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AMBER RESINS
ENTERPRISE



BUSINESS PLAN

BUSINESS
MARKETING
STRATEGIES





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MARA

Cawangan Johor
Kampus Pasir Gudang

CENTRE FOR CHEMICAL ENGINEERING STUDIES
COLLEGE OF ENGINEERING
DIPLOMA IN CHEMICAL ENGINEERING(EH110)

FUNDAMENTALS OF ENTREPRENEURSHIP
ENT 300

AMBER RESINS ENTERPRISE
BIORESINS

ASSESSMENT 3 ENT300- BUSINESS PLAN

PREPARED FOR:
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1.0 EXECUTIVE SUMMARY



This business plan will introduce Amber Chemicals Resins Enterprise which provides consumers with the top-notch and high quality resins, ensuring both excellent product quality and effective results to our customers. Resins is important for consumers to use in construction and furniture making as they provide extra sturdiness protection and exquisite decoration. However, by adding palm oil based in the resins compound, it will bring many benefits to the consumers as well as improving its quality to evenly match with our resins competitors. Our main objective is to introduce our bioresins product using high quality palm oil materials to our customers to be ecofriendly while maintaining its resins quality to meet our customers demands. We constantly hope that our products will be appreciated by our clients. As a newly listed company in the market, there will be a number of factors that we must take into account to ensure that our firm can compete with other resins product and meet client needs given that there are numerous individuals working in the business sector, which includes the resins manufacture. There are several examples of problems and developmental delays in resins nowadays that require better development in improving the quality of the resins. Given the importance of resins, we see this as an opportunity to seize possibilities in order to attract clients to use a improved quality resins product especially for construction and furniture upholsterer. The general manager, administrative manager, marketing manager, operation manager, and finance manager are the five primary employees who oversee our production company. We all have a crucial part in this firm, and together we will ensure its success. According to our observations, we are aiming for a wide range of clients because our production company is situated near a populated area, where there will be more opportunities to attract clients and labour supply. Additionally, our production company's location is quite important because it is close to palm oil refineries, chemical refineries and residential areas. We think that our business financial status statement will help us attain our objective. Our products will offer and use the most effective treatment based on the customer's assessment outcome result which is based on the resins usage quality, shell life, strengtening limit, decoration capability and safety & health to use. In order to occasionally offer larger services, we hope that our Amber Chemicals Resins Enterprise product will become a well-known for producing a highly improved bio resins product in this area and will expand our marketing to other areas. We also think that there will be a yearly rise in the need for infrastructure building, construction demand and furniture making which increase our product sales for the upcoming years up to 75%.

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1.0 BUSINESS BACKGROUND



1.1 OUR COMPANY MISSION & VISION

OUR MISSION	To ensure our epoxy resins meets our customers demands in terms of quality usage, marketing, research & development and its compatibility. Our company continuously strive to promote the development of advanced material application and technology. Our company are firm advocates of high value-added service as it augments the overall employee and customer experience.
OUR VISION	We have our sights firmly set on becoming the world's premier provider of specialized polymer materials, services, and solutions. We aim to becomes the top resins providers that supplies resins in every area of the world to expand our business.
OBJECTIVES	<ul style="list-style-type: none">• Attract more customers with introducing colourful and high quality resins to meets customers demands• Higher potential of growth with the demands of resins increase• Startegic location of resins manufacturing site that gives many benefits

Why should we prepare the business plan ? Here are some list :

- Opportunity for entrepreneur to assess the business venture objectively, practically and critically to gain new experiences and skills
- To study and evaluate the feasibility of business to reduce the risk of losses and liability which heavily affects the company reputation
- To convince venture capitalists, investors and bankers in order to raise capital and obtain support for the business build up
- Business plan is also for guideline for day to day management of the business to record the company progress
- Distribute the business resources more efficiently with minimal risks and losses
- To inspire new entrepreneurs to work together in managing a business company
- To attract investors to accept our business proposal and giving them oppurtinity that benefits for both parties

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2.0 PARTNERSHIP BACKGROUND



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3.0 ADMINISTRATION PLANS



3.1 INTRODUCTION TO THE ORGANIZATION

3.1.1 VISION

Provides consumers with the top-notch and high-quality bio resins and to ensure both excellent product quality and effective results to our customers. We aim to be the best resins manufacturers in the world with iur signature bioresins products that ecofriendly and more sustainable use for our environment.

3.1.2 MISSION

To promote sustainability in resins production in Malaysia and to create a high-quality bio resins product for a better profit. We aim to create a globally recognized as ASEAN brand. To attain a lower cost with balancing our high quality resins to attract customers to buy our bioresins.

3.1.3 MOTTO

“RESINS TO BE THE BEST “

Our motto shows how passionate we are to be the best resins manufacturer in Malaysia. We strive in research & developing a more quality bioresins that is more sustainable and ecofriendly for our customers usage. Our products are more cheaper and widely uses in many human appliances.

2.1.4 OBJECTIVES

- To introduce our bio resins product using high quality palm oil to be eco friendly while maintaining its quality to meet the customers' demands.
- To continue offer customers new type of resins product in variety of forms, across new categories and diverse new channels.
- To increase market share in exporting and selling our bioresins products as to support our long term strategic objectives and plans.
- To improve 80% of human appliances on resins usage with reduce impact to environment and work quality

3.1.5 SHORT TERM GOALS

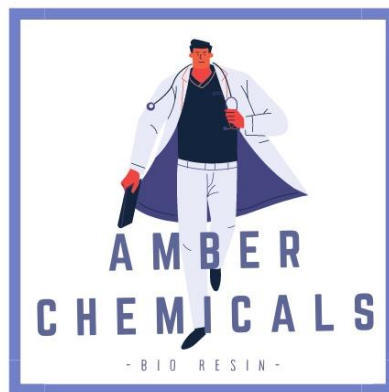
- Amber Resins Chemicals get to known and acceptance by nearby community in 3 months.
- Getting first large buck order from other production company using our resins in first day of opening Amber Resins Chemicals.
- Money in or income for at least RM90,000 for the first month of opening Amber Resins Chemicals.
- Our company monthly sales on bioresins production exceed our manufacturing monthly cost

3.1.6 SHORT TERM GOALS

- To avoid other complications of resins products in any customers appliance with certain impairments.
- This bioresins manufacturing company will be well known in Malaysia in upcoming 5 years.
- To increase working production numbers by applying an internship programme for new batch of workers and practical training in manufacturing our variety types of bioresins in local community.

3.1.7 LOGO AND DESCRIPTION

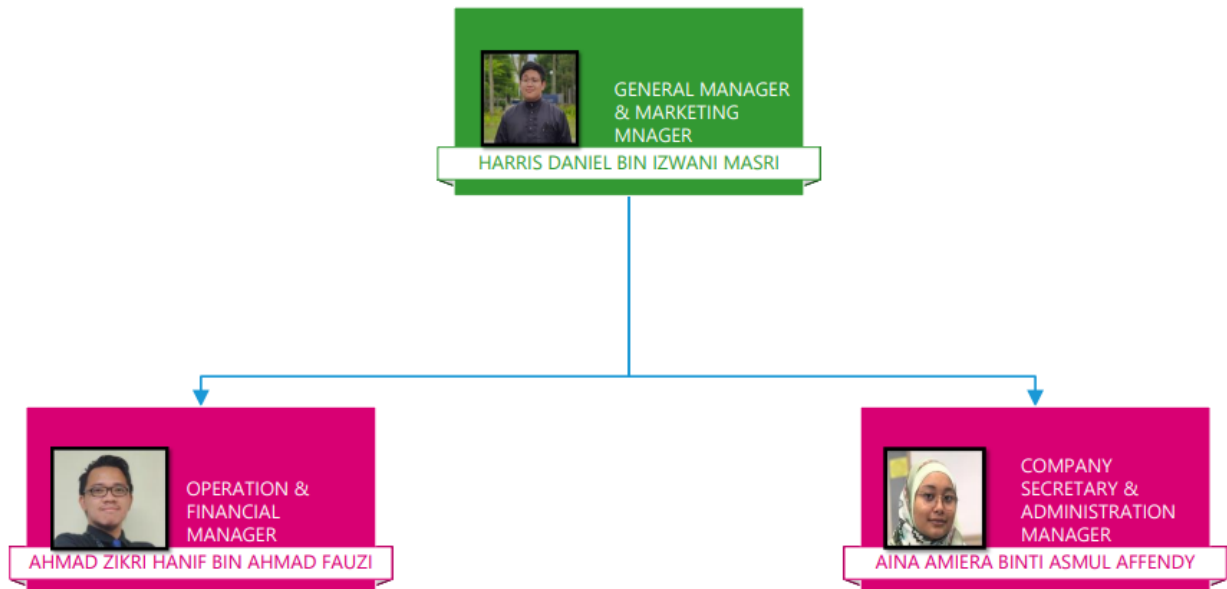
Amber Chemicals Resins Enterprise is our manufacturing company name. Every word in the name has its own meaning. The word “Amber” represent the resins original production by extraction from amber tree. The words “Chemicals” represent the chemicals process that is our pride and joy of the company with chemicals engineer strive to use the knowledge of the chemicals in manufacture our bioresins. Chemicals is the latest revoluntary in nowadays economy sector. Lastly, “Resins Company” is to show that our business is related to rehabilitation.



Our logo has its own deep meaning for every element that appears on that logo. in our names.

- “Amber Resins Chemicals Enterprise” represents our business name. It is in blue to show our co-founder are professional chemicals and white colour represent the resins quality colour.
- “RESINS TO BE BETTER” specifies our motto. It expresses our passion to how passionate we are to be the best resins manufacturer in Malaysia. We strive in research & developing a more quality bioresins that is more sustainable and ecofriendly for our customers usage. Our products are more cheaper and widely uses in many human appliances.
- The figure wearing the lab coats represent our professional engineer & workers in developing our bioresins product and symbolize our dedication in researching new variety of resins.
- The “Bioresins ” embody our ecofriendly and sustainable bioresins that provide many benefits to our customers appliances.

3.2 ORGANIZATIONAL STRUCTURE



3.3 ADMINISTRATIVE MANPOWER PLANNING

Table 1 : Position and number of personnel

POSITION	NUMBER OF PERSONNEL
General Manager	1
Administration Manager	1
Marketing Manager	1
Production Manager	1
Financial Manager	1
Administration Clerk	1
Total	6

3.4 SCHEDULE OF TASKS AND RESPONSIBILITIES

Table 2 : Schedule of Tasks and Responsibilities

POSITION	TASK AND RESPONSIBILITIES
General Manager	<ul style="list-style-type: none"> • Responsible in managing the company towards the vision, mission, and the objectives of the company. • To plan, organize, lead and, control the daily operations of a business, region, operating unit or division. • Acts as a decision maker and cooperate gaining ideas to improve the business. • Monitor activities to ensure that all are being accomplished as planned.
Administration Manager	<ul style="list-style-type: none"> • Charged with organising the overall personnel administration plan. • To ensure that all office equipment for management personnel is suitable and efficient. • To ensure that the management system is applied systematically and functionality • Controlling and managing staff compensation, deciding on the working operation permits and job description for workers internship. • Hiring employees • Monitoring order
Marketing Manager	<ul style="list-style-type: none"> • Promoting products into market • Responsible in to plan the company marketing techniques to maximise company profits. • Examining the marketing's size, aims, and shares. • Examining products and services from rival companies. • Providing sales projection, manufacturing export price and sales prices of our product • Researching the demands of customers requirement

Production Manager	<ul style="list-style-type: none"> • Monitoring quality and production of product • In charge of ensuring that Amber Chemicals Resins company meet the required operation standard by business act. • Control every aspect of the business operation's technological side in respect. • Analyze the customer's orders form, and operate the production facility following the procedure. • Responsible in requirement of operation facilities in research & development, production and packaging
Financial Manager	<ul style="list-style-type: none"> • Calculating cost of products • Provide financial report • Responsible in charge of the cash flow. • Planning of business budget. • Supervising and handling financial report, investments portfolios, accounting, and all kinds of financial analysis for an organization. • To control the financial statement and profit or loss of business
Administration Clerk	<ul style="list-style-type: none"> • Sorting files and order from customer • Dealing with customer

3.5 SCHEDULE OF REMUNERATION

Table 3 : Schedule of remuneration

POSITION	SALARY(RM)	EPF (10%)(RM)	SOCSSO(13%)(RM)	TOTAL (RM)
Administration Manager	6,000.00.	600.00	780.00	7,380.00
Marketing Manager	3,500.00	350.00	455.00	4,305.00
Production Manager		500.00	650.00	6,150.00
Financial Manager	5,000.00	500.00	650.00	6,150.00
Administration Clerk	2,500.00	250.00	325.00	3,075.00
TOTAL				27,060.00

3.6 LIST OF OFFICE FURNITURE AND FITTINGS

Table 4: List of Office Equipment & Supplies

TYPE	PRICE/UNIT (RM)	QUANTITY	TOTAL AMOUNT (RM)
EQUIPMENT			
Computer	3500.00	2	10,000.00
Telephone	500.00	1	500.00
Printer	700.00	1	700.00
Wireless router (Wi-Fi)	1000.00	1	1,000.00
External Hard Disk	130.00	2	260.00
Air-Condition	800.00	4	3,200.00
Photocopy Machine	800.00	1	800
TOTAL			16,640.00
SUPPLIES			
A4 Paper	60.00	2	120.00
Pen/box	40.00	2	40.00
Filing	4.00	50	200.00
Manila Card	6.00	10	60.00
Printer Ink	40.00	10	400.00
Calculator	30.00	2	60.00
Notepads	2.00	10	20.00
Others Expenditure			100.00
TOTAL			1000.00
OVERALL TOTAL			17,640.00

3.7 LIST OF FURNITURE & FITTINGS

Table 5 : List of Office Furniture and Fittings

ITEM	QUANTITY	PRICE/PER UNIT (RM)	TOTAL COST (RM)
Cabinet	4 units	600.00	2,400.00
Sofa	1 units	750.00	750.00
Chair	8 units	40.00	320.00
Front Desk	2 units	800.00	1,600.00
Table & Chair offices	2 units	900.00	1,800.00
Total			6,870.00

3.8 OPERATION BUDGET

Item	Fixed Asset (RM)	Monthly Expenses (RM)	Other Expenses (RM)
Fixed Assets :			
Office equipments	17,640.00		
Furniture & fittings	6,870.00		
Rennovation cost	2,500.00		
Working Capital :			
Rental		4,000.00	
Utilities		4,000.00	
Salaries, EPF & SOCSO		27,060.00	
Other expenditures:			
Deposit Electricity			2,000.00
Deposit Rent			1,500.00
Other Pre-Operations			1,000.00
Total (RM)	27,010.00	35,060.00.	3,500.00

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4.0MARKETING PLAN



4.1 PRODUCT DESCRIPTION

Epoxy resins, which are commonly utilized as adhesives, varnishes, insulations, and high-performance composites in a number of industries, have played an essential role in society across a number of sectors, including the food, packaging, pharmaceutical, and medicinal industries. Despite being multipurposed and fully utilized within various industries, epoxy cannot be biodegraded, needs to be used in large quantities, and is relatively expensive. They were created from chemical monomers, which prepared the path for their eventual downfall as a potentially dangerous nonbiodegradable trash.

Amber Chemicals Enterprise is a company that are dedicated on producing to notch quality resins that are sustainable and friendly to the environment. Due to their affordability, environmental friendliness, and ease of epoxidation, which produces bio-based epoxy resins, glycerin from the palm oil production is selected to be the main crystallization agent, which are renewable natural resources, have received interest as polymer building blocks.

Amber Chemicals Bio resins are made of a bio-based polymer and natural or synthetic reinforcements by using a bio-based polymer as its matrix. The creation of bio-polymers from monomeric chemical sources cleared the door for them to develop into potentially dangerous non-biodegradable trash in the environment.

4.2 TARGET MARKET

Target market is considered as one of the core tools on the marketing perspective. In order to predict the acceptance of the product itself, the company first need to conduct research to identify the possible buyers as well as competitors. The identification processes can be classified into 3 segmentations:

- Geographic segmentations
- Demographic segmentations
- Psychographic segmentations

GEOGRAPHIC SEGMENTATIONS

The headquarters of Ambers Chemical Enterprise is ideally located in Kampung Sungai Buaya, 42700 Banting, Selangor. This location is considered as an ideal location to start our business venture due to the industrial area. This opened up variety of opportunity to promote our bio resin towards the companies nearby that uses resin as adhesive or coatings such a Triton RubberSdn Bhd and T&G Metal Industries Sdn Bhd. They are also supermarkets such as Econsave and Lotus that are located less than 4 km that can be a possible partner to sell our product at their outlet.

DEMOGRAPHIC SEGMENTATIONS

Demographic segmentation is the division of the market into groups based on factors such as age, race, religion, gender, family size, ethnicity, income, and education. A firm can more precisely target its customers by segmenting demographic data into multiple marketplaces. All age and genders can use Chemical Bio resin due to the substitution of the hazardous compound that classified “human carcinogen” with an eco-friendly composite called glycerin.

PSYCHOGRAPHIC SEGMENTATIONS

Based on the customer's lifestyle, psychographic segmentation divides the market into different divisions. According to the research that have been done, a high percentage of population in Banting are living in a luxurious lifestyle with colorful table top. Resin arts are also a rising topic within the new generation nowadays. Therefore this should be an opportunity, to promote our product that are safe to use and comes in variety of color to the new born artist

4.3 MARKET SIZE & SALES FORECAST



Figure 1: total population in Malaysia

The figure above shown the total residence in Banting with its fraction based on gender and age that have been obtained from Jabatan Perangkaan Malaysia (DOSM) official statement. With the statistic shown in the figure above, we can calculate the market size for Amber Chemical Bio Resin by multiplying the average price of the product, RM55, with the total population:

$$RM 55 \times 32,700,000 \text{ Total Population} = RM179, 850, 000$$

With the calculation above, we can obtain the local market size in for Amber Chemical Bio Resin which is RM 179, 850, 000. With this newly obtain figure, we can calculate the total market shares for the company by multiplying the market size with the percentage of market shares which is 5%.

$$RM 179,850,00 \times 5\% \text{ market shares} = RM 8,992,500$$

Sale Forecast for Year:

Table 1: Sales Forecast for A Year

Month	Sales Forecast, (Rm)
Month 1	425,000
Month 2	425,000
Month 3	425,000
Month 4	425,000
Month 5	425,000
Month 6	425,000
Month 7	425,000
Month 8	425,000
Month 9	425,000
Month 10	425,000
Month 11	425,000
Month 12	425,000
Total	5,100,000

Sale Forecast by Year:

Table 2: Sales Forecast by Years

Year	Percentage Increase (%)	Sales Forecast (Rm)
Total Year 1	-	5,100,000
Total Year 2	15	6,120,000
Total Year 3	20	7,650,000

4.4 COMPETITORS ANALYSIS & MARKET SHARE COMPETITORS ANALYSIS

After a thorough research made by the marketing panels, the production of bio resin is rare in Malaysia. This is because of the low awareness of sustainable technology and heavily rely on out dated technology that are not sustainable and harmful to environment. This can be recognized as a golden opportunity to start a company that are heavily producing high quality bio resin that made from sustainable materials. The table below shows the strength and weaknesses of each company compare to Amber chemical enterprise.

Table 3: Strength and weakness on rival companies

COMPANIES	STRENGTHS	WEAKNESSES
DIC EPOXY (MALAYSIA) SDN BHD	Have high specification on the epoxy resin production with 15 specific applications.	Need to have deep and high knowledge on resin application to choose the correct resin.
GAIA GREENTECH SDN BHD	Have global research partnership with Austria to improve quality of research and development.	Small application of Bio resin that are majorly used for the compostable plastic industry.
ASACHEM SDN BHD	A globally well-known company that produce a multi-purposed epoxy resin that have been operating since 1992.	Uses old technology that is epoxy resin that contains epichlorohydrin that are classified as a hazardous compound.

MARKET SHARE

Market share before the entrance of Amber Chemical Enterprise :

Table 4: Market Shares Before Entrance

COMPANIES	MARKET SHARE (%)	TOTAL MARKET SHARE (RM)
DIC EPOXY (MALAYSIA) SDN BHD	27	12,657,01
GAIA GREENTECH SDN BHD	49	19,233,03
ASACHEM SDN BHD	14	10,951,14
TOTAL	100	42,841,18

Market share after the entrance of Amber Chemical Enterprise:

Table 5: Market share after entrance

COMPENIES	MARKET SHARE BEFORE ENTRANCE (%)	MARKET LOSS (%)	MARKET SHARE AFTER ENTRENCE (%)	TOTAL MARKET SHARE (RM)
DIC EPOXY (MALAYA) SDN BHD	27	2	25	12,120,102
GAIA GREENTECH SDN BHD	49	1	48	18,721,589
ASA CHEM SDN BHD	14	2	12	10,372,651
AMBER CHEMICAL ENTREPRISE	-	-	5	8,992,500
TOTAL	100	5	100	50,206,842

4.5 MARKETING PERSONNEL SCHEDULE

Table 6: Marketing Personnel Schedule

POSITION	TASK	RESPONSIBILITY
Marketing Manager	Understand the trends and customer preferences, create marketing strategy and budgets	Oversee the creation of marketing materials and content, and perform all other relevant tasks essential for increasing the business's sales
Marketing Strategist	Initiate research on psychological pattern to match current trends	Keep up to date with current marketing strategy and trends to attract new generations.
Creative Director	Pump out new and fresh Ideas on how to promote the business.	Make advertisement/ promotion that are eye-catching and stands out from other competitors.
Brand Director	Setting goals and standards, coordinating departments, liaising with key distributors and suppliers	Overseeing the workflow and the workforce involved in the operations

4.6 REMUNERATION PLAN

Table 7: Ruminaton Plan

POSITION	SALARY (RM)	EPF (10%) (RM)	SOCSSO (12%) (RM)	TOTAL (RM)
Marketing Manager	2,500	250	325	3,075
Marketing Strategist	2,800	280	336	3,416
Creative Director	2,500	250	325	3,075
Brand Director	5,200	520	624	6,344
TOTAL				15,910

4.7 MARKETING MIX

Product

Ambers Chemical Enterprise bio resins produces a high-quality resin that are safe and easy to use by consumers. The product comes in various type of color ranging from base color such as red, yellow, blue and green to mix color such as turquoise, lavender and etc. The main reason for the various type of color is because Amber Chemicals Bio resin is not only targeting normal consumers such as the furniture, dental and hardware company, it is also a way to promote the product to all generations that are interested in making resin arts so that they can spend less time and money to buy a colored version of resins.

Promotion strategy

In order to expand our company, advertisement is one of the core necessities that are essential to attract customers and consumers. By purchasing a billboard, it makes our product more noticeable to the public eyes as it can easily be spotted by drivers, passengers and even pedestrians. Media socials are also a big part of the company's source of promotion as citizen nowadays spend the majority of their time surfing and using the internet. This may come as a big opportunity for the company to attract more customers and build a fan base.

Company Placement

A strategic placement for the company to operate a business is also an important aspect for attracting customer and boost the sales. Sg. Buaya, Kg, Kampung Sungai Buaya, 42700 Banting, Selangor is the selected place for the operations. This is due to short distance of raw materials from the production site such as crude palm oil. It is essential to choose a building site near the location of raw materials to reduce the transportation cost and labor cost for delivery which is about 3KM from here.

Another reasons why we chose this location is because there's a chemical refinery near our chosen location which is Cognis Chemicals (M) Sdn. Bhd. which is located 12.6 KM near our production site. With this, we can easily gain access of chemical raw materials for our resin's products with minimum cost of delivery as we can directly order the materials from the chemical plants to be delivered to us.

4.8 MARKETING BUDGET

Table 8: Marketing Financial Plan

MARKETING EXPENDITURE	
Fixed Assets	RM
Signboard	2,000
Delivery Truck	65,000
Working Capital	
Advertisement	3,000
Employee Salary	3,500
Promotion	500
Subscription	50
Other Expenditure	
Other Expenditure	400
Pre-Operations	
Deposit (rent, utilities, etc.)	-
Business Registration & Licenses	-
Insurance & Road Tax for Motor Vehicle	3,000
Other Expenditure	1,500
TOTAL	78,950



5.0 OPERATION PLANS



5.1 OPERATION OBJECTIVES

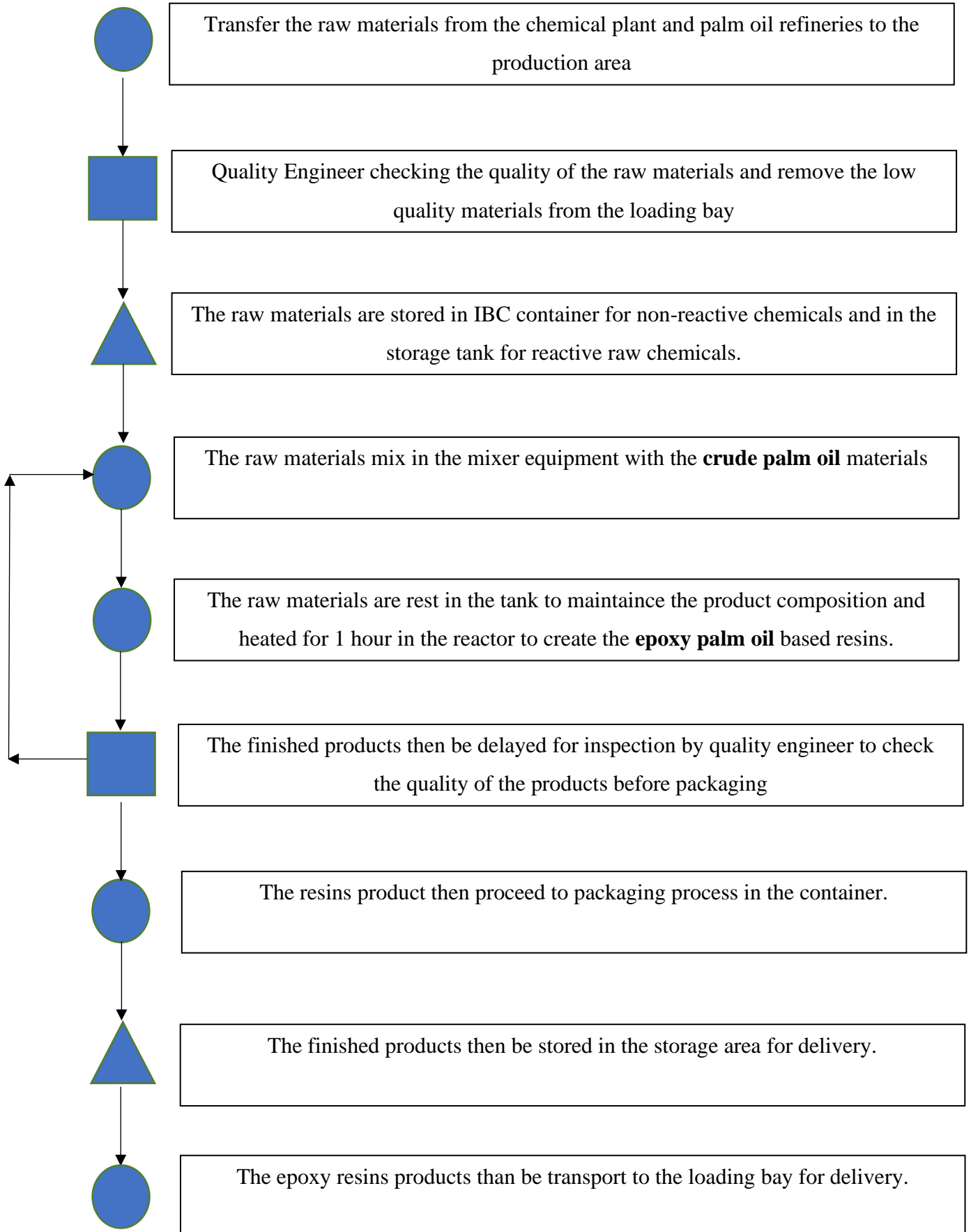
One of the most important roles in a company organisation is operation. It's essential to manage an operation to make sure that the business can produce goods or provide services in accordance with the requirements, standards, and deadlines of the client. Additionally, the act of organising business input to create output in the form of a product or service can be referred to as operations management. In order to provide our firm a clear direction for day-to-day operations, operational objectives should be specific and achievable. Since various individuals may have varying interests and values, it can be challenging to establish operational objectives that are recognised and understood by everyone. Therefore, it's crucial to involve employees in the goal-setting process and to make sure they understand it. After determining appropriate operational goals for each department, the business plan can be developed to meet the project objectives.

The objectives include:

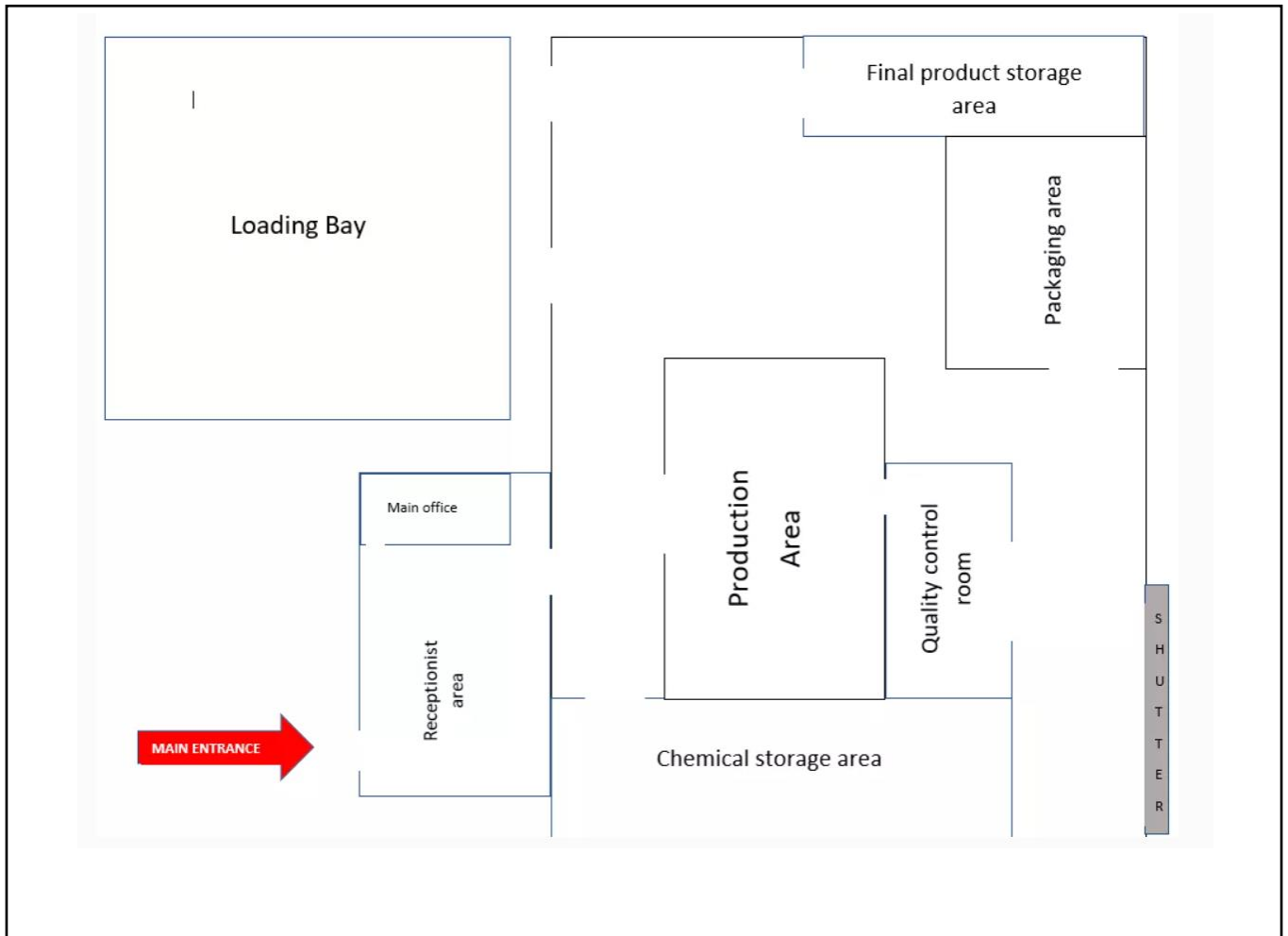
- To supply 100% of the best systems and techniques for operation management on a daily basis by 2024
- To make sure that the organization's procedures adhere to strict legal requirements.
- To create financial data effectively in order to optimise earnings.
- To produce financial data efficiently in order to maximize the profits
- To manage business budgets and forecasts effectively by maximizing the sales and minimizing the cost
- To recruit, train and supervise staff efficiently for the highest level of performance standard
- To ensure that all operations are carried out promptly and affordably.

An organisation may lose crucial lead time and momentum to battle major changes when they do come if it fails to fulfil its objectives and get ready for them. Morale issues arise when a corporation lacks direction because, in their eyes, the future is unknowable, unpredictable, and out of their control. These sobering conclusions can only be seen as a threat to employment, which has a negative impact on productivity. Strategic planning is crucial in business because of this.

5.2 PROCESS PLANNING



5.3 OPERATION LAYOUT



5.4 PRODUCTION CAPACITY PLANNING

Information	Calculation
Average sales forecast per month	RM 425,000.00
Price per unit	RM75.00
Number of output per month	$\frac{\text{RM } 425,000.00}{\text{RM}45.00}$ = 5667 units
Total work days/ Month	24 days
Amount to produce for 1 day	$\frac{2333 \text{ units}}{26 \text{ days}}$ = 236 units/ day

5.5 MATERIAL REQUIREMENT PLANNING

Bills of materials required for 1 unit of 3kg/epoxy resins

Product No	Description	Specification	Quantity
1	Ethylene Glycol	100g	1
2	Sulfonated Lignin	5.6g	1
3	p-Methyl Benzenesulfonic Acid (40g)	8g	1
4	5-Pyromellitic Acid Anhydride	54.3g	1
5	Multi-Epoxy Compound (100g)	45.6g	1
6	Dimethyl Formamide	200g	1
7	Crude Palm Oil	300g	1
8	Empty Plastic Container HDPE	3L	1
9	Labelling Sticker Sheet	3 m long	1
10	Safety Data Sheet	1 Unit	1
11	Printing Ink	100 ml	1
12	Colouring Ink	250ml	1

5.6 MATERIALS REQUIREMENT SCHEDULE

Materials	Quantity	Safety Stock	Total Material Requirement	Price/Unit (RM)	Total Price (RM)
Ethylene Glycol	100 kg/L	30kg/L	130 kg	167.00	21,710.00
Sulfonated Lignin	100 kg/L	30kg/L	130 kg	600.00	78,000.00
p-Methyl Benzenesulfonic Acid (40g)	100 kg/L	30kg/L	130 kg	400.00	52,000.00
5-Pyromellitic Acid Anhydride	75 kg/L	15kg/L	65 kg	450.00	29,250.00
Multi-Epoxy Compound (100g)	100 kg/L	3kg/L	130 kg	300.00	39,000.00
Dimethyl Formamide	50 kg/L	15kg/L	65 kg	300.00	19,500.00
Crude Palm Oil	100 kg/L	20 kg/L	120 kg/L	64.00	7,680.00
Empty Plastic Container HDPE	1000 Units	20 Units	1200 Units	6.50	7,800.00
Labelling Sticker Sheet	1000 Units	30 Units	130 Units	15.00	1,950.00
Safety Data Sheet	1000 Units	30 Units	130 Units	0.20	260.00
Printing Ink	100L	40L	140 Units	60.00	8,400.00
Colouring Ink	100L	50L	150 Units	25.00	3,750.00
Total					269,300.00

5.7 MACHINE & EQUIPMENT PLANNING

Machine Requisition

No	Machine	Quantity	Price/Unit (RM)	Total Price (RM)
1	Mixer	3	6,400.00	19,198.00
2	Storage Tank	4	2,395.00	9,580.00
3	Conveyer Belt	4	3,743.00	14,972.00
4	Reactor	2	2,395.00	4,790.00
5	Cash Register	1	1,460.00	1,460.00
TOTAL				50,000.00

OVERHEAD REQUIREMENT

Fixed Overhead	Cost (RM)
Office Equipment	10,900.00
Business Registration, Liscene	4,500.00
Insurance Road Tax	3,000.00
TOTAL	18,400.00

Variable Overhead	Cost (RM)
Rent	5,000.00
Utilities	4,000.00
Salaries, EPF, SOCSO	17,471.00
Subscriptions	1,000.00
Petrol & Vehicle Maintenance	1,500.00
Medical Kit	7,000.00
TOTAL	29,671.00

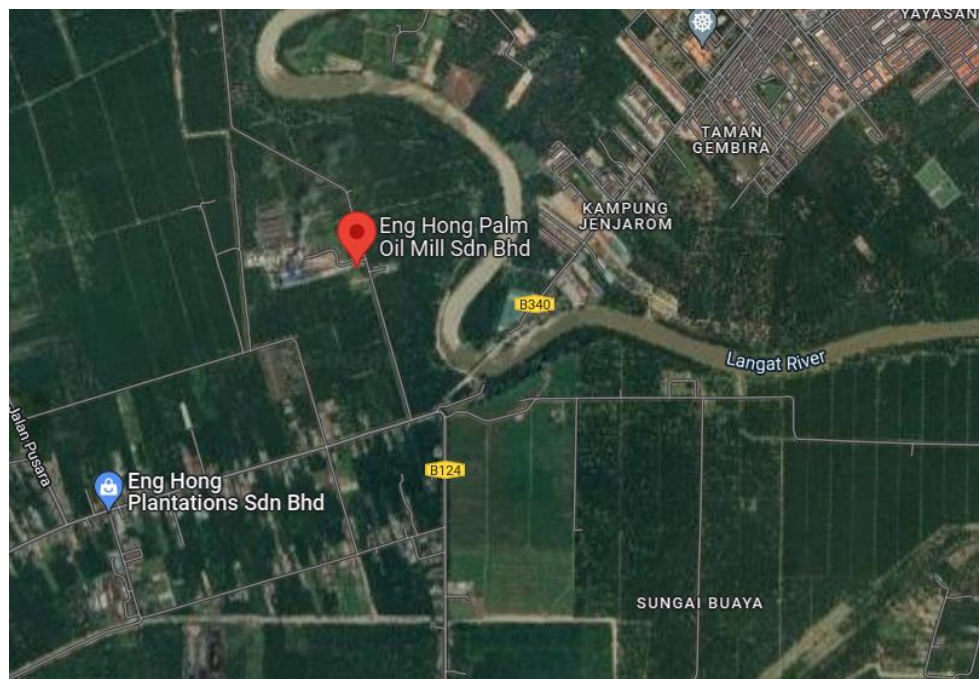
5.8 LOCATIONS

The location for AMBER CHEMICALS Ent is strategically located in the middle of the palm oil refinery and also near the rural area. It is near the palm oil plantation area to gain easy access on one of the raw materials for our product which is palm oil. The site area also located far from populated area to prevent chemical impact toward environment.



Location : Jln. Sg. Buaya, Kg, Kampung Sungai Buaya, 42700 Banting, Selangor

Details Property Type : Industrial Site





According to the google map, this location is suitable to build the Epoxy Resins manufacture site due to short distance of raw materials from the production site such as crude palm oil. It is essential to choose a building site near the location of raw materials to reduce the transportation cost and labour cost for delivery which is about 3KM from here. Another reasons why we chose this location is because there's a chemical refinery near our chosen location which is Cognis Chemicals (M) Sdn. Bhd. which is located 12.6 KM near our production site. With this, we can easily gain access of chemical raw materials for our resins products with minimum cost of delivery as we can directly order the materials from the chemical plants to be delivered to us.

Next, the land price for building our production site might be expensive as we currently built at Selangor, but the others beneficial factors such as normal climate changes, labour supply, security, local government policy and facility for expansion and business development has been supplied. Our business don't need to worry about labour supply as there are many unemployed engineers in Selangor.

5.9 BUSINESS AND OPERATION HOURS

Days	Time
Monday	8.a.m – 5.p.m
Tuesday	8.a.m – 5.p.m
Wednesday	8.a.m – 5.p.m
Thursday	8.a.m – 5.p.m
Friday	8.a.m – 4.p.m
Saturday	8.a.m – 4.p.m
Sunday	8.a.m – 4.p.m

Operation	Rest Hour
Monday – Sunday	1 pm – 2 pm
Friday	12.00 pm – 2 pm

5.10 PROJECT IMPLEMENTATION SCHEDULE

ACTIVITIES	DEADLINES	DURATION
Incorporation of Business	Dec 2022 – Feb 2023	3 months
Applications for permits & Liscene	December 2022 – March 2023	4 months
Searching for business location & premises	Jan -Feb 2023	2 months
Renovation of premises	February 2023	1 months
Procument of machines & raw materials	February – March 2023	2 months
Recruitment of labours & staffs	February- March 2023	2 months
Installation of machines	March 2023	1 months

5.11 SCHEDULE OF TASKS AND RESPONSIBILITIES

Table 2 : Schedule of Tasks and Responsibilities

POSITION	TASK AND RESPONSIBILITIES
General Manager	<ul style="list-style-type: none"> • Responsible in managing the company towards the vision, mission, and the objectives of the company. • To plan, organize, lead and, control the daily operations of a business, region, operating unit or division. • Acts as a decision maker and cooperate gaining ideas to improve the business. • Monitor activities to ensure that all are being accomplished as planned.
Administration Manager	<ul style="list-style-type: none"> • Charged with organising the overall personnel administration plan. • To ensure that all office equipment for management personnel is suitable and efficient. • To ensure that the management system is applied systematically and functionality • Controlling and managing staff compensation, deciding on the working operation permits and job description for workers internship. • Hiring employees • Monitoring order
Marketing Manager	<ul style="list-style-type: none"> • Promoting products into market • Responsible in to plan the company marketing techniques to maximise company profits. • Examining the marketing's size, aims, and shares. • Examining products and services from rival companies. • Providing sales projection, manufacturing export price and sales prices of our product • Researching the demands of customers requirement

Production Manager	<ul style="list-style-type: none"> • Monitoring quality and production of product • In charge of ensuring that Amber Chemicals Resins company meet the required operation standard by business act. • Control every aspect of the business operation's technological side in respect. • Analyze the customer's orders form, and operate the production facility following the procedure. • Responsible in requirement of operation facilities in research & development, production and packaging
Financial Manager	<ul style="list-style-type: none"> • Calculating cost of products • Provide financial report • Responsible in charge of the cash flow. • Planning of business budget. • Supervising and handling financial report, investments portfolios, accounting, and all kindsof financial analysis for an organization. • To control the financial statement and profit or loss of business
Administration Clerk	<ul style="list-style-type: none"> • Sorting files and order from customer • Dealing with customer

5.12 SCHEDULE OF REMUNERATION

Table 3 : Schedule of remuneration

POSITION	SALARY(RM)	EPF (10%)(RM)	SOCSSO(13%) (RM)	TOTAL (RM)
AdministrationManager	6,000.00.	600.00	780.00	7,380.00
Marketing Manager	3,500.00	350.00	455.00	4,305.00
Production Manager	5,000.00	500.00	650.00	6,150.00
Financial Manager	5,000.00	500.00	650.00	6,150.00
Administration Clerk	2,500.00	250.00	325.00	3,075.00
TOTAL				27,060.00

5.13 PERMITS/ LICENSES REQUIREMENT

In Malaysia, opening a business requires having a current business licence. Licenses, registrations, permits, and approvals are all included. The Pihak Berkuasa Melesen (PBM) responsible for the location and business activity accepts applications for business licences.

Our Amber Chemicals Enterprise required to comply with some form of licensing, which could be a general license, an industry/sector specific license or activity specific license. General Licenses include the necessary licenses and will apply when the investor decides to start a business in Malaysia.

Here are list of General Licenses, applicable to any business including:

- Company Registration
- Company and Employees Income Tax Registration
- Employees Provident Fund (EPF)
- Social Security Organisation (PERKESO)
- Human Resources Development Fund (HRDF)
- Business Premise Licenses and Signboard Licenses

For manufacturing industry :

- **The Industrial Co-ordination Act 1975**
- Certificate of Incorporation (Form 9/ Notice Section 17) – 1 copy;
- Return of Particulars of Directors, Managers and Secretaries (Form 49 / Notice Section58) – 1 copy
- Photos of our business premise (front and interior of premise)
- Any one Director’s NRIC / Passport as stated in Form 49 / Notice Section 58 – 1 copy

For Enterprise (Partnership)

- Certificate of Registration of Business (Form D) – 1 copy;
- e-SSM Business Profile – 1 copy;
- Photos of business premise (front and interior of premise);
- Copy of any Business owner/Partner’s NRIC as stated in Form 49 – 1 copy;
- Sample of signboard indicating design and color (if applicable);
- Photos showing location of signboard (if applicable)

Activity - Specific Licenses

Activity-Specific licenses are licenses that regulate particular activities and could be applicable to one or more Industries or Sectors. This category of license requires investor to comply with sets of specific guidelines designed to protect the interest of the citizen, employment, safety of workers, environment and general public.

Activity-Specific Licenses are:

- Certificate for Certified Machinery
- Approval for Expatriate Posts
- Approval to install/resite/alter Air Pollution Control Equipment (bag filter and chimney)
- Building Plan Approval
- Sales Tax License

5.14 OPERATION BUDGET

Item	Fixed Asset (RM)	Monthly Expenses (RM)	Other Expenses (RM)
Fixed Assets :			
Machine Equipment	50,000.00		
Operation Tools	4,000.00		
Furniture & Fitting	2,000.00		
Working Capital :			
Raw Materials		269,300.00	
Carriage Inward & Duty		2,500.00	
Salaries, EPF & SOCSO		9,000.00	
Other expenditures:			
Deposit Electricity			1,000.00
Deposit Rent			1,500.00
Other Pre-Operations			700.00
Total (RM)	56,000.00	280,800.00.	3,200.00



6.0 FINANCIAL PLAN



6.1 FINANCIAL OBJECTIVES

The financial plan is another important business activity that needs to be taken into account and given greater planning. Financial can be defined as having to do with accounting, budgeting, economics, finance, and money. In other terms, it is the management of financial resources, which also includes budgeting, forecasting, borrowing, lending, investing, and saving. All financial information obtained from the marketing, operations, and administration budgets must be included in the financial plan. Following that, a financial budget will be created from all of the information. The financial plan includes calculating the project's overall cost, selecting financing options like loans, grants, equity financing, venture capital, guarantee schemes, tax incentives, and many others, as well as creating pro forma financial projections that include cash flow, income statement, and balance sheet statements.

Depreciation schedules for all fixed costs owned as well as amortisation schedules for loan and hire purchase repayments should also be used to support the financial strategy. The objectives of financial plan are :

- To develop the most internal source capacity possible and exploit the most internal source availability possible
- To ensure that the project's implementation is a complete success and that the initial funding is enough and sufficient.
- To guarantee that the debt is restructured at least minimally
- To ensure that the initial money is sufficient and adequate
- To evaluate a business project's 100% viability before making the actual expenditure.

Without financial plan, cash flow for business might be unclear and also can cause problem in the future as there is no trace of where the money is coming from and going to. In short, financial plan and report is very important and act as a backbone of a business as it will keep tracks of incoming and also outgoing money. In short, the four main financial objectives are profitability, liquidity, efficiency and stability.

6.2 OPERATIONAL BUDGET

NAME OF BUSINESS/COMPANY		AMBER CHEMICALS RESINS ENTERPRISE			
1. Projected administrative, marketing and operations expenditure :					
ADMINISTRATIVE EXPENDITURE		MARKETING EXPENDITURE		OPERATIONS EXPENDITURE	
Fixed Assets	RM	Fixed Assets	RM	Fixed Assets	RM
Land & Building	75,000	Signboard	2,000	Operational Tools	4,000
Office Equipment	17,640	Delivery Truck	65,000	Machine Equipment	50,000
Furniture & Fittings	6,870			Furniture & Fitting	2,000
Renovation	2,500				
Working Capital		Working Capital		Working Capital	
Fixed Assets		Advertisement	3,000	Raw Materials & Packaging	269,300
Rental	4,000	Employee Salary	3,500	Carriage Inward & Duty	2,500
Electricity	4,000	Promotion	500	Salaries, EPF & SOCSO	9,000
Administrative Salary	27,060	Subscription	50		
Other Expenditure		Other Expenditure		Other Expenditure	
Other Expenditure	500	Other Expenditure	400	Other Expenditure	
Pre-Operations		Pre-Operations		Pre-Operations	
Deposit (rent, utilities, etc.)	2,000	Deposit (rent, utilities, etc.)	-	Deposit (rent, utilities, etc.)	2,500
Business Registration & Licences	1,500	Business Registration & Licences	-	Business Registration & Licences	-
Insurance & Road Tax for Motor Vehicle	-	Insurance & Road Tax for Motor Vehicle	3,000	Insurance & Road Tax for Motor Vehicle	-
Other Expenditure	1,000	Other Expenditure	1,500	Other Expenditure	700
TOTAL	142,070	TOTAL	78,950	TOTAL	340,000

2. Projected sales and purchases:		SALES PROJECTION		PURCHASE PROJECTION	
Year 1	Month 1	425,000	Month 1	269,300	
	Month 2	425,000	Month 2	269,300	
	Month 3	425,000	Month 3	269,300	
	Month 4	425,000	Month 4	269,300	
	Month 5	425,000	Month 5	269,300	
	Month 6	425,000	Month 6	269,300	
	Month 7	425,000	Month 7	269,300	
	Month 8	425,000	Month 8	269,300	
	Month 9	425,000	Month 9	269,300	
	Month 10	425,000	Month 10	269,300	
	Month 11	425,000	Month 11	269,300	
	Month 12	425,000	Month 12	269,300	
	Total Year 1	5,100,000	Total Year 1	3,231,600	
Year 2	ToTal Year 2	6,120,000	ToTal Year 2	3,716,340	
Year 3	Total Year 3	7,650,000	Total Year 3	4,087,974	
3. Collection for sales & payment for purchases:		CASH COLLECTIONS FOR SALES		CASH PAYMENTS FOR PURCHASES	
	In the month of sale	100%	In the month of purchase	100%	
	1 month after sale		1 month after purchase		
	2 months after sale		2 months after purchase		
	Total	100%	Total	100%	

4. Economic life of fixed assets & depreciation method:

FIXED ASSETS		Econ. Life (yrs)	FIXED ASSETS		Econ. Life (yrs)
Office Equipment		5			5
Furniture & Fittings		5			5
Renovation		5	Operational Tools		5
	-	5	Machine Equipment		5
Signboard		5	Furniture & Fitting		5
Delivery Truck		5			5

Chart Area

DEPRECIATION METHOD (1=straight line, 2=declining balance)	1
--	---

5. Increase in working capital (if any):

INCREASE IN WORKING CAPITAL (%)	
Year 2	15%
Year 3	20%

6. Ending stock for raw materials and finished goods:

ENDING STOCK OF RAW MATERIALS		RM	ENDING STOCK OF FINISHED GOODS		RM
End of Year 1		20,000	End of Year 1		25,000
End of Year 2		24,000	End of Year 2		27,500
End of Year 3		27,600	End of Year 3		30,800

7. Rate of taxation (for private limited company):

TAX RATE	
Year 1	
Year 2	
Year 3	

8. Business background:

BUSINESS LEGAL ENTITY	2	NATURE OF BUSINESS	1
1 = Private Limited Company (Sdn. Bhd.) 2 = Partnership 3 = Sole Proprietorship		1 = Manufacturing 2 = Trading 3 = Service	

9. Sources of finance:

LOAN (if required)	
Interest rate	5%
Loan duration	10
Interest payment method*	1

* Method: 1 = flat rate 2 = annual rest

HIRE-PURCHASE (if required)	
Interest rate	10%
Hire-purchase duration	7

ADMINISTRATIVE BUDGET

ADMINISTRATIVE BUDGET				
Particulars	F.Assets	Monthly Exp.	Others	Total
Fixed Assets				
Land & Building	75,000			75,000
Office Equipment	17,640			17,640
Furniture & Fittings	6,870			6,870
Renovation	2,500			2,500
	-			-
Working Capital				
#REF!		-		-
Rental		4,000		4,000
Electricity		4,000		4,000
Administrative Salary		27,060		27,060
		-		-
#REF!		-		-
		-		-
Pre-Operations & Other Expenditure				
Other Expenditure			500	
Deposit (rent, utilities, etc.)			2,000	2,000
Business Registration & Licences			1,500	1,500
Insurance & Road Tax for Motor Vehicle			-	-
Other Pre-Operations Expenditure			1,000	1,000
Total	102,010	35,060	5,000	141,570

MARKETING BUDGET

MARKETING BUDGET				
Particulars	F.Assets	Monthly Exp.	Others	Total
Fixed Assets				
Signboard	2,000			2,000
Delivery Truck	65,000			65,000
	-			-
	-			-
Working Capital				
Advertisement		3,000		3,000
Employee Salary		3,500		3,500
Promotion		500		500
Subscription		50		50
		-		-
		-		-
		-		-
Pre-Operations & Other Expenditure				
Other Expenditure			400	
Deposit (rent, utilities, etc.)			-	-
Business Registration & Licences			-	-
Insurance & Road Tax for Motor Vehicle			3,000	3,000
Other Pre-Operations Expenditure			1,500	1,500
Total	67,000	7,050	4,900	78,550

OPERATION BUDGET

OPERATIONS BUDGET				
Particulars	F.Assets	Monthly Exp.	Others	Total
<i>Fixed Assets</i>				
Operational Tools	4000			4,000
Machine Equipment	50000			50,000
Furniture & Fitting	2000			2,000
				-
<i>Working Capital</i>				
Raw Materials & Packaging		269,300		269,300
Carriage Inward & Duty		2,500		2,500
Salaries, EPF & SOCSO		9,000		9,000
		-		-
		-		-
		-		-
<i>Pre-Operations & Other Expenditure</i>				
Other Expenditure			-	
Deposit (rent, utilities, etc.)			2,500	2,500
Business Registration & Licences			-	-
Insurance & Road Tax for Motor Vehicle			-	-
Other Pre-Operations Expenditure			700	700
Total	56,000	280,800	3,200	340,000

6.3 PROJECT IMPLEMENTATION COST & SOURCES OF FINANCING

AMBER CHEMICALS RESINS ENTERPRISE PROJECT IMPLEMENTATION COST & SOURCES OF FINANCE					
Project Implementation Cost			Sources of Finance		
Requirements	Cost	Loan	Hire-Purchase	Own Contribution	
				Cash	Existing F. Assets
Fixed Assets					
Land & Building	75,000	46,200		28,800	
Office Equipment	17,640	17,640			
Furniture & Fittings	6,870	6,870			
Renovation	2,500	2,500			
Signboard	2,000			2,000	
Delivery Truck	65,000	20,000	45,000		
Operational Tools	4,000	4,000			
Machine Equipment	50,000	50,000			
Furniture & Fitting	2,000	2,000			
Working Capital 1 months					
Administrative	35,060	35,060			
Marketing	7,050	7,050			
Operations	280,800	280,800			
Pre-Operations & Other Expenditure	13,100	13,100			
Contingencies 5%	28,051	28,051			
TOTAL	589,071	513,271	45,000	30,800	

DEPRECIATION SCHEDULES

AMBER CHEMICALS RESINS ENTERPRISE DEPRECIATION SCHEDULES							
Fixed Asset Office Equipment				Fixed Asset Furniture & Fittings			
Cost (RM) 17,640				Cost (RM) 6,870			
Method Straight Line				Method Straight Line			
Economic Life (yrs) 5				Economic Life (yrs) 5			
Year	Annual Depreciation	Accumulated Depreciation	Book Value	Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	17,640		-	-	6,870
1	3,528	3,528	14,112	1	1,374	1,374	5,496
2	3,528	7,056	10,584	2	1,374	2,748	4,122
3	3,528	10,584	7,056	3	1,374	4,122	2,748
4	3,528	14,112	3,528	4	1,374	5,496	1,374
5	3,528	17,640	-	5	1,374	6,870	-
6	0	0	-	6	0	0	-
7	0	0	-	7	0	0	-
8	0	0	-	8	0	0	-
9	0	0	-	9	0	0	-
10	0	0	-	10	0	0	-

DEPRECIATION SCHEDULES

Fixed Asset Signboard				Fixed Asset Delivery Truck			
Cost (RM) 2,000				Cost (RM) 65,000			
Method Straight Line				Method Straight Line			
Economic Life (yrs) 5				Economic Life (yrs) 5			
Year	Annual Depreciation	Accumulated Depreciation	Book Value	Year	Annual Depreciation	Accumulated Depreciation	Book Value
	-	-	2,000		-	-	65,000
1	400	400	1,600	1	13,000	13,000	52,000
2	400	800	1,200	2	13,000	26,000	39,000
3	400	1,200	800	3	13,000	39,000	26,000
4	400	1,600	400	4	13,000	52,000	13,000
5	400	2,000	-	5	13,000	65,000	-
6	0	0	-	6	0	0	-
7	0	0	-	7	0	0	-
8	0	0	-	8	0	0	-
9	0	0	-	9	0	0	-
10	0	0	-	10	0	0	-

LOAN & HIRE PURCHASE AMMORTISATION SCHEDULES

AMBER CHEMICALS RESINS ENTERPRISE									
LOAN & HIRE-PURCHASE AMMORTISATION SCHEDULES									
LOAN REPAYMENT SCHEDULE					HIRE-PURCHASE REPAYMENT SCHEDULE				
Amount 513,271					Amount 45,000				
Interest Rate 5%					Interest Rate 10%				
Duration (yrs) 10					Duration (yrs) 7				
Method Kadar tetap									
Year	Principal	Interest	Total Payment	Principal Balance	Year	Principal	Interest	Total Payment	Principal Balance
	-	-		513,271		-	-		45,000
1	51,327	25,664	76,991	461,944	1	6,429	4,500	10,929	38,571
2	51,327	25,664	76,991	410,617	2	6,429	4,500	10,929	32,143
3	51,327	25,664	76,991	359,290	3	6,429	4,500	10,929	25,714
4	51,327	25,664	76,991	307,963	4	6,429	4,500	10,929	19,286
5	51,327	25,664	76,991	256,636	5	6,429	4,500	10,929	12,857
6	51,327	25,664	76,991	205,308	6	6,429	4,500	10,929	6,429
7	51,327	25,664	76,991	153,981	7	6,429	4,500	10,929	-
8	51,327	25,664	76,991	102,654	8	0	0	-	-
9	51,327	25,664	76,991	51,327	9	0	0	-	-
10	51,327	25,664	76,991	0	10	0	0	-	-

6.4 PRO-FORMA CASH FLOW (3 YEARS)

PRE-OPERATIONS, FIRST 4 MONTH

MONTH	Pre-Operations	1	2	3	4
<u>CASH INFLOW</u>					
Capital (Cash)	30,800				
Loan	513,271				
Cash Sales		425,000	425,000	425,000	425,000
Collection of Accounts Receivable					
TOTAL CASH INFLOW	544,071	425,000	425,000	425,000	425,000
TOTAL CASH OUTFLOW	192,210	331,137	330,237	330,237	330,237
CASH SURPLUS (DEFICIT)	351,861	93,863	94,763	94,763	94,763
BEGINNING CASH BALANCE		351,861	445,724	540,488	635,251
ENDING CASH BALANCE	351,861	445,724	540,488	635,251	730,015

MONTH : MAY, JUN, JULY, AUGUST, SEPTEMBER

MONTH	5	6	7	8	9
<u>CASH INFLOW</u>					
Capital (Cash)					
Loan					
Cash Sales	425,000	425,000	425,000	425,000	425,000
Collection of Accounts Receivable					
TOTAL CASH INFLOW	425,000	425,000	425,000	425,000	425,000
TOTAL CASH OUTFLOW	330,237	330,237	330,237	330,237	330,237
CASH SURPLUS (DEFICIT)	94,763	94,763	94,763	94,763	94,763
BEGINNING CASH BALANCE	730,015	824,778	919,541	1,014,305	1,109,068
ENDING CASH BALANCE	824,778	919,541	1,014,305	1,109,068	1,203,832

MONTH : OCTOBER, NOVEMBER AND DECEMBER

MONTH	10	11	12
<u>CASH INFLOW</u>			
Capital (Cash)			
Loan			
Cash Sales	425,000	425,000	425,000
Collection of Accounts Receivable			
TOTAL CASH INFLOW	425,000	425,000	425,000
TOTAL CASH OUTFLOW	330,237	330,237	330,237
CASH SURPLUS (DEFICIT)	94,763	94,763	94,763
BEGINNING CASH BALANCE	1,203,832	1,298,595	1,393,358
ENDING CASH BALANCE	1,298,595	1,393,358	1,488,122

TOTAL YEAR 1, YEAR 2 AND YEAR 3

MONTH	TOTAL YR 1	YEAR 2	YEAR 3
<u>CASH INFLOW</u>			
Capital (Cash)	30,800		
Loan	513,271		
Cash Sales	5,100,000	6,120,000	7,650,000
Collection of Accounts Receivable			
TOTAL CASH INFLOW	5,644,071	6,120,000	7,650,000
TOTAL CASH OUTFLOW	4,155,949	4,548,112	5,067,917
CASH SURPLUS (DEFICIT)	1,488,122	1,571,888	2,582,083
BEGINNING CASH BALANCE		1,488,122	3,060,010
ENDING CASH BALANCE	1,488,122	3,060,010	5,642,093

6.5 INCOME STATEMENT (3 YEARS)

AMBER CHEMICALS RESINS ENTERPRISE PRODUCTION COST PRO-FORMA STATEMENT

	Year 1	Year 2	Year 3
Raw Materials			
Opening Stock	0	20,000	24,000
Current Year Purchases	3,231,600	3,716,340	4,087,974
Ending Stock	20,000	24,000	27,600
Raw Materials Used	3,211,600	3,712,340	4,084,374
Carriage Inward	30,000	34,500	41,400
	3,241,600	3,746,840	4,125,774
Salaries, EPF & SOCSO	108,000	124,200	149,040
Factory Overhead			
Depreciation of Fixed assets (Operations)	11,200	11,200	11,200
Total Factory Overhead	11,200	11,200	11,200
Production Cost	3,360,800	3,882,240	4,286,014

AMBER CHEMICALS RESINS ENTERPRISE PRO-FORMA INCOME STATEMENT

	Year 1	Year 2	Year 3
Sales	5,100,000	6,120,000	7,650,000
Less: Cost of Sales			
Opening Stock of Finished Goods		25,000	27,500
Production Cost	3,360,800	3,882,240	4,286,014
less: Ending Stock of Finished Goods	25,000	27,500	30,800
	0	0	0
	3,335,800	3,879,740	4,282,714
Gross Profit	1,764,200	2,240,260	3,367,286
Less: Expenditure			
Administrative Expenditure	420,720	483,828	580,594
Marketing Expenditure	84,600	97,290	116,748
Other Expenditure	900	1,035	1,242
Business Registration & Licences	1,500		
Insurance & Road Tax for Motor Vehicle	3,000	3,000	3,000
Other Pre-Operations Expenditure	3,200		
Interest on Hire-Purchase	4,500	4,500	4,500
Interest on Loan	25,664	25,664	25,664
Depreciation of Fixed Assets	18,802	18,802	18,802
Total Expenditure	562,886	634,119	750,549
Net Profit Before Tax	1,201,314	1,606,141	2,616,737
Tax	0	0	0
Net Profit After Tax	1,201,314	1,606,141	2,616,737
Accumulated Net Profit	1,201,314	2,807,456	5,424,193

6.6 BALANCE SHEET (3 YEARS)

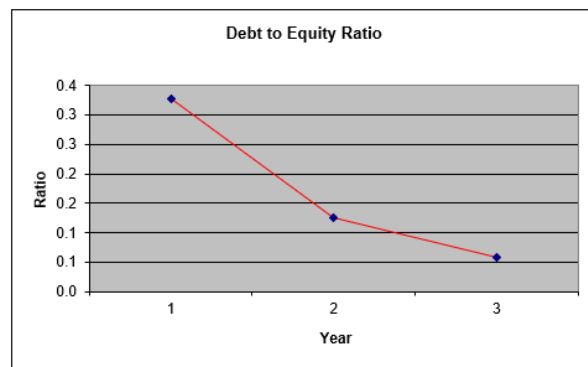
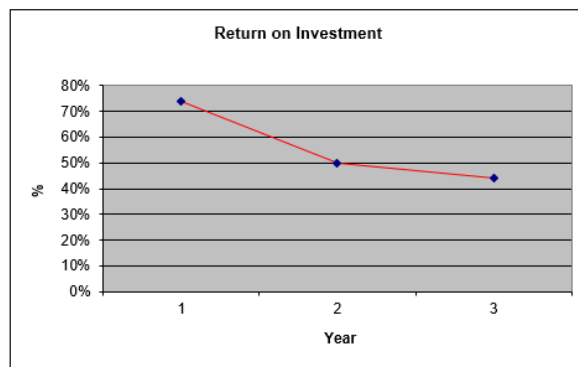
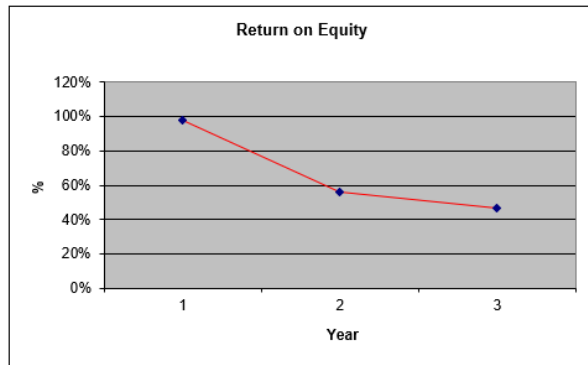
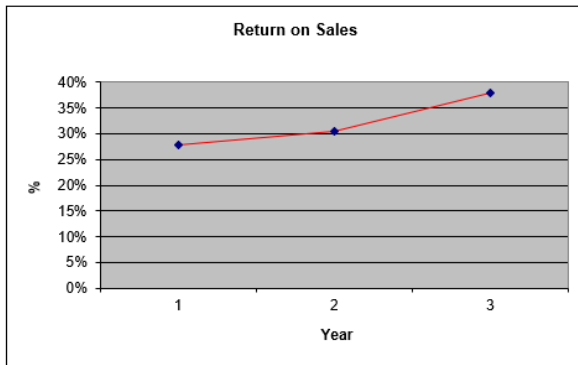
AMBER CHEMICALS RESINS ENTERPRISE PRO-FORMA BALANCE SHEET

	Year 1	Year 2	Year 3
ASSETS			
Fixed Assets (Book Value)			
Land & Building	75,000	75,000	75,000
Office Equipment	14,112	10,584	7,056
Furniture & Fittings	5,496	4,122	2,748
Renovation	2,000	1,500	1,000
Signboard	1,600	1,200	800
Delivery Truck	52,000	39,000	26,000
Operational Tools	3,200	2,400	1,600
Machine Equipment	40,000	30,000	20,000
Furniture & Fitting	1,600	1,200	800
	195,008	165,006	135,004
Current Assets			
Stock of Raw Materials	20,000	24,000	27,600
Stock of Finished Goods	25,000	27,500	30,800
Accounts Receivable			
Cash Balance	1,488,122	3,060,010	5,642,093
	1,533,122	3,111,510	5,700,493
Other Assets			
Deposit	4,500	4,500	4,500
TOTAL ASSETS	1,732,630	3,281,016	5,839,997
Owners' Equity			
Capital	30,800	30,800	30,800
Accumulated Profit	1,201,314	2,807,456	5,424,193
	1,232,114	2,838,256	5,454,993
Long Term Liabilities			
Loan Balance	461,944	410,617	359,290
Hire-Purchase Balance	38,571	32,143	25,714
	500,515	442,760	385,004
Current Liabilities			
Accounts Payable			
TOTAL EQUITY & LIABILITIES	1,732,630	3,281,016	5,839,997

6.7 FINANCIAL PERFORMANCE (3 YEARS)

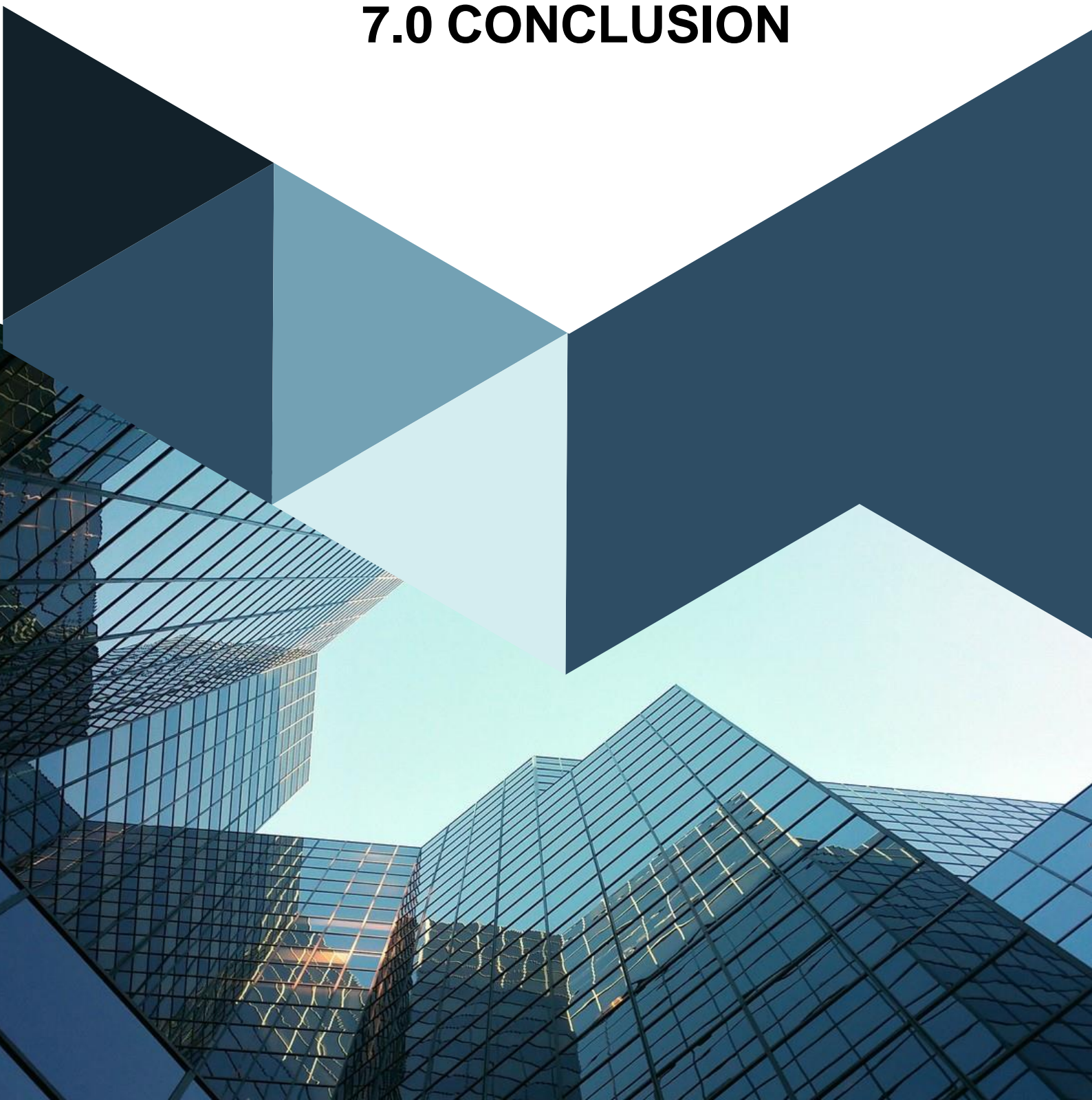
AMBER CHEMICALS RESINS ENTERPRISE FINANCIAL PERFORMANCE			
	Year 1	Year 2	Year 3
<u>PROFITABILITY</u>			
Sales	5,400,000	6,480,000	8,100,000
Gross Profit	2,064,200	2,600,260	3,817,286
Profit Before Tax	1,501,314	1,966,141	3,066,737
Profit After Tax	1,501,314	1,966,141	3,066,737
Accumulated Profit	1,501,314	3,467,456	6,534,193
<u>LIQUIDITY</u>			
Total Cash Inflow	5,944,071	6,480,000	8,100,000
Total Cash Outflow	4,155,949	4,548,112	5,067,917
Surplus (Deficit)	1,788,122	1,931,888	3,032,083
Accumulated Cash	1,788,122	3,720,010	6,752,093
<u>SAFETY</u>			
Owners' Equity	1,532,114	3,498,256	6,564,993
Fixed Assets	195,008	165,006	135,004
Current Assets	1,833,122	3,771,510	6,810,493
Long Term Liabilities	500,515	442,760	385,004
Current Liabilities	0	0	0
<u>FINANCIAL RATIOS</u>			
<i>Profitability</i>			
Return on Sales	28%	30%	38%
Return on Equity	98%	56%	47%
Return on Investment	74%	50%	44%
<i>Liquidity</i>			
Current Ratio	#DIV/0!	#DIV/0!	#DIV/0!
Quick Ratio (Acid Test)	#DIV/0!	#DIV/0!	#DIV/0!
<i>Safety</i>			
Debt to Equity Ratio	0.3	0.1	0.1
<u>BREAK-EVEN ANALYSIS</u>			
Break-Even Point (Sales)	1,509,560	1,621,683	1,628,028
Break-Even Point (%)	28%	25%	20%


6.8 FINANCIAL PERFORMANCE GRAPH (3 YEARS)






7.0 CONCLUSION





In conclusion, our company agreed that choosing resins product as our source of sales incomes would be the best course of action for us and also more risky than any foundation of other products after carefully examining the business possibility and scanning the markets demands in current time. We have a great deal of faith that Amber Chemicals Resins Enterprise will be accepted and well-known in Malaysia and we aim to expand our business in another country. Additionally, our company aim to create a more sustainability and good quality of resins products that the consumer can be used safely and without environmental impact. Apart from that, we think that Amber Chemicals Enterprise will make a lot of money to cover all the costs from the first year to the third year projection. In addition, we are certain that we can accomplish all of our goals, including a 55% revenue increase by 2024. In fact, we think that after three years of operation, we won't experience a loss.

Our company financial analysis reveals that Amber Chemicals Enterprise has the cash on hand to meet its immediate obligations and the liquid assets necessary to pay for its immediate liabilities. It's because the financial analysis revealed that, with the exception of the second year, when it was 98.0%. It indicates that our company has enough cash on hand to use in other areas. Since our return on investment fell below to 44% in the third year, our profitability of an investment is currently doing very well. Since our debt to equity ratio decreased above 0 in the third year of operations, Amber Chemicals Resins Enterprise, in short, be steady and prosperous over its three-year operation. Generally, a good debt-to-equity ratio is less than 1.0 while a risky debt-to-equity ratio is greater than 2.0.



To conclude, Amber Resins Chemicals Enterprise is really an essential and the best project to serve the community with the best service that we offer. As mentioned before in our motto, we are passionate about providing the best service so that people with conditions can live better and improve their quality of life. With our resins company that provide many benefits, we believe that it can expand our ecofriendly and more sustainable resins in the community. Therefore we really need to get approval to start our operation as it will give a big impact in a community. Lastly, completing this ENT300 business plan has given the best opportunity for us on how to set up our own company. Thus, ENT300 is essential for us as it will expose and encourage us to set up our own new business to survive in future.




8.0 APPENDICES



8.0 APPENDICES

BUSINESS MODEL CANVAS

 AMBER RESINS CHEMICALS Enterprise Business Model Canvas				
Key Partners <ul style="list-style-type: none"> Chemical Manufacturing Plant (Cognis Chemicals (M) Sdn. Bhd) Bank (Maybank) Financial Assistance Firm (BPMB) Partnership Council (National Productivity Corporation (NPC)) Palm Oil supplier refinery (Eng Hong Palm Oil Mill Sdn Bhd) Palm Oil Research (MPOB) Delivery Service (DHL) 	Key Activities <ul style="list-style-type: none"> Development & Research Management Marketing & Customer Demands Acquisition Financial Management Manufacture Engineering Company Management 	Value Propositions <ul style="list-style-type: none"> Environmental: Less budget and more sustainability on health with low chemical compound due to palm oil substitute Low impact to environment with less toxicity in our products composition Safe and easy to handle Economic: High demand and more profits for resins usage with major revolutionary construction project been implement Provides more colorful choices of resins Eco-friendly with palm oil based 	Customer Relationships <ul style="list-style-type: none"> Social Apps (LinkedIn, Facebook, WhatsApp) Direct contact with customers Automated Services via online website Subscriptions 	Customer Segments <ul style="list-style-type: none"> Players of industrial symbiosis (Cross-Sectoral Collaborator) Business Entrepreneurs Internship Chemical Engineers Sharing Platforms for products information are shared among customers Furniture Manufacturer Construction Site Medical Appliance (Dental) Manufactures
Key Resources <ul style="list-style-type: none"> Technological supports (WhatsApp, LinkedIn, Online Websites) Technology Infrastructure (MARDI, MPOB) Raw Material Manufacture Collaborations with MPOB 		Channels <ul style="list-style-type: none"> Rating & Reviews Billboard (Local Advertising) Partnership Company Websites Social Apps (LinkedIn, Facebook) Brochure, Promotions 		
Cost Structure <ul style="list-style-type: none"> Technological Infrastructure Insurance, Licensing and road tax renewal cost Internet connection in company Utilities (Medical Kit, Electricity, Fuels) Machine equipment maintenance Research & development for products improvement Raw materials payment from other company Active subscription, promotions for customers services 		Revenue Streams <ul style="list-style-type: none"> Monthly subscriptions, promotions from loyal customers Revenues from high resins sales Revenues from delivery service Revenues from collaboration with chemical company Advertisement revenues Licensing revenues 		

COMPENSATION AND BENEFITS

Employment Act 1955

Employment law in Malaysia is generally governed by the Employment Act 1955 (“Employment Act”). The Employment Act sets out certain minimum benefits that are afforded to applicable employees. For applicable employees, any clause in an employment contract that purports to offer less favourable benefits than those set out in the Employment Act, shall be void and replaced with the minimum benefits in the Employment Act.

The protection under the Employment Act only applies to these categories of employees:

- Employees whose monthly salary does not exceed RM2,000
- Employees who are engaged in manual labour, regardless of salary
- Employees engaged in the operation or maintenance of mechanically propelled vehicle
- Employees who supervise or oversees other employees engaged in manual labour
- Employees engaged in any capacity on a vessel (subject to certain other conditions)

1) Rest day

Every employee shall be allowed in each week a rest day of one whole day as may be determined from time to time by the employer

2) Holidays

Every employee shall be entitled to a paid holiday at his ordinary rate of pay on ten gazetted public holidays in any one calendar year, four of which shall be :

- a) the National Day;
- b) the Birthday of the Yang di-Pertuan Agong;
- c) the Birthday of the Ruler or the Yang di-Pertua Negeri, as the case may be, of the State in which the employee wholly or mainly works under his contract of service, or the Federal Territory Day, if the employee wholly or mainly works in the Federal Territory; and

d) Workers' Day: Provided that if any of the said ten gazetted public holidays falls on a rest day the working day following immediately thereafter shall be a paid holiday in substitution therefore

3) Annual leave

An employee shall be entitled to paid annual leave of--

(a) eight days for every twelve months of continuous service with the same employer if he has been employed by that employer for a period of less than two years;

(b) twelve days for every twelve months of continuous service with the same employer if he has been employed by that employer for a period of two years or more but less than five years; and

(c) sixteen days for every twelve months of continuous service with the same employer if he has been employed by that employer for a period of five years or more, and if he has not completed twelve months of continuous service with the same employer during the year in which his contract of service terminates, his entitlement to paid annual leave shall be in direct proportion to the number of completed months of service.

4) Sick leave

An employee shall, after examination at the expense of the employer :

(a) By a registered medical practitioner duly appointed by the employer; or

(b) If no such medical practitioner is appointed or, if having regard to the nature or circumstances of the illness, the services of the medical practitioner so appointed are not obtainable within a reasonable time or distance, by any other registered medical practitioner or by a medical officer, be entitled to paid sick leave where no hospitalisation is necessary :-

(i) of fourteen days in the aggregate in each calendar year if the employee has been employed for less than two years;

(ii) of eighteen days in the aggregate in each calendar year if the employee has been employed for two years or more but less than five years;

(iii) of twenty-two days in the aggregate in each calendar year if the employee has been employed for five years or more; or sixty days in the aggregate in each calendar year if hospitalisation is necessary, as may be certified by such registered medical practitioner or medical officer:

- Provided that the total number of days of paid sick leave in a calendar year which an employee is entitled to under this section shall be sixty days in the aggregate

5) Maternity leave

Every female employee shall be entitled to maternity leave for a period of not less than sixty consecutive days.

A female employee shall not be entitled to any maternity allowance if at the time of her confinement she has five or more surviving children.

6) Overtime

For any overtime work carried out in excess of the normal hours of work, the employee shall be paid at a rate not less than one and half times his hourly rate of pay irrespective of the basis on which his rate of pay is fixed. In this section "overtime" means the number of hours of work carried out in excess of the normal hours of work per day. Provided that if any work is carried out after the spread over period of ten hours, the whole period beginning from the time that the said spread over period ends up to the time that the employee ceases work for the day shall be deemed to be overtime.

OTHER TERMS AND CONDITIONS

1). Paternity Leave

Male employees are eligible to 2 working days leave for the birth of their own child up to 5 surviving child.

2). Marriage Leave

Employees are entitled for 5 days leave for first legal marriage peremployment.

3). Compassionate Leave

Every employee is entitled for 3 consecutive working days on the death of their immediate family member.

4). Bonus

The bonus will be granted to employees at a rate of 30 % of the monthly salaries depends on the company's performance.

5). The Annual Increment

Employees will be paid with an annual increment based on the individual performance at a rate of 5% to 30% per annum. Those who fail to achieve the performance standard will not be granted with an annual increment.

SOCIAL SECURITY ORGANIZATION (SOCSO)

The main function of SOCSO is to provide social security protection to employees and their dependants through the Employment Injury Scheme and the Invalidity Scheme.

- The Employment Injury Scheme provides protection to employees against occupational injuries including occupational diseases and commuting accidents. The Invalidity Scheme provides 24-hour protection to employees against invalidity or death due to any cause outside working hours and not related to employment. Both schemes provide cash benefits to employees and their dependants in the event of unforeseen incidents, in addition to providing medical treatment, physical rehabilitation or vocational training.
- SOCSO also conducts implements accident prevention activities through occupational safety and health awareness programmes among employees and employers. The rate of contribution is 1.25% per month from the insured salary option. Monthly contribution is subject to the ceiling of the insured wage of RM4,000.00 per month.

EMPLOYER PROVIDENT FUND (EPF)

As an employer, the responsibilities include paying EPF contributions in respect of any person engaged to work under a Contract of Service or Apprenticeship. Subject to the provisions of section 52, every employee and every employer of a person who is an employee within the meaning of this Act shall be liable to pay monthly contributions on the amount of wages at the rate respectively set out in the Third Schedule (Section 43(1), EPF Act 1991).