



XYZ EGG FARM, LLC

BUSINESS PLAN

**MONTH
YEAR**

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1. EXECUTIVE SUMMARY

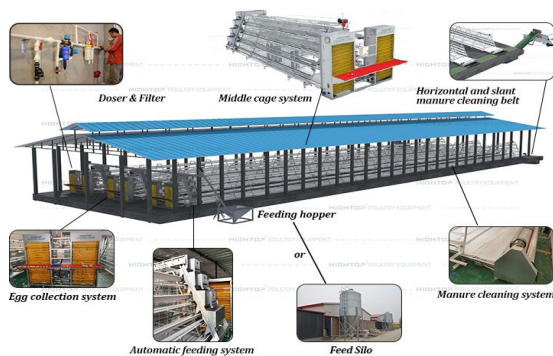
COMPANY DESCRIPTION

- XYZ Egg Farm, LLC
- Was established as a limited liability company in Month Year
- Will be headquartered in ABC
- Egg production operations

THE MANAGEMENT

- John Doe, CEO

THE FACILITY



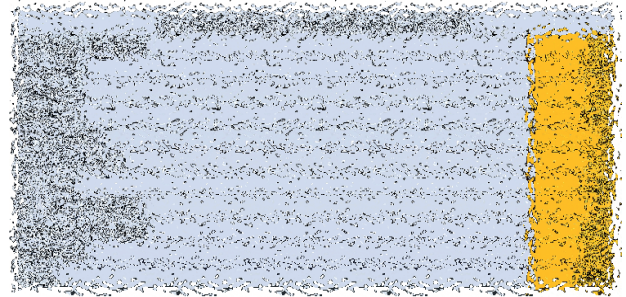
THE PRODUCTS

- White table eggs
- Brown able eggs
- Cage-Free eggs
- Organic free-range eggs
- Hatched eggs
- Poultry meat

TARGET MARKET

- Grocery stores
- Restaurants/food service outlets
- Hotels
- Exporters

ABC EGG MARKET¹



GLOBAL EGG MARKET

The global egg market grew from \$248.4 billion in 2022 to \$270 billion in 2023 at a compound annual growth rate (CAGR) of more than 8%. The egg market is then expected to grow to \$374.8 billion in 2027 at a CAGR of more than 8.5%.

MARKETING

- Sales
- Internet marketing
- Public relations

FINANCE

- **Amount:** \$1,750,000
- **Type:**
 - Equity (xx%) = \$x,xxx,xxx
 - # shares issued = xxx,xxx
 - Share price = \$x.xx
 - Debt (xx%) = \$xxx,000
- **Uses:**
 - Capital expenditures = \$940,000
 - Land = \$300,000
 - Facility build-out = \$350,000
 - Equipment = \$100,000
 - Furniture & fixtures = \$50,000
 - Motor vehicles = \$120,000
 - Computer hardware & software = \$20,000
 - Working capital = \$835,000

¹ "Import/Export for ABC Egg Suppliers"; ABC; 2023

2. COMPANY OVERVIEW

2.1. MISSION STATEMENT

XYZ Egg Farm, LLC's mission is to meet the demand for high-quality eggs in ABC and become the leading chicken production company based in ABC.

2.2. COMPANY DESCRIPTION

XYZ Egg Farm, LLC (hereinafter referred to as "the Company") will be registered as a limited liability company in May 2023 and headquartered in ABC.

The Company will be owned and led by Jane Doe, who is a very experienced business manager and professional with substantial egg farming expertise and a strong record of professional achievements.



The Company owns 5 acres of farmland in ABC.

The Company will build-out an egg production operation in ABC that will take advantage of favorable industry and market conditions.

The Company will utilize state-of-the-art egg production equipment and facilities outfitted with state-of-the-art technology that supports the highest level of egg production operational efficiency. The goal is to minimize costs and will include the use of energy-efficient and sustainable solutions.

It is expected that there will be sustained growth in the demand for eggs in upcoming years due to projected increase in tourism in ABC and the ABC regional markets, with the end of the pandemic that decreased the tourism activity in the region.

The Company will target the following throughout ABC and neighboring countries:

- Supermarkets & grocery stores
- Butcher shops
- Food service establishments
- Maass market retailers.

The Company will pursue growth opportunities in key regional markets. to create educational moments and meaningful connections with buyers from the ABC.

The Company will promote sales via distribution partnerships, Internet marketing, print advertising, public relations, and positive reviews.

2.3. FACILITY DESCRIPTION

The Company will acquire approximately 5 acres of land in the ABC.

The egg production facility will include:

- 1 10,000 square foot chicken houses for breeding, growing, and laying.
- Conventional battery cage system
- Enough land to support a cage-free and free-range chicken environment.
- Battery cages equipped with nipple drinkers that supply water to the chickens automatically.

The battery cage system, which is the most popular way to build a commercial egg production operation and involved layered chicken cages designed to confine the laying hens to lay eggs in cages, which is convenient for poultry farmers to raise chickens and collect eggs. The battery cage system is efficient for the purpose of obtaining centralized management of laying hens and maximizing egg production.

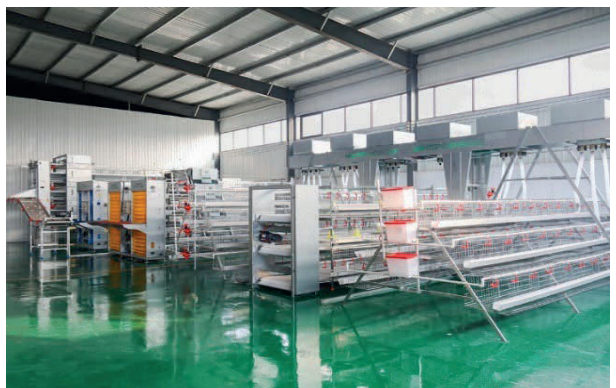
The battery cage system uses less space compared to the deep litter system.

The cages will be made of quality mild steel and the surface is heavy-duty galvanized or Galfan coated, strong and durable, with a service life is up to 20 years.

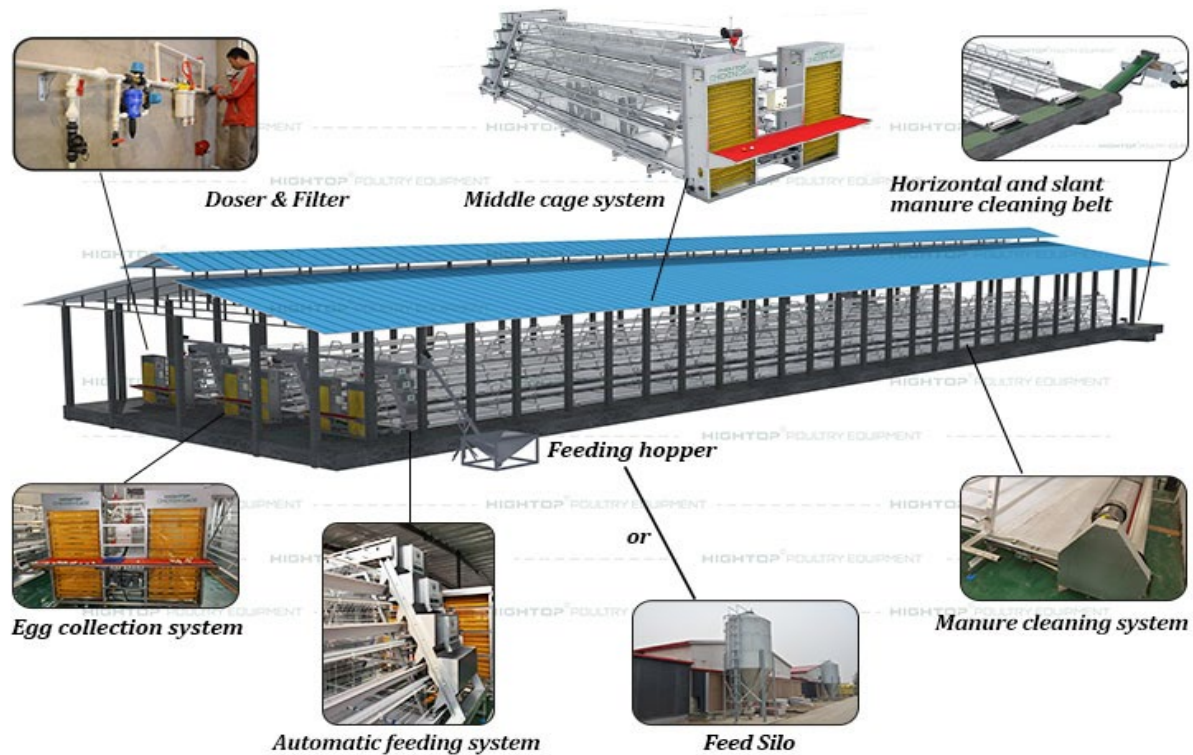
The battery cage system reduces feed wastage (in deep litter system birds can move around and spill feed), ensures easy stock take, makes it easier to identify layer birds which are not producing eggs, and reduces cannibalism and egg eating.

Diseases spread faster in the deep litter system as compared to the layers cages system - this is because the layers cage system limits the movement of birds, and the layer birds do not come into contact with their droppings.

The Company will establish an environment to support egg production under cage-free and free-range conditions enabling the Company to fulfill the increasing demand for eggs produced under cage-free and free-range conditions.



Each chicken house will be designed with a layout as illustrated below:



The design of the egg production facility includes the following components:

- Brooding Equipment
- Chicken Cages
- Drinking system
- Feeding system
- Manure removal system
- Climate control system
 - Lighting system
 - Ventilation system
 - Cooling pad and exhaust fan cooling system
- Hatch equipment
 - Incubator
 - Hatcher
 - Workbench
 - Brooder lamp
 - Other hatching equipment

The Company will initially acquire one chicken house and accessories to accommodate roughly 10,000 layers to start up in Year 1, and then construct additional layer houses and facilities to support its expansion and growth strategy.

2.4. GROWTH STRATEGY

Ramp-up Phase (9 months)

- Secure \$1.75 million of equity and debt financing
- Acquire the business including 5 acres of land
- Purchase and install equipment
- Purchase and install furniture & fixtures
- Conduct landscaping design & planning
- Construct layer one (1) 10,000-bird layer house and egg production facility
- Hire and train operational management and staff
- Develop a website, marketing materials, and social media profiles

Start-up Phase (Months 0-12):

- Launch the egg-production facility
- Launch a comprehensive marketing campaign
- Develop efficient operations
- Obtain customers

Growth Phase 1 (Months 13-24):

- Construct and launch the additional egg production facility
- Construct one (1) additional 10,000-bird layer house
- Purchase and install additional equipment
- Purchase and install additional furniture & fixtures
- Identify new marketing forms
- Increase marketing and sales
- Increase the number of customers
- Increase operational output
- Improve operational efficiency

Growth Phase 2 (Months 25-60):

- Construct three (3) additional 10,000-bird layer houses
- Purchase additional equipment
- Increase the number of markets channels
- Identify new marketing forms
- Increase marketing
- Increase operational output
- Improve operational efficiency

3. THE PRODUCTS

3.1. PRODUCT LINE OVERVIEW & STRATEGY

The Company will produce and sell the following four (4) types of eggs and chicken meat:

1. White table eggs
2. Brown table eggs
3. Cage-free chicken eggs
4. Organic free-range chicken eggs
5. Chicken meat.

Brown and white eggs are nutritionally identical. Brown eggs cost more because the brown pigment takes more food - and more money - to produce.

3.2. WHITE TABLE EGGS

The Company will produce and sell white table eggs. Table white eggs are the most popular eggs; they are consumed for their health benefits and are a powerhouse of nutrition and bring the best of both the worlds - health and taste.



3.3. BROWN TABLE EGGS

The second type of eggs the Company will produce, and sell, is brown table eggs. Nutritionally, both brown and white eggs are identical unless the feed has been enhanced for specialty eggs such as Omega-3.



3.4 HATCHING EGGS

Some of the Company's eggs will be for hatching new hens that can lay eggs.

3.5. CAGE-FREE CHICKEN EGGS

The Company will also produce and sell cage-free chicken eggs. These eggs are laid by hens that are free to roam in a building, room or open area that includes nest space and perches.

3.6. ORGANIC FREE-RANGE CHICKEN EGGS

Additionally, the Company will produce and sell free-range: These eggs are the same as cage-free, but the hens must have access to the roam outdoors. Studies have shown that free-range eggs have more nutrients and less cholesterol than both cage-free and regular eggs. With certified humane organic eggs having the highest nutrient levels, it seems happy hens really do produce a healthier egg.

3.7. CHICKEN MEAT

The productivity of layers diminishes over the laying cycle. The Company will sell the chicken meat once the layers have reached the stage of the laying cycle where productivity is below a certain level.

3.8. PRICING

The Company will set pricing at or near the market or rates to be competitive

4. THE MARKET

4.1. TARGET MARKET ANALYSIS

4.1.1. OVERVIEW

The Company will market and sell its products directly to its exporters and will also sell to distributors, who will, in turn, sell the products to retailers and hospitality establishments:

- Grocery stores
- Restaurants/food service establishments
- Hotels
- Exporters

4.1.2. GROCERY STORES

There are an estimated 47 grocery stores located on ABC (ABC has 16 grocery stores, ABC has 13 grocery stores, and Curacao has 18 grocery stores).

4.1.3. RESTAURANTS

The ABC collectively has approximately 55 restaurants.

4.1.4. HOTELS

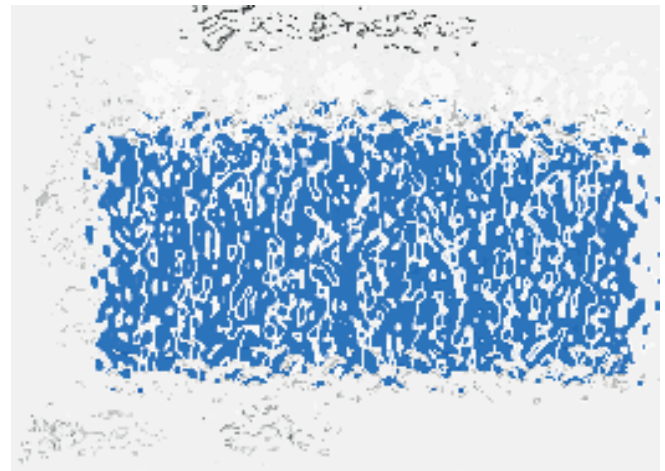
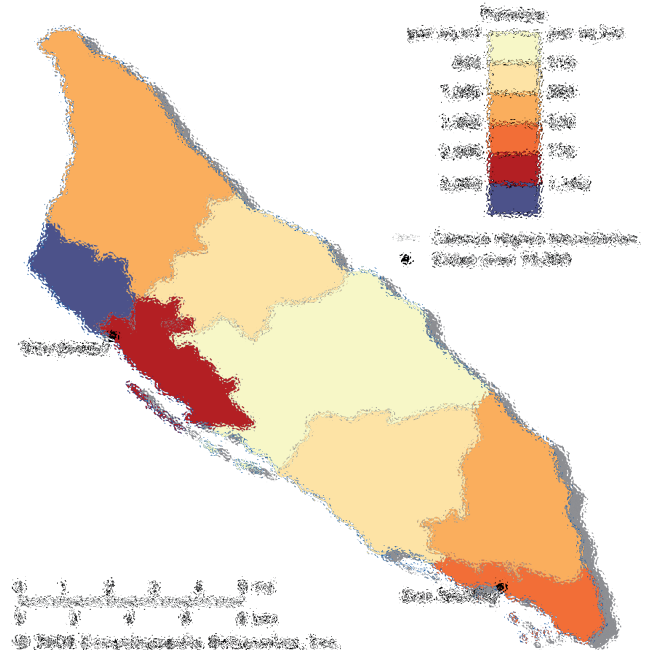
There are approximately 669 hotels and similar establishments operating in ABC (ABC - 266; ABC -117, and ABC –286).

4.1.5. EXPORTERS

The Company will target the export market to take advantage of market opportunities within the ABC market, especially in the islands of the Lesser Antilles that is highly dependent on imported eggs to meet domestic demand.

4.2. ABC DEMOGRAPHIC STATS

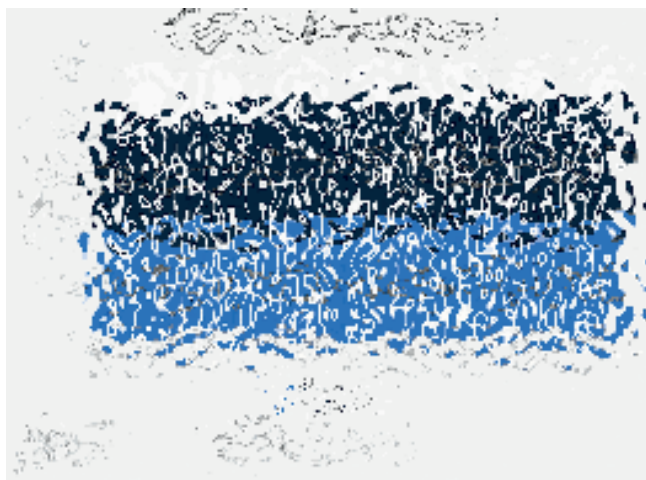
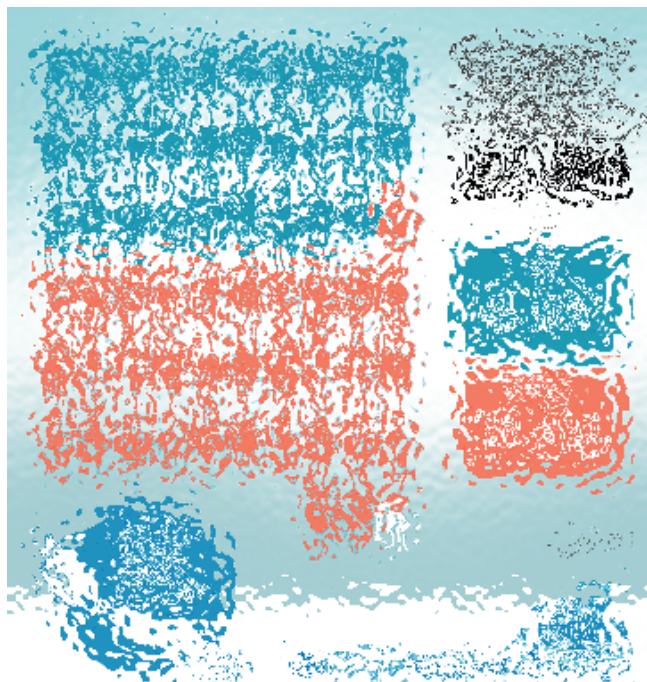
4.2.1. ABC²



² "ABC"; Wikipedia; 2023

³ "ABC Demographics"; Statistics Times; 2023

4.2.2. ABC⁴



4.3. GLOBAL EGG PRODUCTION MARKET ANALYSIS

4.3.1. FIGURES & TRENDS

The global egg market grew from \$248.4 billion in 2022 to \$270 billion in 2023 at a compound annual growth rate (CAGR) of more than 8%. The egg market is then expected to grow to \$374.8 billion in 2027 at a CAGR of more than 8.5%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe.⁵

The Asia Pacific was the largest region in the global egg market, accounting for 64% of the global market in 2020. North America was the second largest region accounting for 14% of the global egg market, and the Middle East was the smallest region in the global egg market.

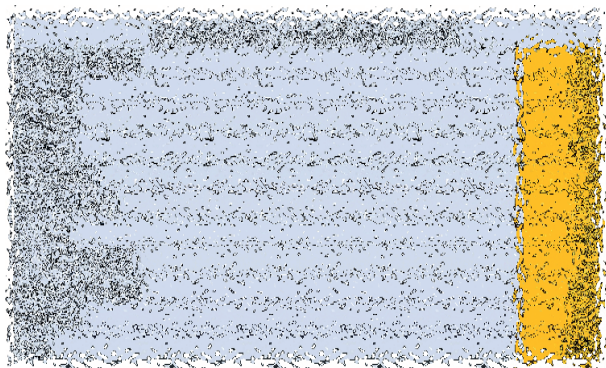
Technological advances are expected to drive the egg market during the forecast period. New poultry and egg storage technologies are expected to increase the use of new poultry and egg technologies. Companies involved in the egg market are also expected to integrate big data analytics, IoT, robotics, and other technologies into their practices.

For instance, farmers have started using robots for egg packaging to increase productivity. These technological developments are expected to drive the egg market forward.⁶

⁴ "ABC Demographics"; Statistics Times"; 2023

⁵ "Key Drivers Influencing the Global Egg Market"; The Business Research Company; February 14, 2023

- Egg consumption underdeveloped in much of region.
- Combination of potential demand growth from local populations and tourists
- Use of egg products especially low
- Health and nutrition challenges, especially among mothers and young children and elderly and school children
- High levels of obesity, 53-69%, except in Haiti, with significant levels of hypertension, diabetes and cardiovascular disease
- Increasing egg consumption can potentially be part of strategy to improve nutrition and health.
- Egg product exports, valued at \$3.3 million, accounted for about 4% of total value of U.S. egg product



4.3.2. ABC MARKET SEGMENT

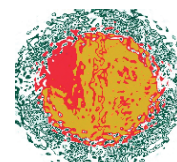
The ABC Market for table egg and egg products was estimated at \$27 million in during 2016, which is equivalent to more than 33 million dozen eggs and accounting for 13.3% of \$203 million total value of U.S. exports⁷. The ABC market represents a strong growth opportunity for US egg exports. For 2017, the ABC ranked third and Mexico ranked fourth in value among U.S. export destinations for table eggs and products. These markets rank behind only Hong Kong and Canada, respectively⁸.

The market assessment conducted by the American Egg Board demonstrates the huge market opportunity presented by the ABC Market⁹. The following factors underline this opportunity:

4.4. PROFILE OF DIRECT COMPETITORS

4.4.1. XYZ

- **Headquarters** - ABC, ABC
- **Overview:**
 - Hatchery
 - Chicken Farm
 - Poultry
- **Revenues** - \$xxx.xM
- **Layers** - xxx,xxx
- **Employees** - x,xxx



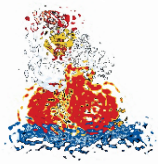
⁷ "Import/Export for ABC Egg Suppliers"; ABC; 2023

⁸ "ABC Wants to Increase the Egg Exports to the ABC and ABC Markets" Euro Meat News:

⁹ "Import/Export for ABC Egg Suppliers"; ABC; 2023

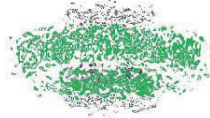
4.4.2. XYZ

- **Headquarters** - ABC, ABC
- **Overview:**
 - Hatchery
 - Chicken Farm
 - Poultry
- **Revenues** - \$xxx.xM



4.4.3. XYZ

- **Headquarters** - ABC, ABC
- **Overview:**
 - Chicken Farm
 - Poultry
- **Revenues** - \$xxM



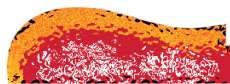
4.4.4. XYZ

- **Headquarters** - ABC, ABC
- **Overview:**
 - Hatchery
 - Chicken Farm
 - Poultry
- **Revenues** - \$xxM
- **Employees** - xxx



4.4.5. XYZ

- **Headquarters** -ABC, ABC
- **Overview:**
 - Hatchery
 - Chicken Farm
- **Revenues** - \$xxM
- **Employees** - xxx



4.4.6. XYZ

- **Headquarters** - ABC, ABC
- **Overview:**
 - Poultry
 - Chicken Farm
- **Revenues** - \$xM
- **Layers** - xxx,xxx
- **Employees** - 422



4.4.7. XYZ

- **Headquarters** - ABC, ABC
- **Overview:**
 - Hatchery
 - Chicken Farm
 - Poultry
- **Layers** - 1.2M



4.4.8. XYZ

- **Headquarters** - ABC, ABC
- **Overview:**
 - Hatchery
 - Chicken Farm
 - Poultry
- **Layers** - xM



4.4.9. XYZ

- **Headquarters** - ABC, ABC
- **Overview:**
 - Hatchery
 - Chicken Farm
 - Poultry

4.4.10. XYZ

- **Headquarters** - ABC, ABC
- **Overview:**
 - Hatchery
 - Chicken Farm
 - Poultry

4.5. COMPETITIVE ANALYSIS

The industry is composed of several large players and a host of small chicken and egg farms.

The companies with the largest operations based in ABC are XYZ and XYZ, which both have in excess of 1 million layers.

The next tier of competitors are XYZ in ABC and XYZ in ABC, which both produce xxx,xxx layers.

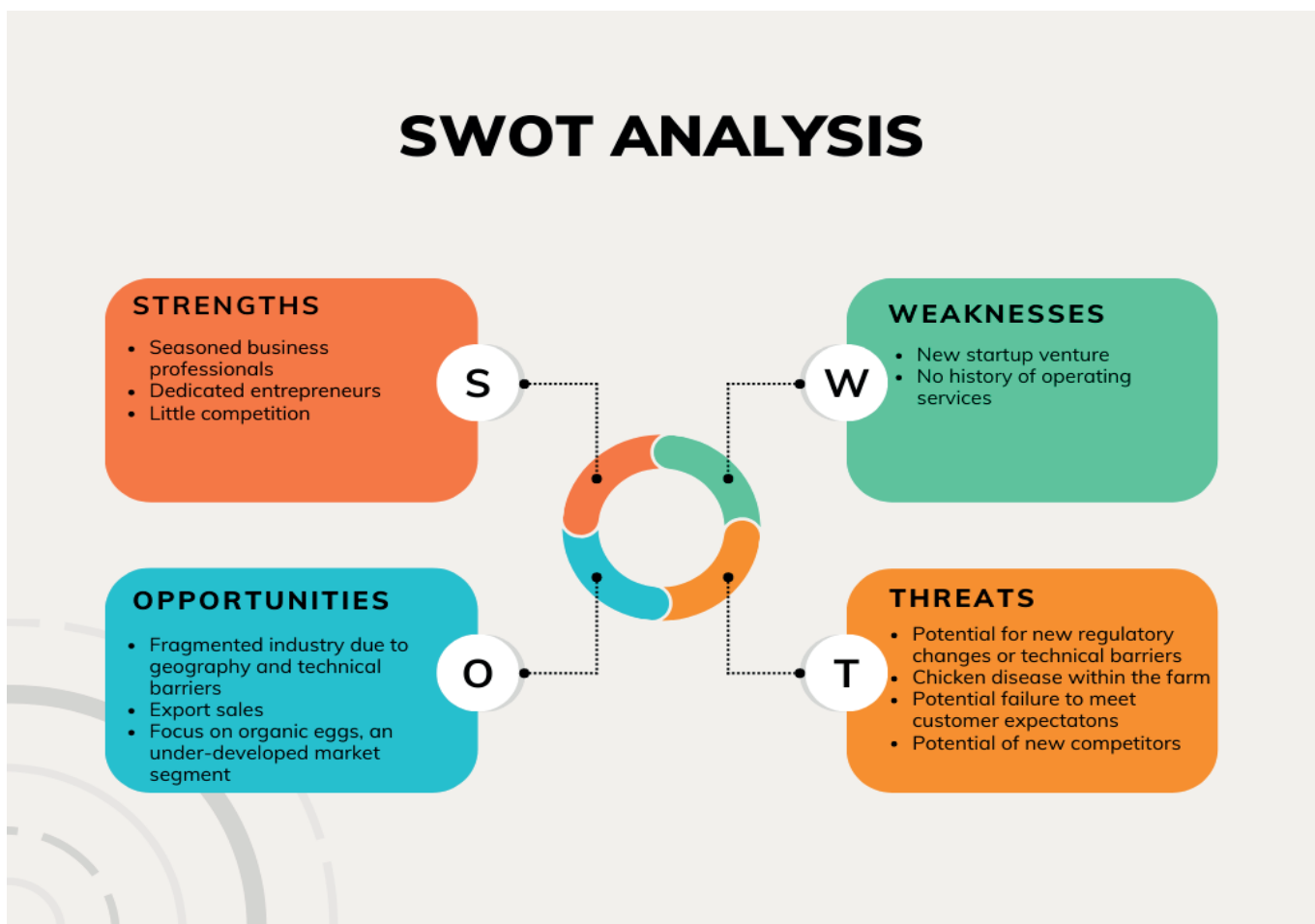
The next tier of competitors includes XYZ, XYZ, and XYZ, which are all egg producers that supply the ABC region and are direct competitors for the ABC eggs market.

None of the largest players are located in ABC or in ABC (ABC, ABC, and ABC).

Only three of the direct competitors, XYZ, XYZ, and XYZ are located in ABC. These are small players with less than \$xM in revenues.

XYZ. is a small player and is not located in the ABC or the any of the other ABC island.

4.6. SWOT ANALYSIS



5. MARKETING PLAN

5.1. MARKETING OVERVIEW & STRATEGY

- Branding
- Sales promotions
- Distribution partnerships
- Internet marketing
- Industry trade shows & events
- Public relations

5.3. BRANDING STRATEGY

- Committed to corporate social responsibility, environmental friendliness, and the highest standards of operations

5.4. SALES

- Sale of eggs and chickens
- Trained sales professionals

5.5. DISTRIBUTION PARTNERSHIPS

- Distribution partnerships with distributors in ABC, ABC, and ABC
- Distribute the products through the targeted sales channels.

5.6. INTERNET MARKETING

- PPC advertising
- Search engine optimization
 - Link building
 - Blogging
 - Article marketing
- Social media marketing
 - *LinkedIn*
 - *Facebook*
 - *Instagram*
 - *Twitter*
- Online directories
 - *Google*
 - *Bing*
 - *Yelp*

5.7. INDUSTRY TRADE SHOWS & EVENTS

- *ABC Week of Agriculture (CWA) Marketplace; October 2022; ABC, ABC*
- *ABC Food Crops Society Meeting; July 2023*
- *ABC Food & Beverage Trade Show - A Taste of the ABC; July 28, 2023; ABC, ABC*

5.8. PUBLIC RELATIONS

- TV news press
- Online article press
- Online news press
- Magazine press
- Newspaper press
- Social media press

6. OPERATIONAL PLAN

6.1. OPERATIONAL OVERVIEW

6.1.1. HOURS OF OPERATIONS

Sorting & Packaging operations:

- Monday to Friday: 8AM - 4PM
- Saturday/Sunday: 5AM - 3PM

Farm operations:

- Monday to Friday: 6AM - 4PM
- Saturday/Sunday: 5AM - 3PM

6.1.2. LEGAL STRUCTURE

- Established as a limited liability company in ABC

6.1.3. OPERATIONAL GROWTH PLAN

- Potentially expand to additional locations within 3-5 years

6.2. CHICKEN BREEDING

- Will occur throughout the poultry house
- Appropriate rooster to hen ratio
- Ensure that roosters remain near hens
- Monitor rooster behavior
- Check eggs for fertilization
- Store and set eggs

6.3. CHICKEN FEEDING



- Staff will fill chicken feed bins daily
- Food will consist of a variety of vegetables, fruits, and grains

6.4. EGG PRODUCTION CYCLE

Chickens usually start to lay at around five months (20-21 weeks) of age and continue to lay for 12 months (52 weeks) on average, laying fewer eggs as they near the molting period. The typical production cycle lasts about 17 months (72 weeks) and involves three distinct phases, as follows.



Phase 1: Small chicks or brooders. This phase lasts from 0 to 2 months (0-8 weeks) during which time small chicks are kept in facilities (brooder houses) separate from laying birds.

Phase 2: Growers. This phase lasts about 3 months, from the ninth to the twentieth week of age. Growers may be either housed separately from small chicks or continue to be reared in brooder-cum-grower houses. It is important to provide appropriate care to the growers particularly between their seventeenth and twentieth week of age as their reproductive organs develop during this period.

Phase 3: Layers. Growers are transferred from the grower house to the layer house when they are 18 weeks old to prepare for the laying cycle. Birds typically lay for a twelve-month period starting when they are about 21 weeks old and lasting until they are about 72 weeks old.

Production planning

On average a bird produces one egg per day; furthermore, not all birds start to lay exactly when they are 21 weeks old. The Company will therefore plan for egg production to be constant so as to meet market demand.

6.5. EQUIPMENT

- Automatic layer feeding systems
- Feed lines
- Feed pipes
- Feed sensors
- Fan shutters
- Feed bins
- Breeder nest systems
- Cooling system
- Fans
- Poultry drinkers
- Feeders
- Brooders
- Smart controls

6.6. SUPPLIES

- Cartons
- Working platforms
- Scalding barrels
- Pot barrels
- Bell scraper
- Thermometers
- Torches
- Knocking pens
- Bleeding hooks
- Wash trough sanitation
- Hand wash basin
- Implement sterilizers

6.7. COMPUTER SOFTWARE

- Inventory management
- Payroll administration
- Sales management
- Accounting
- Financial analysis

6.8. LEGAL & INSURANCE

- John Doe, XYZ law firm, business attorney
- Will secure liability insurance to minimize business exposure

6.9. ACCOUNTING

- Staff will perform accounting functions using accounting software
- Staff will produce the standard monthly financial reports, with detailed reports for accounts payable, accounts receivable, and payroll
- John Doe, CPA, XYZ, LLC, will file annual tax returns and audit financial statements if necessary

6.10. LICENSES & PERMITS

- Business licenses from city of ABC
- Egg handler registration permit from ABC

6.11. CLEANING & MAINTENANCE

- Will comply with all sanitation laws governing the poultry industry
- Will keep all facilities clean and in working condition

6.12. TRASH REMOVAL

- Will engage a trash removal company to remove trash and bio-hazardous materials from the Company's site

7. THE MANAGEMENT

7.1. EXECUTIVE MANAGEMENT

7.1.1. JOHN DOE, CHIEF EXECUTIVE OFFICER

7.1.2. JOHN DOE, CHIEF FINANCIAL OFFICER



8. FINANCING

8.1. CAPITAL REQUIREMENTS

The Company will secure USD \$1.75 million, consisting of thirty percent (30%) in debt financing and seventy percent (70%) in equity financing.

Table 1 (Below) presents the details on the use of these resources.

Table 1 XYZ Egg Farm, LLC Capital Requirements - Round 1	
Capital expenditures:	
Land (5 acres @ \$60,000 per acre)	\$300,000
Buildings & facilities (5,000 chickens)	\$350,000
Equipment, furniture, & fixtures	\$150,000
Motor vehicles	\$120,000
Computer hardware & software	\$20,000
Total capital expenditures	\$940,000
Working capital:	
Selling & marketing	\$85,000
Inventory	\$150,000
Cost of production	\$325,000
General & administrative	\$250,000
Total working capital	\$810,000
Total capital requirements	\$1,750,000

8.2 RISK ANALYSIS

XYZ Egg Farm is a start-up entity and will be managed by a professional executive team. The risks associated with this venture are related to future uncertainties in the poultry marketplace and fall within the medium risk segment of the investment spectrum. Such uncertainties are associated with competition, changing industry patterns, technological innovation, compliance, and fraud, supply-chain disruptions due to global events, diseases that can wipe out the flock of birds, and general economic conditions and business risks related to startup ventures.

Management believes that the demand for eggs within its target geographic market will remain strong in the foreseeable future. While there can be no guarantees that the Company will be able to effectively manage the business risks associated with the economic cycle, management is confident that it will be able to effectively sustain revenues with marketing strategy.

8.3. EXIT STRATEGY

The Company will position itself to take advantage of exit opportunities to insure a liquidity event for its investors. The exit strategies that may be contemplated include a sale of the Company to an industry player, or a merger with a publicly traded entity. Management intends to execute the option that would be most favorable to the Company, and its shareholders based on potential acquisition opportunities. The strategy over the next 5 years will be to build the business along a path of sustained profitability and strong operating margins and making it an attractive acquisition target.

9. FINANCIALS

9.1. SALES

9.1.1. SALES ASSUMPTIONS

	M5-12	Year 2	Year 3	Year 4	Year 5	
# layers	20,000	30,000	40,000	50,000	60,000	total # layers
# eggs produced	16.67	16.67	16.67	16.67	16.67	# eggs/layer
# cartons (dozen)	12.00	12.00	12.00	12.00	12.00	# cartons of eggs
Grocery store sales:	M5-12	Year 2	Year 3	Year 4	Year 5	
# cartons sold	40%	40%	34%	34%	34%	% sales of eggs
White table eggs - small	15.0%	20.0%	20.0%	20.0%	20.0%	% grocery stores sales
White table eggs - large	15.0%	20.0%	20.0%	20.0%	20.0%	% grocery stores sales
Brown table eggs -small	20.0%	15.0%	15.0%	15.0%	15.0%	% grocery stores sales
Brown table eggs - large	20.0%	15.0%	15.0%	15.0%	15.0%	% grocery stores sales
Cage-free eggs - small	4.0%	4.0%	4.0%	4.0%	4.0%	% grocery stores sales
Cage-free eggs - large	4.0%	4.0%	4.0%	4.0%	4.0%	% grocery stores sales
Organic free-range eggs - small	6.0%	6.0%	6.0%	6.0%	6.0%	% grocery stores sales
Organic free-range eggs - large	6.0%	6.0%	6.0%	6.0%	6.0%	% grocery stores sales
Hatching eggs	10.0%	10.0%	10.0%	10.0%	10.0%	% grocery stores sales
	100%	100%	100%	100%	100%	
Restaurant sales:						
# cartons sold	30.0%	30%	26%	26%	26%	% sales of eggs
White table eggs - small	15.0%	20.0%	20.0%	20.0%	20.0%	% food service sales
White table eggs - large	15.0%	20.0%	20.0%	20.0%	20.0%	% food service sales
Brown table eggs -small	23.0%	15.0%	15.0%	15.0%	15.0%	% food service sales
Brown table eggs - large	23.0%	15.0%	15.0%	15.0%	15.0%	% food service sales
Cage-free eggs - small	5.0%	7.0%	7.0%	7.0%	7.0%	% food service sales
Cage-free eggs - large	5.0%	7.0%	7.0%	7.0%	7.0%	% food service sales
Organic free-range eggs - small	7.0%	8.0%	8.0%	8.0%	8.0%	% food service sales
Organic free-range eggs - large	7.0%	8.0%	8.0%	8.0%	8.0%	% food service sales
	100%	100%	100%	100%	100%	
Hotel sales:						
# cartons sold	30.0%	30%	25%	25%	25%	% sales of eggs
White table eggs - small	15.0%	20.0%	20.0%	20.0%	20.0%	% hotel sales
White table eggs - large	15.0%	20.0%	20.0%	20.0%	20.0%	% hotel sales
Brown table eggs -small	23.0%	15.0%	15.0%	15.0%	15.0%	% hotel sales
Brown table eggs - large	23.0%	15.0%	15.0%	15.0%	15.0%	% hotel sales
Cage-free eggs - small	5.0%	7.0%	7.0%	7.0%	7.0%	% hotel sales
Cage-free eggs - large	5.0%	7.0%	7.0%	7.0%	7.0%	% hotel sales
Organic free-range eggs - small	7.0%	8.0%	8.0%	8.0%	8.0%	% hotel sales
Organic free-range eggs - large	7.0%	8.0%	8.0%	8.0%	8.0%	% hotel sales
	100%	100%	100%	100%	100%	
Export sales:						
# cartons sold	0.0%	0%	15%	15%	15%	% sales of eggs
White table eggs - small	15.0%	20.0%	20.0%	20.0%	20.0%	% export sales
White table eggs - large	15.0%	20.0%	20.0%	20.0%	20.0%	% export sales
Brown table eggs -small	23.0%	15.0%	15.0%	15.0%	15.0%	% export sales
Brown table eggs - large	23.0%	15.0%	15.0%	15.0%	15.0%	% export sales
Cage-free eggs - small	5.0%	7.0%	7.0%	7.0%	7.0%	% export sales
Cage-free eggs - large	5.0%	7.0%	7.0%	7.0%	7.0%	% export sales
Organic free-range eggs - small	7.0%	8.0%	8.0%	8.0%	8.0%	% export sales
Organic free-range eggs - large	7.0%	8.0%	8.0%	8.0%	8.0%	% export sales
	100%	100%	100%	100%	100%	
Poultry meat sales (lbs. sold)		70,000	90,000	135,000	180,000	monthly sales (lbs.)

Grocery store revenues:						
White table eggs - small	\$5.08	\$5.15	\$5.22	\$5.29	\$5.37	per carton
White table eggs - large	\$5.46	\$5.54	\$5.61	\$5.69	\$5.77	per carton
Brown table eggs - small	\$5.20	\$5.27	\$5.34	\$5.42	\$5.49	per carton
Brown table eggs - large	\$5.59	\$5.67	\$5.74	\$5.82	\$5.90	per carton
Cage-free eggs - small	\$5.80	\$5.88	\$5.96	\$6.04	\$6.13	per carton
Cage-free eggs - large	\$6.24	\$6.32	\$6.41	\$6.50	\$6.59	per carton
Organic free-range eggs - small	\$6.00	\$6.08	\$6.17	\$6.25	\$6.34	per carton
Organic free-range eggs - large	\$6.45	\$6.54	\$6.63	\$6.72	\$6.81	per carton
Total grocery stores revenues						
Restaurant revenues:						
White table eggs - small	\$5.08	\$5.15	\$5.22	\$5.29	\$5.37	per item
White table eggs - large	\$5.46	\$5.54	\$5.61	\$5.69	\$5.77	per item
Brown table eggs - small	\$5.20	\$5.27	\$5.34	\$5.42	\$5.49	per item
Brown table eggs - large	\$5.59	\$5.67	\$5.74	\$5.82	\$5.90	per item
Cage-free eggs - small	\$5.80	\$5.88	\$5.96	\$6.04	\$6.13	per item
Cage-free eggs - large	\$6.24	\$6.32	\$6.41	\$6.50	\$6.59	per item
Organic free-range eggs - small	\$6.00	\$6.08	\$6.17	\$6.25	\$6.34	per item
Organic free-range eggs - large	\$6.45	\$6.54	\$6.63	\$6.72	\$6.81	per item
Total restaurants/food service revenues						
Hotel revenues:						
White table eggs - small	\$5.08	\$5.15	\$5.22	\$5.29	\$5.37	per item
White table eggs - large	\$5.46	\$5.54	\$5.61	\$5.69	\$5.77	per item
Brown table eggs - small	\$5.20	\$5.27	\$5.34	\$5.42	\$5.49	per item
Brown table eggs - large	\$5.59	\$5.67	\$5.74	\$5.82	\$5.90	per item
Cage-free eggs - small	\$5.80	\$5.88	\$5.96	\$6.04	\$6.13	per item
Cage-free eggs - large	\$6.24	\$6.32	\$6.41	\$6.50	\$6.59	per item
Organic free-range eggs - small	\$6.00	\$6.08	\$6.17	\$6.25	\$6.34	per item
Organic free-range eggs - large	\$6.45	\$6.54	\$6.63	\$6.72	\$6.81	per item
Total hotel revenues						
Export revenues:						
White table eggs - small	\$5.08	\$5.15	\$5.22	\$5.29	\$5.37	per item
White table eggs - large	\$5.46	\$5.54	\$5.61	\$5.69	\$5.77	per item
Brown table eggs - small	\$5.20	\$5.27	\$5.34	\$5.42	\$5.49	per item
Brown table eggs - large	\$5.59	\$5.67	\$5.74	\$5.82	\$5.90	per item
Cage-free eggs - small	\$5.80	\$5.88	\$5.96	\$6.04	\$6.13	per item
Cage-free eggs - large	\$6.24	\$6.32	\$6.41	\$6.50	\$6.59	per item
Organic free-range eggs - small	\$6.00	\$6.08	\$6.17	\$6.25	\$6.34	per item
Organic free-range eggs - large	\$6.45	\$6.54	\$6.63	\$6.72		per item
Total export revenues						
Male chick revenues	\$3.00	\$3.17	\$3.34	\$3.52	\$3.72	per item
Poultry meat revenues		\$2.03	\$2.06	\$2.09	\$2.11	per pound
Total revenues						
Cost of sales:						
Cost of production (labor + supplies)	35.0%	34.3%	33.6%	32.9%	32.3%	of revenues
Cost of distribution	2.5%	2.4%	2.3%	2.1%	2.0%	of revenues
Cost of freight	2.5%	2.4%	2.3%	2.1%	2.0%	of revenues
Total cost of sales	40.0%	39.1%	38.1%	37.2%	36.4%	

9.1.2. REVENUE PROJECTIONS

Table 2 XYZ Egg Farm, LLC Revenue Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues:					
Revenues from grocery stores sales	\$561,449	\$991,020	\$1,123,156	\$1,403,945	\$1,684,734
Revenues from food services sales	\$458,990	\$834,773	\$964,626	\$1,205,783	\$1,446,939
Revenues from hotel sales	\$458,990	\$834,773	\$927,525	\$1,159,406	\$1,391,288
Revenues from export sales	\$0	\$0	\$556,515	\$695,644	\$834,773
Poultry meat sales	\$0	\$142,100	\$185,212	\$281,638	\$380,681
Total revenues	\$1,479,429	\$2,802,665	\$3,757,034	\$4,746,416	\$5,738,414
Cost of sales:					
Cost of direct labor	\$387,500	\$606,625	\$851,464	\$1,003,976	\$1,108,748
Cost of supplies	\$37,017	\$66,593	\$84,796	\$101,763	\$116,875
Cost of distribution	\$37,017	\$66,593	\$84,796	\$101,763	\$116,875
Cost of freight	\$37,017	\$66,593	\$84,796	\$101,763	\$116,875
Total cost of sales	\$498,551	\$806,404	\$1,105,853	\$1,309,266	\$1,459,372
Gross margin	\$980,878	\$1,996,261	\$2,651,181	\$3,437,150	\$4,279,042

9.2. EXPENSES

9.2.1. G & A EXPENSES

Table 3 XYZ Egg Farm, LLC General & Administrative Expenses					
	Year 1	Year 2	Year 3	Year 4	Year 5
Wages & salaries	\$730,000	\$1,020,713	\$1,288,326	\$1,523,578	\$1,771,519
Payroll expense	\$27,400	\$33,127	\$34,949	\$41,568	\$53,022
Benefits	\$20,550	\$24,845	\$26,212	\$31,176	\$39,766
Liability insurance	\$11,105	\$21,029	\$28,187	\$35,607	\$43,047
Legal & consulting	\$6,000	\$7,920	\$10,368	\$12,960	\$14,904
Licenses & Pemit	\$5,000	\$6,000	\$7,200	\$7,200	\$7,200
Supplies	\$12,000	\$15,840	\$20,736	\$25,920	\$29,808
Telephone & communications	\$9,000	\$11,880	\$15,552	\$19,440	\$22,356
Utilities/Internet	\$10,200	\$13,464	\$17,626	\$22,032	\$25,337
Travel	\$9,000	\$11,880	\$15,552	\$19,440	\$22,356
Meals & entertainment	\$6,000	\$7,920	\$10,368	\$12,960	\$14,904
Total general & administrative expenses	\$846,255	\$1,174,618	\$1,475,076	\$1,751,882	\$2,044,219

9.2.2. SELLING & MARKETING EXPENSES

Table 4 XYZ Egg Farm, LLC Selling & Marketing Expenses					
	Year 1	Year 2	Year 3	Year 4	Year 5
Selling expenses	\$52,500	\$55,388	\$58,434	\$123,295	\$130,077
Internet marketing	\$48,000	\$48,000	\$50,640	\$53,425	\$56,364
Public relations	\$24,000	\$24,000	\$25,320	\$26,713	\$28,182
Total selling & marketing expenses	\$124,500	\$127,388	\$134,394	\$203,433	\$214,622

9.2.3. STAFF HEADCOUNT & SALARIES

Table 5 XYZ, LLC Staff Headcount (Year-End Totals)					
	Year 1	Year 2	Year 3	Year 4	Year 5
Chief Executive Officer	1	1	1	1	1
Chief Operating Officer	1	1	1	1	1
Operations Manager	2	2	2	1	1
Production Supervisor	0	0	1	1	1
Poultry Farm Worker (Field Worker)	6	10	14	18	18
Packaging Worker	0	0	1	1	1
Operations Assistant	0	0	0	1	2
Sales & Marketing Manager	1	1	1	1	1
Account Executive	1	1	1	2	2
Finance Manager	1	1	1	1	1
Accountant/Bookkeeper	1	2	2	3	4
Total staff headcount	14	19	25	31	33

Table 6 XYZ, LLC Staff Annual (Full-Time) Salaries					
	Year 1	Year 2	Year 3	Year 4	Year 5
Chief Executive Officer	\$54,000	\$56,970	\$60,103	\$63,409	\$66,897
Chief Operating Officer	\$55,000	\$58,025	\$61,216	\$64,583	\$68,135
Operations Manager	\$50,000	\$52,750	\$55,651	\$58,712	\$61,941
Production Supervisor	\$40,000	\$42,200	\$44,521	\$46,970	\$49,553
Poultry Farm Worker (Field Worker)	\$37,500	\$39,563	\$41,738	\$44,034	\$46,456
Packaging Worker	\$30,000	\$31,650	\$33,391	\$35,227	\$37,165
Operations Assistant	\$42,000	\$44,310	\$46,747	\$49,318	\$52,031
Sales & Marketing Manager	\$54,000	\$56,970	\$60,103	\$63,409	\$66,897
Account Executive	\$45,600	\$48,108	\$50,754	\$53,545	\$56,490
Marketing Assistant	\$42,000	\$44,310	\$46,747	\$49,318	\$52,031
Finance Manager	\$50,000	\$52,750	\$55,651	\$58,712	\$61,941
Accountant/Bookkeeper	\$40,000	\$42,200	\$44,521	\$46,970	\$49,553

9.3. PRO-FORMA ANNUAL FINANCIAL

9.3.1. INCOME STATEMENT

Schedule 1 XYZ Egg Farm, LLC Projected Income Statement					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues:					
Revenues from grocery stores sales	\$561,449	\$991,020	\$1,123,156	\$1,403,945	\$1,684,734
Revenues from food services sales	\$458,990	\$834,773	\$964,626	\$1,205,783	\$1,446,939
Revenues from hotel sales	\$458,990	\$834,773	\$927,525	\$1,159,406	\$1,391,288
Revenues from export sales	\$0	\$0	\$556,515	\$695,644	\$834,773
Poultry meat sales	\$0	\$142,100	\$185,212	\$281,638	\$380,681
Total revenues	\$1,479,429	\$2,802,665	\$3,757,034	\$4,746,416	\$5,738,414
Cost of goods sold	\$387,500	\$606,625	\$851,464	\$1,003,976	\$1,108,748
Cost of distribution	\$37,017	\$66,593	\$84,796	\$101,763	\$116,875
Total cost of sales	\$461,534	\$739,811	\$1,021,057	\$1,207,503	\$1,342,498
Gross margin	\$1,044,562	\$2,126,154	\$2,811,663	\$3,638,723	\$4,522,276
Expenses:					
Selling & marketing	\$124,500	\$127,388	\$134,394	\$203,433	\$214,622
General & administrative	\$846,255	\$1,174,618	\$1,475,076	\$1,751,882	\$2,044,219
Expenses - Total	\$970,755	\$1,302,006	\$1,609,470	\$1,955,315	\$2,258,841
Income before taxes	(\$11,359)	\$727,904	\$1,088,303	\$1,560,405	\$2,152,458
Income taxes	\$0	\$0	\$0	\$0	\$0
Net income	(\$11,359)	\$727,904	\$1,088,303	\$1,560,405	\$2,152,458

9.3.2. STATEMENT OF CASH FLOWS

Schedule 2 XYZ Egg Farm, LLC Projected Statements of Cash Flows					
	Year 1	Year 2	Year 3	Year 4	Year 5
Cash flows from operations					
Net Income:	(\$11,359)	\$727,904	\$1,088,303	\$1,560,405	\$2,152,458
Depreciation	\$36,500	\$56,500	\$84,000	\$104,000	\$104,000
Increase (decrease) in accrued liabilities	\$32,415	\$12,531	\$11,283	\$10,285	\$11,166
Increase (decrease) in accrued taxes	\$0	\$0	\$0	\$0	\$0
Increase (decrease) in accounts payable	\$7,655	\$591	\$787	\$4,248	\$1,035
(Increase) decrease in accounts receivable	(\$122,973)	(\$71,743)	(\$66,276)	(\$68,707)	(\$68,889)
(Increase) decrease in inventory	(\$133,539)	(\$27,414)	(\$19,660)	(\$15,383)	\$0
Net cash flows from operations	(\$191,301)	\$698,368	\$1,098,438	\$1,594,847	\$2,199,770
Cash flows from investing					
Capital expenditures	\$920,000	\$325,000	\$450,000	\$325,000	\$0
Prepaid expenses	\$0	\$0	\$0	\$0	\$0
Net cash flows from investing	\$920,000	325000	\$450,000	325000	\$0
Cash flows from financing					
Proceeds from issuance of debt	\$525,000	\$0	\$0	\$0	\$0
Proceeds from sale of stock	\$1,225,000	\$0	\$0	\$0	\$0
Debt service payments	(\$77,763)	(\$77,125)	(\$101,410)	(\$112,029)	(\$123,759)
Net cash flows from financing	\$1,672,237	(\$77,125)	(\$101,410)	(\$112,029)	(\$123,759)
Net increase (decrease) in cash	\$560,936	\$296,242	\$547,029	\$1,157,819	\$2,076,011
Beginning cash balance	\$0	\$560,936	\$857,178	\$1,404,207	\$2,562,025
Ending cash balance	\$560,936	\$857,178	\$1,404,207	\$2,562,025	\$4,638,036

9.3.3. BALANCE SHEET

Schedule 3 XYZ Egg Farm, LLC Projected Balance Sheet					
	Year 1	Year 2	Year 3	Year 4	Year 5
Assets:					
Current assets					
Cash & marketable items	\$560,936	\$857,178	\$1,404,207	\$2,562,025	\$4,638,036
Prepaid expenses	\$0	\$0	\$0	\$0	\$0
Accounts receivable	\$122,973	\$194,716	\$260,992	\$329,699	\$398,588
Inventory	\$133,539	\$160,952	\$180,612	\$195,995	\$195,995
Total current assets	\$817,447	\$1,212,847	\$1,845,811	\$3,087,719	\$5,232,619
Non-current assets					
Land	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Buildings & facilities	\$350,000	\$600,000	\$950,000	\$1,200,000	\$1,200,000
Equipment, furniture, & fixtures	\$150,000	\$225,000	\$325,000	\$400,000	\$400,000
Motor vehicles	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Computer hardware & software	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Gross operational assets	\$920,000	\$1,245,000	\$1,695,000	\$2,020,000	\$2,020,000
Accumulated depreciation	\$36,500	\$93,000	\$177,000	\$281,000	\$385,000
Net operational assets	\$883,500	\$1,152,000	\$1,518,000	\$1,739,000	\$1,635,000
Other assets	\$0	\$0	\$0	\$0	\$0
Total assets	\$1,700,947	\$2,364,847	\$3,363,811	\$4,826,719	\$6,867,619
Liabilities:					
Current liabilities					
Accounts payable	\$7,655	\$8,245	\$9,032	\$13,280	\$14,315
Accrued liabilities	\$32,415	\$44,945	\$56,229	\$66,513	\$77,679
Accrued taxes	\$0	\$0	\$0	\$0	\$0
Total current liabilities	\$40,069	\$53,191	\$65,261	\$79,793	\$91,994
Long-term liabilities					
Long-term debt	\$439,809	\$345,698	\$241,732	\$126,879	\$0
Total long-term liabilities	\$439,809	\$345,698	\$241,732	\$126,879	\$0
Total liabilities	\$479,878	\$398,888	\$306,993	\$206,673	\$91,994
Shareholders' equity					
Common stock	\$1,225,000	\$1,225,000	\$1,225,000	\$1,225,000	\$1,225,000
Retained earnings	(\$11,359)	\$716,545	\$1,804,848	\$3,365,252	\$5,517,710
Total shareholders' equity	\$1,213,641	\$1,941,545	\$3,029,848	\$4,590,252	\$6,742,710
Total liabilities and shareholders' equity	\$1,693,519	\$2,340,433	\$3,336,840	\$4,796,925	\$6,834,705