- 34 Dividend payout ratio = Common share dividends ÷ Net income attributable to common shares
- 35 Retention rate = (Net income attributable to common shares - Common share dividends) ÷ Net income attributable to common shares = 1 - Payout ratio
- 36 Sustainable growth rate = Retention rate × Return on equity
- 37 Earnings per share = (Net income - Preferred dividends) ÷ Weighted average number of ordinary shares outstanding
- 38 Book value per share = Common stockholders' equity ÷ Total number of common shares outstanding
- 39 Free cash flow to equity (FCFE) = Cash flow from operating activities - Investment in fixed capital + Net borrowing
- 40 Free cash flow to the firm (FCFF) = Cash flow from operating activities + Interest expense × (1 - Tax rate) - Investment in fixed capital (*Interest expense should be added back only if it was subtracted in determining cash flow from operating activities.*)

This may not be the case for companies electing an alternative treatment under IFRS.)

41. **Capital Employed = Total Assets - Current Liabilities**

42. **ROA( Return on Assets ) is usually expressed as a percentage.** A higher ROA means the company has more earnings per dollar invested in assets.

The average value varies from industry to industry, but generally, any number lower than 10% is considered bad.

43. **ROE -What is a good return on equity( ROE )? While average ratios, as well as those considered "good" and "bad",**

can vary substantially from sector to sector, a return on equity ratio of 15% to 20% is usually considered good.

44. **Return on Investment**



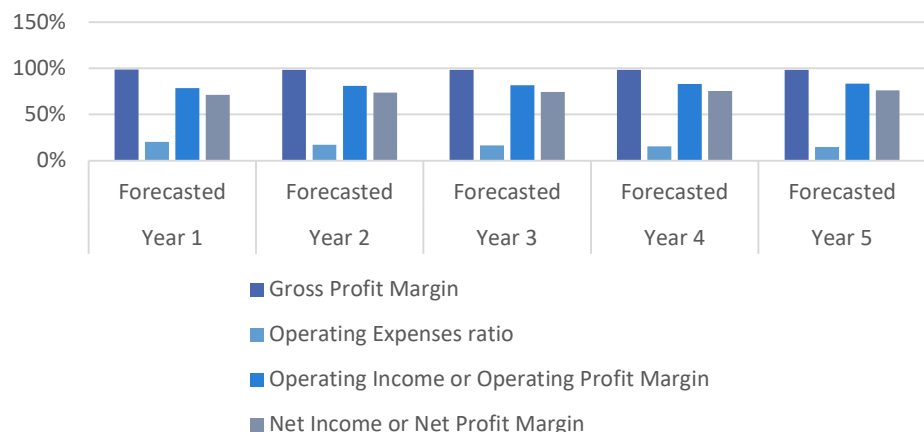
Return on investment (ROI) is calculated by dividing the profit earned on an investment by the cost of that investment or Original Investment or Initial Investment.

For instance, an investment with a profit of \$100 and a cost of \$100 would have an ROI of 1, or 100% when expressed as a percentage.

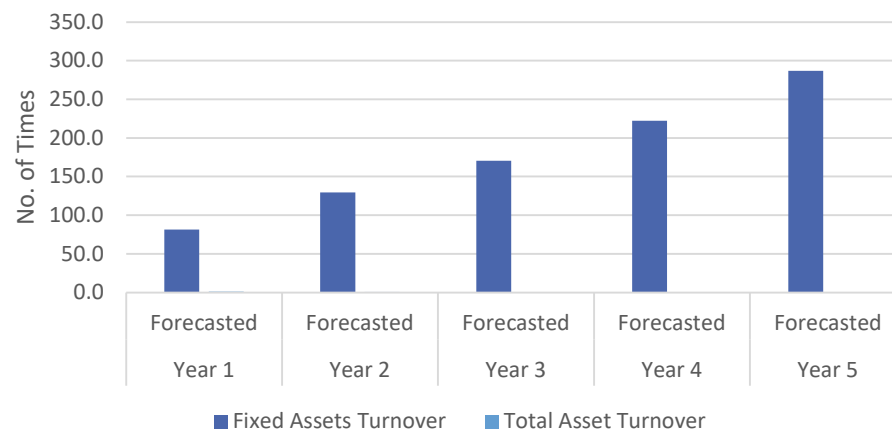
Profitability ratios assess a company's ability to earn profits from its Revenue or operations, balance sheet assets, or shareholders' equity.

They indicate how efficiently a company generates profit and value for shareholders. Profitability ratios include margin ratios and return ratios.

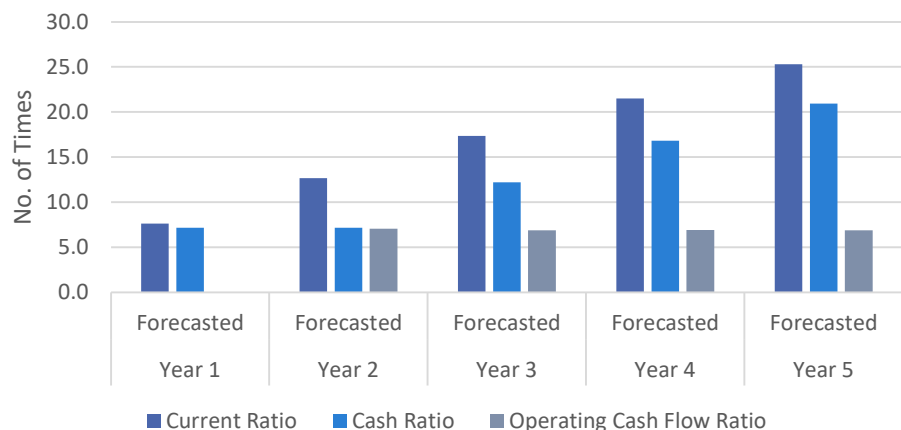
### Profitability Ratios



### Efficiency Ratios (In Times)



### Liquidity Ratios





## 14.10. Projected Revenue Appendix 1

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Marine Equipment & Vessel Brokerage	16	AED 1,200,000	AED 1,329,900	AED 1,517,454	AED 1,712,928	AED 1,916,600
Specialist Marine Manpower Supply		AED 1,200,000	AED 1,350,360	AED 1,527,890	AED 1,723,666	AED 1,949,456
Marine Technical Services		AED 1,200,000	AED 1,350,360	AED 1,527,963	AED 1,734,372	AED 1,949,456
Marine Chandlery		AED 2,400,000	AED 2,708,922	AED 3,056,656	AED 3,447,976	AED 3,892,119
<b>Total Revenue</b>		<b>AED 6,000,000</b>	<b>AED 6,739,542</b>	<b>AED 7,629,963</b>	<b>AED 8,618,942</b>	<b>AED 9,707,631</b>

### Note 16 Projected Total Revenue on Year by Year Basis

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Marine Equipment & Vessel Brokerage		AED 1,200,000	AED 1,329,900	AED 1,517,454	AED 1,712,928	AED 1,916,600
Specialist Marine Manpower Supply		AED 1,200,000	AED 1,350,360	AED 1,527,890	AED 1,723,666	AED 1,949,456
Marine Technical Services		AED 1,200,000	AED 1,350,360	AED 1,527,963	AED 1,734,372	AED 1,949,456
Marine Chandlery		AED 2,400,000	AED 2,708,922	AED 3,056,656	AED 3,447,976	AED 3,892,119
<b>Grand Total</b>		<b>AED 6,000,000</b>	<b>AED 6,739,542</b>	<b>AED 7,629,963</b>	<b>AED 8,618,942</b>	<b>AED 9,707,631</b>

### Projected No. of Deals on Year by Year Basis

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Marine Equipment & Vessel Brokerage		AED 50,000	AED 51,150	AED 52,326	AED 53,529	AED 54,760
Specialist Marine Manpower Supply		AED 10,000	AED 10,230	AED 10,465	AED 10,706	AED 10,952
Marine Technical Services		AED 20,000	AED 20,460	AED 20,931	AED 21,412	AED 21,904
Marine Chandlery		AED 2,500	AED 2,558	AED 2,617	AED 2,677	AED 2,739

### Projected Yearly Per Deal Income Increase on Year by Year Basis

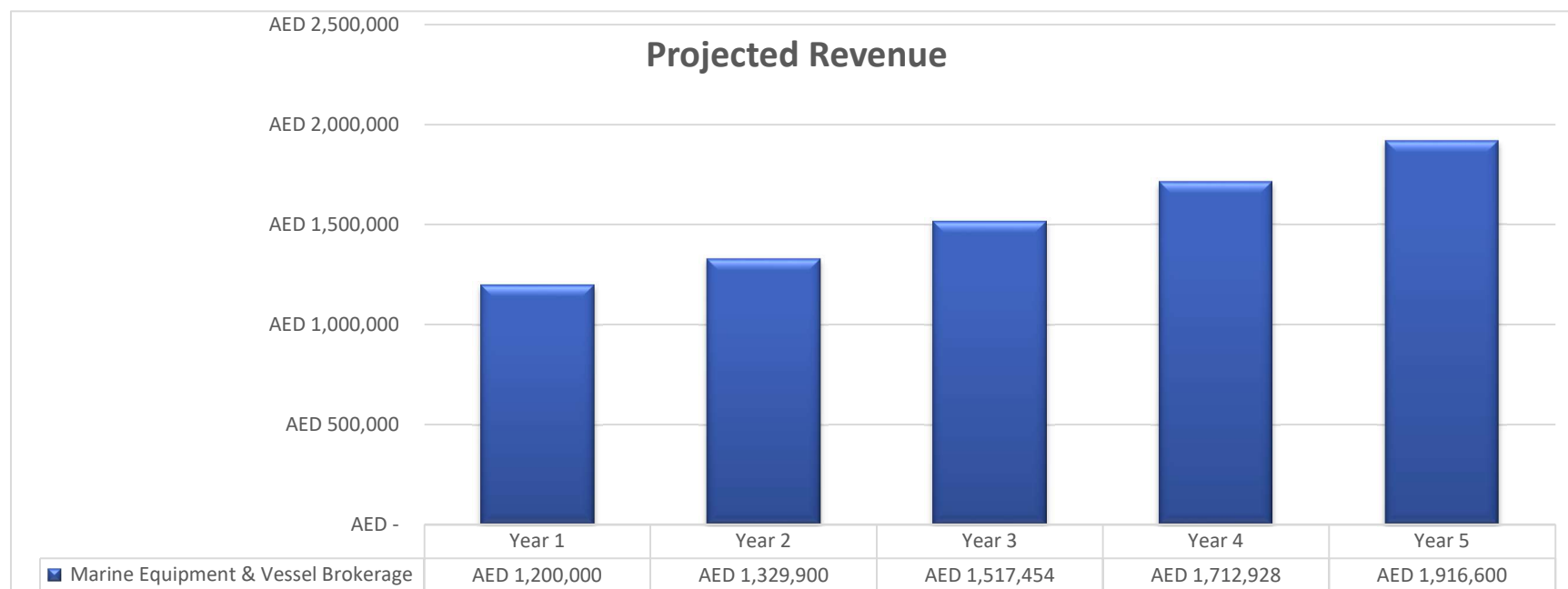
Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast



Marine Equipment & Vessel Brokerage		24 Deals	26 Deals	29 Deals	32 Deals	35 Deals
Specialist Marine Manpower Supply		120 Deals	132 Deals	146 Deals	161 Deals	178 Deals
Marine Technical Services		60 Deals	66 Deals	73 Deals	81 Deals	89 Deals
Marine Chandlery		960 Deals	1,059 Deals	1,168 Deals	1,288 Deals	1,421 Deals
<b>Grand Total</b>		<b>1,164 Deals</b>	<b>1,283 Deals</b>	<b>1,416 Deals</b>	<b>1,562 Deals</b>	<b>1,723 Deals</b>

### Projected 1st Year Revenue - Assumptions

Description	Note	Avg Projected Price per Deal Price	Monthly (No. of Deals)	Monthly Revenue	Yearly (No. of Deals)	Yearly Revenue
Marine Equipment & Vessel Brokerage		AED 50,000	2 Deals	AED 100,000	24 Deals	AED 1,200,000
Specialist Marine Manpower Supply		AED 10,000	10 Deals	AED 100,000	120 Deals	AED 1,200,000
Marine Technical Services		AED 20,000	5 Deals	AED 100,000	60 Deals	AED 1,200,000
Marine Chandlery		AED 2,500	80 Deals	AED 200,000	960 Deals	AED 2,400,000
<b>Grand Total</b>		<b>AED 82,500</b>	<b>97 Deals</b>	<b>AED 500,000</b>	<b>1,164 Deals</b>	<b>AED 6,000,000</b>





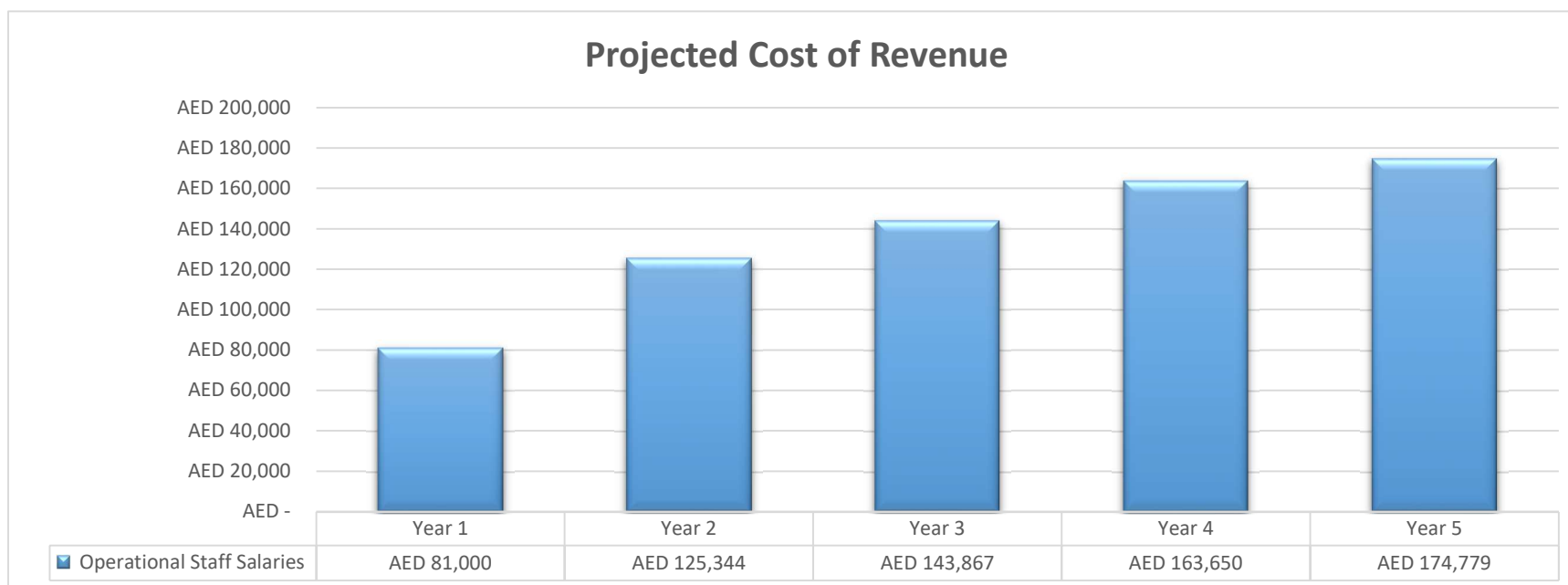
## 14.11. Projected Cost of Revenue Appendix 2

Projected Cost of Revenue by Year	Note	Year 1		Year 2		Year 3		Year 4		Year 5	
		Forecast		Forecast		Forecast		Forecast		Forecast	
Operational Staff Salaries	17	AED	81,000	AED	125,344	AED	143,867	AED	163,650	AED	174,779
<b>Total Cost of Revenue</b>		<b>AED</b>	<b>81,000</b>	<b>AED</b>	<b>125,344</b>	<b>AED</b>	<b>143,867</b>	<b>AED</b>	<b>163,650</b>	<b>AED</b>	<b>174,779</b>

### Note 17

Direct Attributable Staff Salaries Detail as per following

Description	Year 1		Year 2		Year 3		Year 4		Year 5		
	Forecast		Forecast		Forecast		Forecast		Forecast		
<b>Direct Staff / Operational Staff</b>											
Admin / Coordinator	AED	60,000	AED	69,080	AED	78,777	AED	89,134	AED	95,195	
Logistics & Procurement Officer	AED	48,000	AED	56,264	AED	65,090	AED	74,516	AED	79,583	
<b>Total Operational Staff Salaries</b>	<b>AED</b>	<b>108,000</b>	<b>AED</b>	<b>125,344</b>	<b>AED</b>	<b>143,867</b>	<b>AED</b>	<b>163,650</b>	<b>AED</b>	<b>174,779</b>	





## 14.12. Projected Operating Expenses Appendix 3

Projected Operating Expense	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Non-Operational Staff Salaries	20	AED 544,500	AED 775,368	AED 834,593	AED 891,345	AED 951,957
Project Startup / Pre- Incorporation Expenses	21	AED 374,400	AED 12,500	AED -	AED -	AED -
Advertising & Marketing	22	AED 120,000	AED 134,791	AED 152,599	AED 172,379	AED 194,153
Utilities (ADDC)	23	AED 10,800	AED 14,731	AED 15,070	AED 15,417	AED 15,771
Utilities (Telephone & Internet)	23	AED 14,400	AED 19,642	AED 20,093	AED 20,556	AED 21,028
Office Rent		AED 45,000	AED 61,380	AED 62,792	AED 64,236	AED 65,713
Office Repaire & Maintenance Cost		AED -	AED 5,115	AED 5,233	AED 5,353	AED 5,476
Amortization Employees Visa Cost		AED -	AED -	AED 25,575	AED -	AED 26,163
Amortization Employees Medical Insurance		AED -	AED 22,506	AED 23,024	AED 23,553	AED 24,095
Amortization Business Insurance		AED 30,000	AED 30,690	AED 31,396	AED 32,118	AED 32,857
Website Maintenance Cost		AED -	AED 2,046	AED 2,093	AED 2,141	AED 2,190
Accounting & CRM Software		AED -	AED 10,230	AED 10,465	AED 10,706	AED 10,952
Entertainment Expense Office		AED 9,000	AED 12,276	AED 12,558	AED 12,847	AED 13,143
Printing and Stationary		AED 6,000	AED 8,184	AED 8,372	AED 8,565	AED 8,762
Legal and Professional Expense		AED -	AED 46,035	AED 47,094	AED 48,177	AED 49,285
Office Supplies (Cleaning, etc.)		AED 2,250	AED 3,060	AED 3,121	AED 3,184	AED 3,247
Miscellaneous Expenses		AED 50,000	AED 51,150	AED 52,326	AED 53,530	AED 54,761
<b>Total</b>		<b>AED 1,206,350</b>	<b>AED 1,209,704</b>	<b>AED 1,306,405</b>	<b>AED 1,364,106</b>	<b>AED 1,479,554</b>

### Note 20

Operational staff include the salaries of the Accountant, Sale & Marketing Staff, Cleaning Staff, and Security Staff. These costs are calculated in the table below based on the number of employees. These costs are calculated in the table below based on the number of employees.

### Headcount Table Year Wise

Description	Projected Number of Total Employees					Avg. Monthly salary per employee
	Year 1	Year 2	Year 3	Year 4	Year 5	
<b>Direct Staff / Operational Staff</b>						
Admin / Coordinator	1	2	3	4	4	AED 5,000
Logistics & Procurement Officer	1	2	3	4	4	AED 4,000



<b>Total Operational Staff Salaries</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>8</b>	<b>8</b>	
<b>Indirect Staff / Non-Operational Staff</b>						
Owner / MD	1	1	1	1	1	AED 50,000
Accountant	1	1	2	2	2	AED 6,500
Security Personnel	1	1	1	1	1	AED 2,000
Cleaning Staff	1	1	1	1	1	AED 2,000
<b>Total Non-Operational Staff Salaries</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	
<b>Grand Total</b>	<b>6</b>	<b>8</b>	<b>11</b>	<b>13</b>	<b>13</b>	

### Calculation of Total Staff Yearly Salaries

Description	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Direct Staff / Operational Staff</b>					
Admin / Coordinator	AED 60,000	AED 69,080	AED 78,777	AED 89,134	AED 95,195
Logistics & Procurement Officer	AED 48,000	AED 56,264	AED 65,090	AED 74,516	AED 79,583
<b>Total Operational Staff Salaries</b>	<b>AED 108,000</b>	<b>AED 125,344</b>	<b>AED 143,867</b>	<b>AED 163,650</b>	<b>AED 174,779</b>
<b>Indirect Staff / Non-Operational Staff</b>					
Owner / MD	AED 600,000	AED 640,800	AED 684,374	AED 730,912	AED 780,614
Accountant	AED 78,000	AED 83,304	AED 95,469	AED 101,961	AED 108,894
Security Personnel	AED 24,000	AED 25,632	AED 27,375	AED 29,236	AED 31,225
Cleaning Staff	AED 24,000	AED 25,632	AED 27,375	AED 29,236	AED 31,225
<b>Total Operational Staff</b>	<b>AED 726,000</b>	<b>AED 775,368</b>	<b>AED 834,593</b>	<b>AED 891,345</b>	<b>AED 951,957</b>
<b>Grand Total</b>	<b>AED 834,000</b>	<b>AED 900,712</b>	<b>AED 978,460</b>	<b>AED 1,054,996</b>	<b>AED 1,126,735</b>

### Note 21

#### Startup Expenses Amortization Break-up

Description	Total Amount	Amount to be Amortized for 1 Month	Monthly Amortization Amount First 3 Months	Monthly Amortization Amount after 3 Months	Total Useful Tenure
Startup Salaries for 3 Months	AED 208,500	AED 69,500	AED 69,500	AED -	3 Months
Operational Staff Salaries	AED 27,000	AED 9,000	AED 9,000	AED -	3 Months
Non-Operational Staff Salaries	AED 181,500	AED 60,500	AED 60,500	AED -	3 Months
Utilities (ADDC) for 3 Months	AED 3,600	AED 1,200	AED 1,200	AED -	3 Months



Utilities (Telephone & Internet) for 3 Months	AED 4,800	AED 1,600	AED 1,600	AED -	3 Months
Office Rent 3 Months	AED 15,000	AED 5,000	AED 5,000	AED -	3 Months
Office Supplies (Cleaning, etc.)	AED 3,000	AED 3,000	AED -	AED -	1 Year
Prepaid Employees Visa Cost	AED 25,000	AED 1,042	AED 1,042	AED 1,042	2 Year
Prepaid Employees Medical Insurance	AED 22,000	AED 1,833	AED 1,833	AED 1,833	1 Year
Entertainment Expense Office	AED 3,000	AED 1,000	AED 1,000		3 Months
Business Cards/Stationery	AED 2,000	AED 167	AED 167	AED 167	1 Year
Brand Development & Promotion Cost	AED 30,000	AED 2,500	AED 2,500	AED 2,500	1 Year
Accounting & CRM Software	AED 10,000	AED 833	AED 833	AED 833	1 Year
Website Development Costs	AED 15,000	AED 1,250	AED 1,250	AED 1,250	1 Year
Professional Consultancy Service Fee	AED 10,000	AED 833	AED 833	AED 833	1 Year
Legal and Company Setup Expense	AED 35,000	AED 2,917	AED 2,917	AED 2,917	1 Year
<b>Total Start-up Expenses</b>	<b>AED 386,900</b>	<b>AED 162,175</b>	<b>AED 159,175</b>	<b>AED 11,375</b>	

**Note 23**

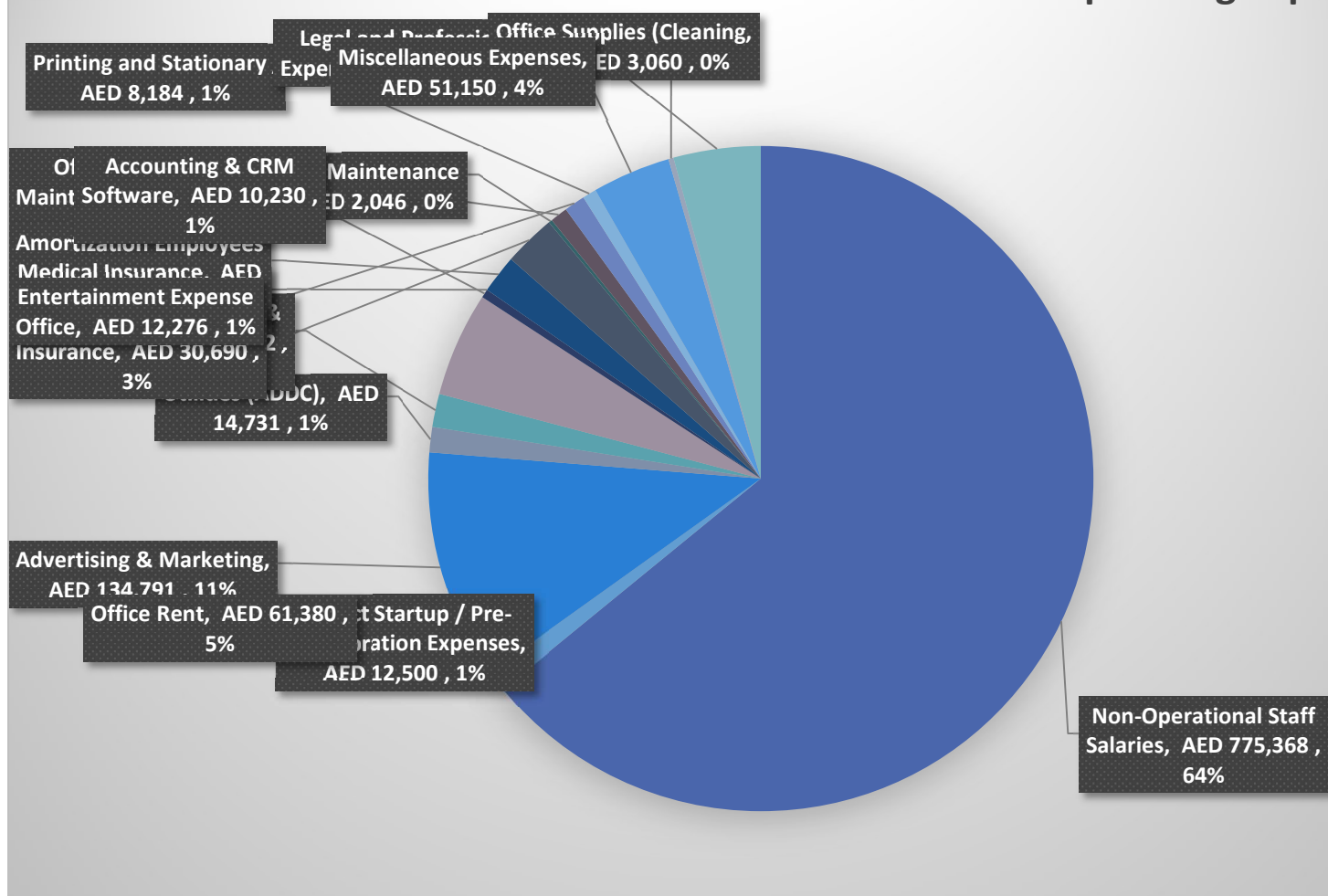
Utilities include the expenses of Energy, Telephone & Internet. It is calculated in the table below.

**Calculation of Total Yearly Utilities**

Average Utilities	Year 1	Year 2	Year 3	Year 4	Year 5
	Forecast	Forecast	Forecast	Forecast	Forecast
Energy & Water Bill (ADDC)*	AED 14,400	AED 14,731	AED 15,070	AED 15,417	AED 15,771
Telephone	AED 9,600	AED 9,821	AED 10,047	AED 10,278	AED 10,514
Internet	AED 9,600	AED 9,821	AED 10,047	AED 10,278	AED 10,514
<b>Total</b>	<b>AED 33,600</b>	<b>AED 34,373</b>	<b>AED 35,163</b>	<b>AED 35,972</b>	<b>AED 36,799</b>



## Operating expense





## 14.13. Fixed Asset Schedule Appendix 4

Description	Equipment & Machines	Furniture/Fixtures & Fit Out Cost	Computer Hardware/Software for Operations	Security deposit (ADDC)	Total
Opening	-	-	-	-	-
Addition	AED 20,000	AED 25,000	AED 25,000	AED 2,000	AED 70,000
Amortization / Depreciation	AED (1,000)	AED (5,000)	AED (5,000)	AED -	AED (11,000)
<b>Net Book Value as at Year 1</b>	<b>AED 19,000</b>	<b>AED 20,000</b>	<b>AED 20,000</b>	<b>AED 2,000</b>	<b>AED 59,000</b>
Addition	AED -	AED -	AED -	AED -	AED -
Amortization / Depreciation	AED (950)	AED (4,000)	AED (4,000)	AED -	AED (8,950)
<b>Net Book Value as at Year 2</b>	<b>AED 18,050</b>	<b>AED 16,000</b>	<b>AED 16,000</b>	<b>AED 2,000</b>	<b>AED 50,050</b>
Addition	AED -	AED -	AED -	AED -	AED -
Amortization / Depreciation	AED (903)	AED (3,200)	AED (3,200)	AED -	AED (7,303)
<b>Net Book Value as at Year 3</b>	<b>AED 17,148</b>	<b>AED 12,800</b>	<b>AED 12,800</b>	<b>AED 2,000</b>	<b>AED 42,748</b>
Addition	AED -	AED -	AED -	AED -	AED -
Amortization / Depreciation	AED (857)	AED (2,560)	AED (2,560)	AED -	AED (5,977)
<b>Net Book Value as at Year 4</b>	<b>AED 16,290</b>	<b>AED 10,240</b>	<b>AED 10,240</b>	<b>AED 2,000</b>	<b>AED 36,770</b>
Addition	AED -	AED -	AED -	AED -	AED -
Amortization / Depreciation	AED (815)	AED (2,048)	AED (2,048)	AED -	AED (4,911)
<b>Net Book Value as at Year 5</b>	<b>AED 15,476</b>	<b>AED 8,192</b>	<b>AED 8,192</b>	<b>AED 2,000</b>	<b>AED 31,860</b>
<b>Depreciation Rate</b>	<b>5%</b>	<b>20%</b>	<b>20%</b>	<b>0%</b>	



## 14.14. Project Scenario Analysis (Working) Appendix 5

Description	Worst Case		Base Case		Best Case	
	%age	Amount In Year 1	%age	Amount In Year 1	%age	Amount In Year 1
<b>Revenue</b>	50%	AED 3,000,000	100%	AED 6,000,000	115%	AED 6,900,000
<b>Cost of Revenue</b>	115%	AED 93,150	100%	AED 81,000	85%	AED 68,850
<b>Operating Expenses</b>	115%	-	100%	-	85%	-
Non-Operational Staff Salaries	115%	AED 626,175	100%	AED 544,500	85%	AED 462,825
Project Startup / Pre- Incorporation Expenses	115%	AED 430,560	100%	AED 374,400	85%	AED 318,240
Advertising & Marketing	115%	AED 138,000	100%	AED 120,000	85%	AED 102,000
Utilities (ADDC)	115%	AED 12,420	100%	AED 10,800	85%	AED 9,180
Utilities (Telephone & Internet)	115%	AED 16,560	100%	AED 14,400	85%	AED 12,240
Office Rent	115%	AED 51,750	100%	AED 45,000	85%	AED 38,250
Office Repaire & Maintenance Cost	115%	AED -	100%	AED -	85%	AED -
Amortization Employees Visa Cost	115%	AED -	100%	AED -	85%	AED -
Amortization Employees Medical Insurance	115%	AED -	100%	AED -	85%	AED -
Amortization Business Insurance	115%	AED 34,500	100%	AED 30,000	85%	AED 25,500
Website Maintenance Cost	115%	AED -	100%	AED -	85%	AED -
Accounting & CRM Software	115%	AED -	100%	AED -	85%	AED -
Entertainment Expense Office	115%	AED 10,350	100%	AED 9,000	85%	AED 7,650
Printing and Stationary	115%	AED 6,900	100%	AED 6,000	85%	AED 5,100
Legal and Professional Expense	115%	AED -	100%	AED -	85%	AED -
Office Supplies (Cleaning, etc.)	115%	AED 2,588	100%	AED 2,250	85%	AED 1,913
Miscellaneous Expenses	115%	AED 57,500	100%	AED 50,000	85%	AED 42,500
<b>Tax rate</b>	10%	AED -	9%	AED 423,149	8%	AED 443,299
<b>Cost of Capital</b>	30%	-	26%	-	22%	-
<b>Salvage Value</b>	85%	AED 28,781	100%	AED 33,860	115%	AED 38,939

Description	Year 1			Year 2			Year 3		
	Worst Case	Base Case	Best Case	Worst Case	Base Case	Best Case	Worst Case	Base Case	Best Case
Revenue	AED 3,000,000	AED 6,000,000	AED 6,900,000	AED 3,369,771	AED 6,739,542	AED 7,750,473	AED 3,814,982	AED 7,629,963	AED 8,774,457
Cost of Revenue	AED (93,150)	AED (81,000)	AED (68,850)	AED (144,146)	AED (125,344)	AED (106,542)	AED (165,448)	AED (143,867)	AED (122,287)
<b>Gross Profit</b>	<b>AED 2,906,850</b>	<b>AED 5,919,000</b>	<b>AED 6,831,150</b>	<b>AED 3,225,625</b>	<b>AED 6,614,198</b>	<b>AED 7,643,931</b>	<b>AED 3,649,534</b>	<b>AED 7,486,096</b>	<b>AED 8,652,170</b>
% of Revenue	97%	99%	99%	96%	98%	99%	96%	98%	99%
Operating expenses									



Non-Operational Staff Salaries	AED 626,175	AED 544,500	AED 462,825	AED 891,673	AED 775,368	AED 659,063	AED 959,782	AED 834,593	AED 709,404
Project Startup / Pre-Incorporation Expenses	AED 430,560	AED 374,400	AED 318,240	AED 14,375	AED 12,500	AED 10,625	AED -	AED -	AED -
Advertising & Marketing	AED 138,000	AED 120,000	AED 102,000	AED 155,009	AED 134,791	AED 114,572	AED 175,489	AED 152,599	AED 129,709
Utilities (ADDC)	AED 12,420	AED 10,800	AED 9,180	AED 16,941	AED 14,731	AED 12,522	AED 17,331	AED 15,070	AED 12,810
Utilities (Telephone & Internet)	AED 16,560	AED 14,400	AED 12,240	AED 22,588	AED 19,642	AED 16,695	AED 23,107	AED 20,093	AED 17,079
Office Rent	AED 51,750	AED 45,000	AED 38,250	AED 70,587	AED 61,380	AED 52,173	AED 72,211	AED 62,792	AED 53,373
Office Repaire & Maintenance Cost	AED -	AED -	AED -	AED 5,882	AED 5,115	AED 4,348	AED 6,018	AED 5,233	AED 4,448
Amortization Employees Visa Cost	AED -	AED -	AED -	AED -	AED -	AED -	AED 29,411	AED 25,575	AED 21,739
Amortization Employees Medical Insurance	AED -	AED -	AED -	AED 25,882	AED 22,506	AED 19,130	AED 26,477	AED 23,024	AED 19,570
Amortization Business Insurance	AED 34,500	AED 30,000	AED 25,500	AED 35,294	AED 30,690	AED 26,087	AED 36,105	AED 31,396	AED 26,686
Website Maintenance Cost	AED -	AED -	AED -	AED 2,353	AED 2,046	AED 1,739	AED 2,407	AED 2,093	AED 1,779
Accounting & CRM Software	AED -	AED -	AED -	AED 11,765	AED 10,230	AED 8,696	AED 12,035	AED 10,465	AED 8,895
Entertainment Expense Office	AED 10,350	AED 9,000	AED 7,650	AED 14,117	AED 12,276	AED 10,435	AED 14,442	AED 12,558	AED 10,675
Printing and Stationary	AED 6,900	AED 6,000	AED 5,100	AED 9,412	AED 8,184	AED 6,956	AED 9,628	AED 8,372	AED 7,116
Legal and Professional Expense	AED -	AED -	AED -	AED 52,940	AED 46,035	AED 39,130	AED 54,158	AED 47,094	AED 40,030
Office Supplies (Cleaning, etc.)	AED 2,588	AED 2,250	AED 1,913	AED 3,519	AED 3,060	AED 2,601	AED 3,589	AED 3,121	AED 2,653
Miscellaneous Expenses	AED 57,500	AED 50,000	AED 42,500	AED 58,823	AED 51,150	AED 43,478	AED 60,175	AED 52,326	AED 44,477
<b>Total Operating expenses</b>	<b>AED 1,387,303</b>	<b>AED 1,206,350</b>	<b>AED 1,025,398</b>	<b>AED 1,391,159</b>	<b>AED 1,209,704</b>	<b>AED 1,028,248</b>	<b>AED 1,502,366</b>	<b>AED 1,306,405</b>	<b>AED 1,110,444</b>
% of Revenue	46%	20%	15%	41%	18%	13%	39%	17%	13%
Operating Income	AED 1,519,548	AED 4,712,650	AED 5,805,753	AED 1,834,466	AED 5,404,494	AED 6,615,683	AED 2,147,168	AED 6,179,691	AED 7,541,726
Depreciation	AED (11,000)	AED (11,000)	AED (11,000)	AED (8,950)	AED (8,950)	AED (8,950)	AED (7,303)	AED (7,303)	AED (7,303)
Finance cost	AED -	AED -	AED -	AED -	AED -	AED -	AED -	AED -	AED -
<b>Earning Before Tax</b>	<b>AED 1,508,548</b>	<b>AED 4,701,650</b>	<b>AED 5,794,753</b>	<b>AED 1,825,516</b>	<b>AED 5,395,544</b>	<b>AED 6,606,733</b>	<b>AED 2,139,866</b>	<b>AED 6,172,388</b>	<b>AED 7,534,423</b>
Provision for taxation		AED (423,149)	AED (443,299)	AED -	AED (485,599)	AED (505,415)	AED -	AED (555,515)	AED (576,383)
<b>Net Income (EAT)</b>	<b>AED 1,508,548</b>	<b>AED 4,278,502</b>	<b>AED 5,351,454</b>	<b>AED 1,825,516</b>	<b>AED 4,909,945</b>	<b>AED 6,101,318</b>	<b>AED 2,139,866</b>	<b>AED 5,616,873</b>	<b>AED 6,958,040</b>
% of Revenue	50%	71%	78%	54%	73%	79%	56%	74%	79%



Description	Year 4			Year 5		
	Worst Case	Base Case	Best Case	Worst Case	Base Case	Best Case
Revenue	AED 4,309,471	AED 8,618,942	AED 9,911,783	AED 4,853,816	AED 9,707,631	AED 11,163,776
Cost of Revenue	AED (188,198)	AED (163,650)	AED (139,103)	AED (200,995)	AED (174,779)	AED (148,562)
<b>Gross Profit</b>	<b>AED 4,121,273</b>	<b>AED 8,455,292</b>	<b>AED 9,772,680</b>	<b>AED 4,652,820</b>	<b>AED 9,532,852</b>	<b>AED 11,015,214</b>
% of Revenue	96%	98%	99%	96%	98%	99%
<b>Operating expenses</b>						
Non-Operational Staff Salaries	AED 1,025,047	AED 891,345	AED 757,644	AED 1,094,750	AED 951,957	AED 809,163
Project Startup / Pre- Incorporation Expenses	AED -	AED -	AED -	AED -	AED -	AED -
Advertising & Marketing	AED 198,236	AED 172,379	AED 146,522	AED 223,276	AED 194,153	AED 165,030
Utilities (ADDC)	AED 17,729	AED 15,417	AED 13,104	AED 18,137	AED 15,771	AED 13,406
Utilities (Telephone & Internet)	AED 23,639	AED 20,556	AED 17,472	AED 24,183	AED 21,028	AED 17,874
Office Rent	AED 73,871	AED 64,236	AED 54,601	AED 75,570	AED 65,713	AED 55,856
Office Repaire & Maintenance Cost	AED 6,156	AED 5,353	AED 4,550	AED 6,298	AED 5,476	AED 4,655
Amortization Employees Visa Cost	AED -	AED -	AED -	AED 30,088	AED 26,163	AED 22,239
Amortization Employees Medical Insurance	AED 27,086	AED 23,553	AED 20,020	AED 27,709	AED 24,095	AED 20,481
Amortization Business Insurance	AED 36,936	AED 32,118	AED 27,300	AED 37,785	AED 32,857	AED 27,928
Website Maintenance Cost	AED 2,462	AED 2,141	AED 1,820	AED 2,519	AED 2,190	AED 1,862
Accounting & CRM Software	AED 12,312	AED 10,706	AED 9,100	AED 12,595	AED 10,952	AED 9,309
Entertainment Expense Office	AED 14,774	AED 12,847	AED 10,920	AED 15,114	AED 13,143	AED 11,171
Printing and Stationary	AED 9,850	AED 8,565	AED 7,280	AED 10,076	AED 8,762	AED 7,448
Legal and Professional Expense	AED 55,404	AED 48,177	AED 40,950	AED 56,678	AED 49,285	AED 41,892
Office Supplies (Cleaning, etc.)	AED 3,661	AED 3,184	AED 2,706	AED 3,734	AED 3,247	AED 2,760
Miscellaneous Expenses	AED 61,559	AED 53,530	AED 45,500	AED 62,975	AED 54,761	AED 46,547
<b>Total Operating expenses</b>	<b>AED 1,568,722</b>	<b>AED 1,364,106</b>	<b>AED 1,159,490</b>	<b>AED 1,701,487</b>	<b>AED 1,479,554</b>	<b>AED 1,257,621</b>
% of Revenue	36%	16%	12%	35%	15%	11%
Operating Income	AED 2,552,551	AED 7,091,185	AED 8,613,190	AED 2,951,333	AED 8,053,299	AED 9,757,593
Depreciation	AED (5,977)	AED (5,977)	AED (5,977)	AED (4,911)	AED (4,911)	AED (4,911)
Finance cost	AED -	AED -	AED -	AED -	AED -	AED -
<b>Earning Before Tax</b>	<b>AED 2,546,574</b>	<b>AED 7,085,208</b>	<b>AED 8,607,213</b>	<b>AED 2,946,423</b>	<b>AED 8,048,388</b>	<b>AED 9,752,683</b>
Provision for taxation	AED -	AED (637,669)	AED (658,452)	AED -	AED (724,355)	AED (746,080)
<b>Net Income (EAT)</b>	<b>AED 2,546,574</b>	<b>AED 6,447,539</b>	<b>AED 7,948,761</b>	<b>AED 2,946,423</b>	<b>AED 7,324,033</b>	<b>AED 9,006,602</b>
% of Revenue	59%	75%	80%	61%	75%	81%



## Effect on NPV

### Worst Case

Particulars	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Initial outflow:</i>						
Total Investment Value	AED (500,000)					
Earning After Tax		AED 1,508,548	AED 1,825,516	AED 2,139,866	AED 2,546,574	AED 2,946,423
Add back Depreciation		AED 11,000	AED 8,950	AED 7,303	AED 5,977	AED 4,911
<b>After-tax Operating Cashflows</b>		<b>AED 1,519,548</b>	<b>AED 1,834,466</b>	<b>AED 2,147,168</b>	<b>AED 2,552,551</b>	<b>AED 2,951,333</b>
Return on WC						AED 313,931
Salvage Value (Book Value at year 5)						AED 28,781
Tax on Salvage Value						AED (2,979)
<b>Net Cash flows</b>	<b>AED (500,000)</b>	<b>AED 1,519,548</b>	<b>AED 1,834,466</b>	<b>AED 2,147,168</b>	<b>AED 2,552,551</b>	<b>AED 3,291,066</b>
Discount Period	0	1	2	3	4	5
Discount Factor @ 32% (WACC)	1.00	0.77	0.59	0.46	0.35	0.27
<b>Present Value</b>	<b>AED (500,000)</b>	<b>AED 1,169,783</b>	<b>AED 1,087,155</b>	<b>AED 979,577</b>	<b>AED 896,474</b>	<b>AED 889,797</b>
<b>Net Present Value</b>	<b>AED 4,522,786</b>					

### Best Case

Particulars	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
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*Initial outflow:*



Total Investment Value	AED (500,000)										
Earning After Tax	AED	5,351,454	AED	6,101,318	AED	6,958,040	AED	7,948,761	AED	9,006,602	
Add back Depreciation	AED	11,000	AED	8,950	AED	7,303	AED	5,977	AED	4,911	
<b>After-tax Operating Cashflows</b>	<b>AED</b>	<b>5,362,454</b>	<b>AED</b>	<b>6,110,268</b>	<b>AED</b>	<b>6,965,343</b>	<b>AED</b>	<b>7,954,738</b>	<b>AED</b>	<b>9,011,513</b>	
Return on WC									AED	313,931	
Salvage Value (Book Value at year 5)									AED	38,939	
Tax on Salvage Value									AED	(2,979)	
<b>Net Cash flows</b>	<b>AED (500,000)</b>	<b>AED</b>	<b>5,362,454</b>	<b>AED</b>	<b>6,110,268</b>	<b>AED</b>	<b>6,965,343</b>	<b>AED</b>	<b>7,954,738</b>	<b>AED</b>	<b>9,361,403</b>
Discount Period	0	1	2	3	4	5					
Discount Factor @ 24% (WACC)	1.00	0.82	0.67	0.55	0.45	0.37					
<b>Present Value</b>	<b>AED (500,000)</b>	<b>AED</b>	<b>4,391,854</b>	<b>AED</b>	<b>4,098,538</b>	<b>AED</b>	<b>3,826,445</b>	<b>AED</b>	<b>3,579,013</b>	<b>AED</b>	<b>3,449,552</b>

## Worst Case

### Internal Rate of Return (IRR)

Years	Cash flows	DF @ 10%	Present value	DF @ 32%	Present value
Year 0	AED (500,000)	1.00	AED (500,000)	1	AED (500,000)
Year 1	AED 1,519,548	0.91	AED 1,381,407	0.76	AED 1,151,172
Year 2	AED 1,834,466	0.83	AED 1,516,088	0.57	AED 1,052,839
Year 3	AED 2,147,168	0.75	AED 1,613,199	0.43	AED 933,564
Year 4	AED 2,552,551	0.68	AED 1,743,427	0.33	AED 840,773
Year 5	AED 3,291,066	0.62	AED 2,043,493	0.25	AED 821,234
			<b>AED 7,797,613</b>		<b>AED 4,299,582</b>
<b>IRR</b>	<b>-17%</b>				



**Best Case**  
**Internal Rate of Return (IRR)**

Years	Cash flows	DF @ 19%	Present value	DF @ 29%	Present value
Year 0	AED (500,000)	1.00	AED (500,000)	1	AED (500,000)
Year 1	AED 5,362,454	0.84	AED 4,506,264	0.78	AED 4,156,941
Year 2	AED 6,110,268	0.71	AED 4,314,856	0.60	AED 3,671,815
Year 3	AED 6,965,343	0.59	AED 4,133,344	0.47	AED 3,244,691
Year 4	AED 7,954,738	0.50	AED 3,966,780	0.36	AED 2,872,546
Year 5	AED 9,361,403	0.42	AED 3,922,890	0.28	AED 2,620,550
			<b>AED 20,344,134</b>		<b>AED 16,066,544</b>
<b>IRR</b>	<b>67%</b>				

**Project Scenario Analysis Summary**

Description	Year 1			Year 2			Year 3		
	Worst Case	Base Case	Best Case	Worst Case	Base Case	Best Case	Worst Case	Base Case	Best Case
Revenue	AED 3,000,000	AED 6,000,000	AED 6,900,000	AED 3,369,771	AED 6,739,542	AED 7,750,473	AED 3,814,982	AED 7,629,963	AED 8,774,457
Cost of Revenue	AED 93,150	AED 81,000	AED 68,850	AED 144,146	AED 125,344	AED 106,542	AED 165,448	AED 143,867	AED 122,287
Operating expenses	AED 1,387,303	AED 1,206,350	AED 1,025,398	AED 1,391,159	AED 1,209,704	AED 1,028,248	AED 1,502,366	AED 1,306,405	AED 1,110,444
<b>Net Income</b>	<b>AED 1,508,548</b>	<b>AED 4,278,502</b>	<b>AED 5,351,454</b>	<b>AED 1,825,516</b>	<b>AED 4,909,945</b>	<b>AED 6,101,318</b>	<b>AED 2,139,866</b>	<b>AED 5,616,873</b>	<b>AED 6,958,040</b>

**Project Scenario Analysis Summary**

Description	Year 4			Year 5		
	Worst Case	Base Case	Best Case	Worst Case	Base Case	Best Case
Revenue	AED 4,309,471	AED 8,618,942	AED 9,911,783	AED 4,853,816	AED 9,707,631	AED 11,163,776
Cost of Revenue	AED 188,198	AED 163,650	AED 139,103	AED 200,995	AED 174,779	AED 148,562
Operating expenses	AED 1,568,722	AED 1,364,106	AED 1,159,490	AED 1,701,487	AED 1,479,554	AED 1,257,621
<b>Net Income</b>	<b>AED 2,546,574</b>	<b>AED 6,447,539</b>	<b>AED 7,948,761</b>	<b>AED 2,946,423</b>	<b>AED 7,324,033</b>	<b>AED 9,006,602</b>



## 14.15. General Key Assumptions

### Country Level - Assumptions

Description	Note	Market	Forecast
Industry Growth Rate		Marine Brokerage	8.00%
Inflation Rate	2	UAE	2.30%
		<b>Total</b>	<b>10.30%</b>
Salary Increment		UAE	4.50%
Total change in Salaries (Increment + Inflation)	4		6.80%
Tax Rate in UAE	10		9.00%

### Projected 1st Year Revenue - Assumptions

Description	Note	Avg Projected Price per Deal Price	Monthly (No. of Deals)	Monthly Revenue	Yearly (No. of Deals)	Yearly Revenue
Marine Equipment & Vessel Brokerage		AED 50,000	2 Deals	AED 100,000	24 Deals	AED 1,200,000
Specialist Marine Manpower Supply		AED 10,000	10 Deals	AED 100,000	120 Deals	AED 1,200,000
Marine Technical Services		AED 20,000	5 Deals	AED 100,000	60 Deals	AED 1,200,000
Marine Chandlery		AED 2,500	80 Deals	AED 200,000	960 Deals	AED 2,400,000
<b>Grand Total</b>		<b>AED 82,500</b>	<b>97 Deals</b>	<b>AED 500,000</b>	<b>1,164 Deals</b>	<b>AED 6,000,000</b>

### Projected Yearly Per Deal Income Increase on Year by Year Basis

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Marine Equipment & Vessel Brokerage		AED 50,000	AED 51,150	AED 52,326	AED 53,529	AED 54,760
Specialist Marine Manpower Supply		AED 10,000	AED 10,230	AED 10,465	AED 10,706	AED 10,952
Specialist Marine Manpower Supply		AED 20,000	AED 20,460	AED 20,931	AED 21,412	AED 21,904
Marine Technical Services		AED 2,500	AED 2,558	AED 2,617	AED 2,677	AED 2,739



### Projected No. of Deals on Year by Year Basis

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Marine Equipment & Vessel Brokerage		24 Deals	26 Deals	29 Deals	32 Deals	35 Deals
Specialist Marine Manpower Supply		120 Deals	132 Deals	146 Deals	161 Deals	178 Deals
Specialist Marine Manpower Supply		60 Deals	66 Deals	73 Deals	81 Deals	89 Deals
Marine Technical Services		960 Deals	1,059 Deals	1,168 Deals	1,288 Deals	1,421 Deals
<b>Grand Total</b>		<b>1,164 Deals</b>	<b>1,283 Deals</b>	<b>1,416 Deals</b>	<b>1,562 Deals</b>	<b>1,723 Deals</b>

### Projected Total Revenue on Year by Year Basis

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Marine Equipment & Vessel Brokerage		AED 1,200,000	AED 1,329,900	AED 1,517,454	AED 1,712,928	AED 1,916,600
Specialist Marine Manpower Supply		AED 1,200,000	AED 1,350,360	AED 1,527,890	AED 1,723,666	AED 1,949,456
Specialist Marine Manpower Supply		AED 1,200,000	AED 1,350,360	AED 1,527,963	AED 1,734,372	AED 1,949,456
Marine Technical Services		AED 2,400,000	AED 2,708,922	AED 3,056,656	AED 3,447,976	AED 3,892,119
<b>Grand Total</b>		<b>AED 6,000,000</b>	<b>AED 6,739,542</b>	<b>AED 7,629,963</b>	<b>AED 8,618,942</b>	<b>AED 9,707,631</b>

Fixed Expenses (F.C)		Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Office Rent		AED 45,000	AED 61,380	AED 62,792	AED 64,236	AED 65,713
Project Startup / Pre-Incorporation Expenses		AED 374,400	AED 12,500	AED -	AED -	AED -
Operational Staff Salaries		AED 81,000	AED 125,344	AED 143,867	AED 163,650	AED 174,779
Non-Operational Staff Salaries		AED 544,500	AED 775,368	AED 834,593	AED 891,345	AED 951,957
<b>Total</b>		<b>AED 1,044,900</b>	<b>AED 974,592</b>	<b>AED 1,041,252</b>	<b>AED 1,119,232</b>	<b>AED 1,192,449</b>



Variable Operating Expenses (V.C)	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Advertising & Marketing	5	AED 120,000	AED 134,791	AED 152,599	AED 172,379	AED 194,153
Utilities (ADDC)		AED 10,800	AED 14,731	AED 15,070	AED 15,417	AED 15,771
Utilities (Telephone & Internet)		AED 14,400	AED 19,642	AED 20,093	AED 20,556	AED 21,028
Office Repaire & Maintenance Cost		AED -	AED 5,115	AED 5,233	AED 5,353	AED 5,476
Amortization Employees Visa Cost		AED -	AED -	AED 25,575	AED -	AED 26,163
Amortization Employees Medical Insurance		AED -	AED 22,506	AED 23,024	AED 23,553	AED 24,095
Amortization Business Insurance		AED 30,000	AED 30,690	AED 31,396	AED 32,118	AED 32,857
Website Maintenance Cost		AED -	AED 2,046	AED 2,093	AED 2,141	AED 2,190
Accounting & CRM Software		AED -	AED 10,230	AED 10,465	AED 10,706	AED 10,952
Entertainment Expense Office		AED 9,000	AED 12,276	AED 12,558	AED 12,847	AED 13,143
Printing and Stationary		AED 6,000	AED 8,184	AED 8,372	AED 8,565	AED 8,762
Legal and Professional Expense		AED -	AED 46,035	AED 47,094	AED 48,177	AED 49,285
Office Supplies (Cleaning, etc.)		AED 2,250	AED 3,060	AED 3,121	AED 3,184	AED 3,247
Miscellaneous Expenses		AED 50,000	AED 51,150	AED 52,326	AED 53,530	AED 54,761
<b>Total Other Variable Operating Expenses</b>		<b>AED 242,450</b>	<b>AED 360,456</b>	<b>AED 409,020</b>	<b>AED 408,525</b>	<b>AED 461,884</b>

### Projected Operating Expenses as %age including Inflation year by year

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Salaries (% Change)	4	0.0%	6.8%	6.8%	6.8%	6.8%
Advertising & Marketing (% of Revenue)	5	2.0%	2.0%	2.0%	2.0%	2.0%
Utilities (ADDC)	6	0.0%	2.3%	2.3%	2.3%	2.3%
Utilities (Telephone & Internet)		0.0%	2.3%	2.3%	2.3%	2.3%
Office Rent		0.0%	2.3%	2.3%	2.3%	2.3%
Office Repaire & Maintenance Cost		0.0%	2.3%	2.3%	2.3%	2.3%
Amortization Employees Visa Cost		0.0%	2.3%	2.3%	2.3%	2.3%



Amortization Employees Medical Insurance	0.0%	2.3%	2.3%	2.3%	2.3%
Amortization Business Insurance	0.0%	2.3%	2.3%	2.3%	2.3%
Website Maintenance Cost	0.0%	2.3%	2.3%	2.3%	2.3%
Accounting & CRM Software	0.0%	2.3%	2.3%	2.3%	2.3%
Entertainment Expense Office	0.0%	2.3%	2.3%	2.3%	2.3%
Printing and Stationary	0.0%	2.3%	2.3%	2.3%	2.3%
Legal and Professional Expense	0.0%	2.3%	2.3%	2.3%	2.3%
Office Supplies (Cleaning, etc.)	0.0%	2.0%	2.0%	2.0%	2.0%
Miscellaneous Expenses	0.0%	2.3%	2.3%	2.3%	2.3%

### Amortization / Depreciation- Assumptions rate on year by year Basis

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Equipment & Machines		5%	5%	5%	5%	5%
Furniture/Fixtures & Fit Out Cost		20%	20%	20%	20%	20%
Computer Hardware/Software for Operations		20%	20%	20%	20%	20%
<b>Depreciation Policy (For All Fixed Asset)</b>	<b>7</b>	<b>Reducing Balance</b>	<b>Reducing Balance</b>	<b>Reducing Balance</b>	<b>Reducing Balance</b>	<b>Reducing Balance</b>

### Balance Sheet Assumptions

Description	Note	Year 1	Year 2	Year 3	Year 4	Year 5
		Forecast	Forecast	Forecast	Forecast	Forecast
Owners Equity		AED 500,000	AED 500,000	AED 500,000	AED 500,000	AED 500,000
Accrued Liabilities	<b>8</b>	One month Salaries & utility	One month Salaries & utility	One month Salaries & utility	One month Salaries & utility	One month Salaries & utility

### General Note:

- Note 1** This growth is anticipated to continue with an annual growth rate
- Note 2** The 1st Year Revenue value price charged for each service is determined from market research.
- Note 3** The effect of product Revenue growth is incorporated into the yearly Revenue calculations. The product growth rates are obtained from industry growth rates and market research.
- Note 4** A growth rate of 6.8% is incorporated in salaries which includes a salary increment of 4.5% and an inflation rate of 2.3%. It is calculated as per the number of employees in Appendix 3 Sheet.
- Note 5** Advertising & Marketing expense is 5% of Revenue.



- Note 6** All the operating expenses(except salaries and advertisement) are inflated at a rate of 2.3% i.e. inflation rate of UAE.
- Note 7** The depreciation policy of the Reducing balance method is used in which declining depreciation expense is charged on basis of the Net Book Value of an asset in each accounting period.
- Note 8** Accrued liabilities are expenses a company owes but that have not yet been invoiced for payment. Last month's salary expense and utility bill of each respective year are unpaid in that year which is shown as accrued liability in the balance sheet.
- Note 9** These financials have been prepared in UAE Dirham (AED), which is the company's functional currency.
- Note 10** Corporate tax in Dubai 0% for taxable income of around AED 375,000 & 9% for taxable income above AED 375,000

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