



اَبُو بَكْرٍ سَيِّدِي تَبَكُّوْا لَوْ كُنْ مَبَارَا  
UNIVERSITI  
TEKNOLOGI  
MARA

## BUSINESS PLAN

### MAGICA ENTERPRISE



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<b>Group</b>	<b>:</b>	<b>MAC2204B</b>
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## **1.0 EXECUTIVE SUMMARY**

Magica Enterprise is a partnership company under a high-technology and electronics industry. The company that is based in Kuala Lumpur aimed to make it easier for people to have blended water everywhere without needing to bring a blender, to save electricity using the voice over system that replaced cord and battery, and to save money from buying separate electronic products. This idea to make this product arose after seeing that the electricity consumption in Malaysia is on a high value every year. Therefore, we decide on what to help our country reduce the electricity consumption. Through this, users can bring our product everywhere, as this portable bottle includes all in one without cords nor battery, and with only a bottle sized that is easy to carry. Our product offers a complete package of ice-maker, blender, and bottle to fill the liquids. With this, it is easy to travel, camping, picnic or even living in secluded areas that have no electricity. People can enjoy blended juices and water straight from the blender. Moreover, the unique feature which is the voice over system that can recognize voice commands makes it easier to bring anywhere.

From this business, our company achieved competitive advantage for these 2 years of operation. These are technology-based advantage, first-mover advantage and cost-based advantage. For technology-based advantage, as our source of business is based and relies on technology, it has an important effect on the basis of competition. For the first mover advantage, it occurs when the seller first sells and introduces the first new product to the market. With this, we are able to have a larger share in the market while the attractions and demand is still high and unique. Lastly is the cost-based advantage. It is the most obvious way to get the competitive advantage as people will always find a way and choose the place that gives a cheaper price than others.

Our company's target customers are adults including teenagers above 15 years old. There is no limit according to gender, race, occupation, religion or educational level. During our first 6 months operations, we were not able to achieve our goal, due to the serious COVID-19 outbreak. However, people started to give interest after seeing all the marketings and promotions with an affordable price. This results in growth of profit by RM 50,000 every year. This growth consistently rises in the next year, and we think that our business can be very helpful to people. Therefore, we are continually upgrading our product to be able to achieve our next goal, which is expanding in the Malaysia market, and also globally.

## 2.0 COMPANY PROFILE

### 2.1 COMPANY NAME AND LOGO

Name of the company: MAGICA ENTERPRISE

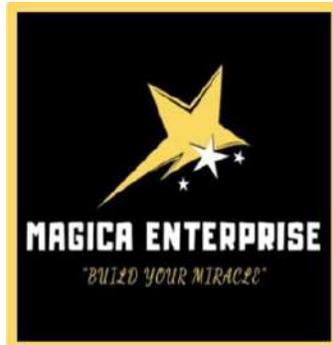


Figure 1.0: Company logo

### 2.2 COMPANY BACKGROUND

Name of company	Magica Enterprise
Business address	Block 4-D, Tingkat 1, Jalan ½ Permai, 50000 Kuala Lumpur
Website	www.magica.enterprise.com
Email	Magica.ent@gmail.com
Telephone number	04-3000120
Form of business	Partnership
Main activity	Produce voice over ice maker and blender bottle
Date of commencement	20 January 2020
Date of registration	1 December 2019
Registration number	201902119099 (003489672-T)
Name of bank	Maybank Berhad
Bank account number	

Table 1.0: Company information

Magica Enterprise which started in the early year of 2020 in Kuala Lumpur. The business is a partnership that consists of 4 members that have been friends for a long time and cooperate together to produce the unique things that will give benefits to all people. The members of Magica Enterprise produce the product namely Magical Spoken Bottle which is voice over ice maker and blender bottle. Moreover, Magica Enterprise just only has a shop to store the stock and prepare the order for the main business but does not have a shop that customers can buy directly with the voice over system specially made from a factory in Japan that needs the customer to make a pre-order of the product.

- Objectives** :1. To make it easier for people to have blended water anywhere
2. To save electricity with the voice over system that replaced the cord or battery
  3. To save money from buying separate things
- Vision** : To become one of the best companies enhanced the voice over system in the technology industry in Malaysia and International level
- Mission** : To provide the uniqueness of high-quality products to the users, to minimize the usage of electricity, make the people feel affordable about the product they buy and encourage the people about advanced technology.
- Motto** : Why Buying, When You Can Just Make It
- Tagline** : Build Your Miracle

### **3.0 ENVIRONMENTAL INDUSTRY ANALYSIS**

#### **3.1 NATURE OF INDUSTRY**

Magica Enterprise is a high-technology and electronics company that specialize in high-technology electronics. Our target market is adults of all ages. Our product includes both the ice-maker and the blender without using battery nor electrics. We introduced both the ice-maker and the blender so that people could save money from buying two separate things. Not only that, we also offer the electronic product that comes with a technology advanced, which is the voice over system.

People nowadays need electronics to make their life easier. For example, baking cookies in an oven is quicker than baking it on the stove. Even the stove is an electronic thing. We aim to become one of the best companies to enhance the voice over system in the technology industry in Malaysia and International level. Through this, we provide a high-quality product, but affordable to the users besides to minimize the usage of electricity.

Since we opened our business in the year 2020, and not long after that, Covid-19 breaks, the product receives a lot of attention as people quarantine tends to scroll the internet searching for unique things out of boredom. It becomes a popular demand, as people become attracted to the voice over system bottle, especially with the price that is affordable.

### **3.2 TRENDS**

Magica Enterprise that is based in Kuala Lumpur has many potential customers living there. Basically, there are no other companies that sell the same types of products as us that makes us have no competitors. Most of the people living there afford to buy our product. Therefore, it has more reasons for people to buy the product. Our factory that is based in Japan makes people become interested as mostly Japanese products come in handy and high quality.

For the demographic, our target customers are adults of all ages, including the students. There are no boundaries for the genders. Both men and women can enjoy our product without discrimination. We also consider the average people, so that everyone could enjoy our product with an affordable price, but a high-quality product. We also introduce the voice over system to all so that people will be up to date with the advanced technology that evolves around us.

### **3.3 KEY SUCCESS FACTORS**

#### **1) MARKETING**

Magica Enterprise uses several platforms to promote our product. We use virtual marketing using our official social media sites like Instagram, Facebook and Twitter, and also physical marketing such as brochures, pamphlets, posters, and even our own business cards to give out to people.

#### **2) QUALITY OF PRODUCTION**

As usually there will be difficulties and technical problems in making electronics products, especially the ones that come with advanced technology, we Magica Enterprise always prioritize the quality of our product. We check and test the product several times, especially the voice over system, so that there will be no problem occurring when the product arrives to the customers. We upgrade our product many times until the best result comes.

#### **3) FINANCING**

Our accounting managers always key in the figures in the statement after checking and confirming all the details of the transactions. This reduces the possible misstatement that may happen. We are also having segregation of duties to ensure that there is no fraud in accounting the statements.

## 4.0 DESCRIPTION OF VENTURE

### 4.1 DETAIL OF PRODUCT/SERVICE

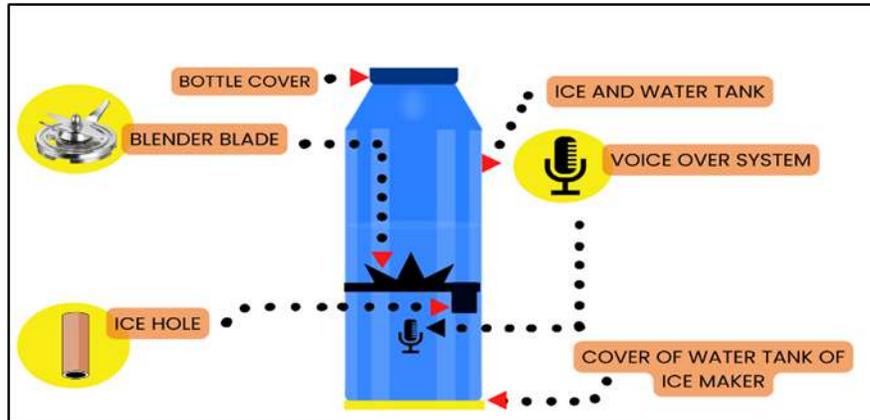


Figure 2.0: Product detail

Magica Enterprise produces voice over ice makers and blender bottles. The primary use is to enable customers to use the bottle as a blender and ice maker just in one bottle. Most competitor's products out there have just one function in one product. Therefore, regarding this product function, the customer will have a good benefit of the product such that the customer does not need to buy separate things that will save their money. Since the product is designated as bottle shape, the customer can drink directly after finishing, use the blender or make the ice and easy to bring anywhere and keep in a bag. Moreover, the unique features of Magical Spoken Bottle are the voice over system part in the bottle that replaces the battery and USB charger. These kinds of features give benefits to customers in a way to save the electric consumption and knowing about the advanced technology. Most of the products out there, they need to put a battery or charge with USB before use it. Fortunately, products of Magica Enterprise have a long period of usage of the bottle since the bottle follows the voice by the user to do the work that requires no need to put any battery or charge. Other than that, the unique feature is the bladder of the blender will flip down to ensure the security of users when they drink their drink directly from the bottle and will flip up back when the user says "on blender". For the ice maker part will be automatically off when the ice is full.

## **4.2 PROBLEMS SOLVED**

In making a product, the company already has their own plan to solve the certain problem regarding making the product valuable and give chances to the users to feel the uniqueness of the product that might make the customer will be loyal to the company's product. The problems that Magica Enterprise may manage and control such as electric consumption. As we know nowadays products at the market usually need to charge with a USB charger to ensure the product will function. This situation, the users cannot control their electric usage daily. Other than that, the problem will be solved by Magica Enterprise is usage of money. Since we know not all products out there have two functions or more in one product that need the customer to buy a few separate things that might increase the money spent by the customer to buy the product and will decrease their loyalty to the company's product. In addition, the customer also needs to spend money to buy an extra battery after the battery already achieves its limit usage. Lastly, Magica Enterprise want to help people nowadays since they are lack of exposure to technology and make the people of falling behind about the advanced technology development and do not familiar to use the product that included of high technology.

## **4.3 VALUE PROPOSITIONS**

Magica Enterprise produces a product that is different from all competitor's products as the company's products are combined of two functions in one product which is ice maker and blender bottle. By creating this product, the customers will feel worth the price and indirectly make the customer make our company product as their favorite and will recommend our product to others. Besides, the company also enhanced advanced technology through the product which is a voice over system that does not need the customer to put battery or charge the product that will enable customers to feel easy to use the product. This situation will not trouble the customer to find a wire USB and port to charge the bottle and buy an extra battery when the battery runs out suddenly. Magica Enterprise wants customers to pay the money value with the product function that is affordable to buy by everyone. Furthermore, the company also wants all people in this country to follow the development of technology. All of these are related to the solution of the problems that Magica Enterprise will contribute to the economic benefit.

#### **4.4 COMPANY SUCCESSFUL**

Magica Enterprise believes that our company will be successful and contribute to the economic benefit in the future. Our company has made research and development to ensure the product that will make our target customers have a good quality product and affordable. Our company has been successful in managing the problems of the existing product in the market by making the customers feel the differences of function between our product and other competitor's product. Besides, Magica Enterprise wants the customers to feel valuable with the price they could pay as the bottle price is affordable. Moreover, our company also enhanced advanced technology through the product to ensure the customer follows the technology development nowadays and avoid them falling behind about the technology. As a result, our company managed to achieve all the objectives and believe it can expand the business internationally as the company makes products with advanced technology.

#### **4.5 DEMONSTRABLE CUSTOMER DEMAND**

Magica Enterprise makes some study regarding the people who love to buy portable blenders or ice makers. Regarding that, our company finds that the people want to make their own healthy drink in a fast way but at the same time easy to bring anywhere. Unfortunately, most of the customers face their own problems such as they need to spend money to buy an extra battery and need to charge the portable blender for a few hours before the portable blender or ice maker can be used successfully. Therefore, Magica Enterprise created a product namely Magical Spoken Bottle which is a voice over ice maker and blender bottle. By creating this product, our company give opportunity to the customer as they will save money from buy separate thing anymore since our product combined of two function and the customer will feel the price they would pay is valuable as the product they will not spend their money anymore to buy extra battery and maximum their electricity consumption to charge the bottle as our company replace with voice over system. Hence, our product is always demanded by the customers.

#### **4.6 EXISTING COMPETITION**

Other than Magica Enterprise which our company creates a voice over ice maker and blender bottle, there are also other companies that create the same product and become our company's competitor. The first company is Bevo Aiden that produces Aiden Bevo USB Rechargeable Electric Juicer Blender Portable Bottle Juicer. Second competitor is Hangzhou Hongyong Technology Development Co, LTD which produces Portable Ice Ball Maker Kettle. Life Warehouse which produces LWH Fairy Juice Blender Portable also became our company's competitor. Last competitor is Blendjet that produces Portable Blender. All these existing competitors give the opportunity to Magica Enterprise to make the product become known to the people as our product has their own uniqueness which is the bottle product does not use any battery or need to charge but replace with voice over system.

#### **4.7 TIMELINESS (Major events that will take place in the short and long-term future)**

As Magica Enterprise is new to the industry and enhanced the advanced technology through the product, Magica Enterprise spread the information about the product through all people in Malaysia using social media platforms such as Instagram, Twitter, Facebook, and TikTok. This way there will be events that will take place in the short-term to the company. Other than that, we always come out with videos of the product in the YouTube channel of Magica Enterprise to attract the people to buy our product. Moreover, for long-term events, the company will collaborate with a few companies that have good potential in promoting our product in the long-term to increase our potential customer's level of confidence to buy our company's product and repeat the order.

**5.0 MARKETING ANALYSIS AND COMPETITION**

**5.1 TARGET MARKET**

Magica Enterprise is located at Kuala Lumpur which is located at a strategic location that has many adult populations and most of the people having a higher cost of life. However, Magica Enterprise does not have a shop where customers can come directly but the location of the shop is a place for the staff in order to store the product, take and record orders and also packaging the product. Our target market is focusing on all adults of all ages in Malaysia. Magica Enterprise does not want to limit the target market on gender types. Our business believes that this product will attract adult people since our product has many special advantages that no other product and also people nowadays want a product that will make their daily life easier and faster.

<b>TYPES OF MARKET SEGMENTATION</b>	<b>GROUP CHARACTERISTICS</b>
Geographic	<ul style="list-style-type: none"> <li>● Place: Malaysia</li> <li>● Population: 32,700,000 people</li> <li>● Urban and rural</li> </ul>
Demographic	<ul style="list-style-type: none"> <li>● Adults</li> <li>● Women and men: 25,179,000</li> <li>● Age: all adults ages               <ul style="list-style-type: none"> <li>→ Family size</li> <li>→ Working women and men</li> <li>→ Female and male students</li> <li>→ Teenagers above 15 years old</li> </ul> </li> <li>● Income: Lower to high</li> <li>● Target: No limit accordance to gender, races, occupation, religion or educational level</li> </ul>

Psychographic	<ul style="list-style-type: none"> <li>• All adults in Malaysia who always use ice maker and blender bottle</li> </ul>
Behavioral Segmentation	<ul style="list-style-type: none"> <li>• Time efficiency</li> <li>• Environmental care</li> <li>• Saving money</li> <li>• Cost benefits</li> </ul>

Table 2.0: Market segmentation

## 5.2 THE NEED OF PRODUCT/SERVICES

Product of Magica Enterprise is Magical Spoken Bottle which is a voice over ice maker and blender bottle which has an advanced technology voice over system. As we know today, technology is becoming more effective and updated day by day and follows the trend of the use of people. The business created this product is to enhance the people about the technology that is to ensure the people not falling behind about the technology. Besides, as a trend nowadays, most of the products are created with wireless chargers and portable. Therefore, our business takes an approach to make something different that will make the users love our product. Our product is a combination of two functions: an ice maker and blender that allows people to save their money from buying separate things that might be more costly. Other than that, our different part of our product is the voice over system that the bottle follows the instructions from the users. Our business is already investigating other products that need to insert a battery and charge the bottle that need the users to buy a battery and make the electricity cost higher. Hence , Magica Enterprise makes a product in which there is no need to insert battery and charge and the bottle has a long life expectancy. So the users who care about the saving of electricity and care about saving money and falling behind about the technology will feel surprised when they buy and use our product.

**5.3 MARKET SIZE AND THE UNITS OF PRODUCTS AND SERVICES**

**5.3.1 MARKET SIZE**

In order to become involved in the industry, Magica Enterprise made a decision to register in e-commerce websites to ensure our business platforms and market segments will be smooth and systematic. Today we are already familiar with online shops, websites etc among the people. Moreover, with this kind of online business as a platform such as a website, people can easily make their own style of business platform to ensure their product will be attractive to the people. For example, Shopee, whatsapp etc. By using all these platforms, the people can easily and enjoy themselves in order to make any purchase because they do not need to go out of their place and just wait for the product to be delivered to them successfully. Besides, in the target market of Magica Enterprise, the business target for all ages of adults as the buyers of our product. There are almost 32.7 million adult people in Malaysia. So, the business targets to get 30% of the number of adult people as our buyers by the existing product and repeat the purchases. Since we are not limited to men or women, so all adult people of all ages and gender can buy the product. This is aligned with the product that is friendly to the consumers that easily makes their own drink and others. Hence, Magica Enterprise believes that 30% of the adult population in Malaysia will make our product as their things to purchase.

<b>Product/service Market Share and Sales</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Market share (%)</b>	15%	25%	35%
<b>Total sales (RM)</b>	1,133,058	1,888,430	2,643,802
<b>Total sales (RM)</b>	56,652,900	94,421,500	132,190,100

Table 3.0: Market share and sales

**Market size in value:**

Total population of adults in Malaysia	25,179,000 people
Target market	40% x 25,179,000 people
Market size	7,553,700 people
Product price per unit	RM 50
Market size in RM (Total market size of blender bottle in Malaysia)	7,553,700 x RM 50 = 377,686,000

Table 4.0: Market size in value

**5.3.2 MARKET SHARE**

**Market share before entering the market:**

Competitor	Market share (%)	Total sales (RM)
Aiden Bevo	70	264,380,000
Hangzhou Hongyong Technology Development Co, LTD	10	37,768,600
Lifewarehouse	10	37,768,600
Blendjet	10	37,768,600
<b>Total</b>	<b>100</b>	<b>377,686,000</b>

Table 5.0: Market share before Magica Enterprise entry to market

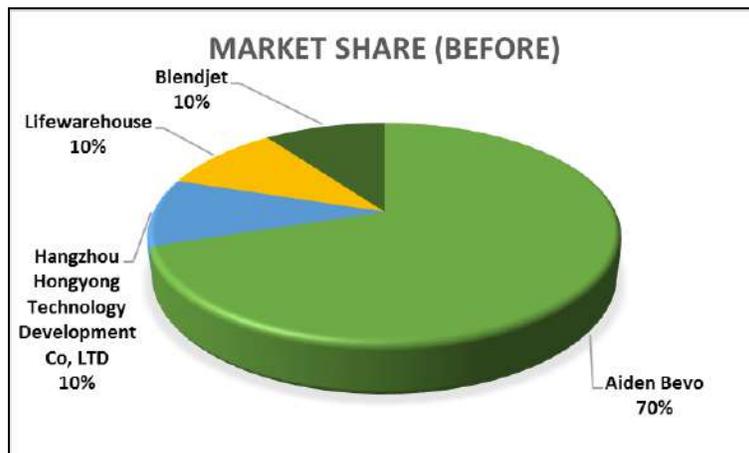


Figure 3.0: Market share before Magica Enterprise entry to market

**Market share after entering the market:**

Competitor	Market share (%)	Total sales (RM)
Aiden Bevo	40	169,958,700
Hangzhou Hongyong Technology Development Co, LTD	10	37,768,600
Lifewarehouse	10	37,768,600
Blendjet	10	37,768,600
Magica Enterprise	15	56,652,900
<b>Total</b>	<b>100</b>	<b>377,686,000</b>

Table 6.0: Market share after Magica Enterprise entry to market

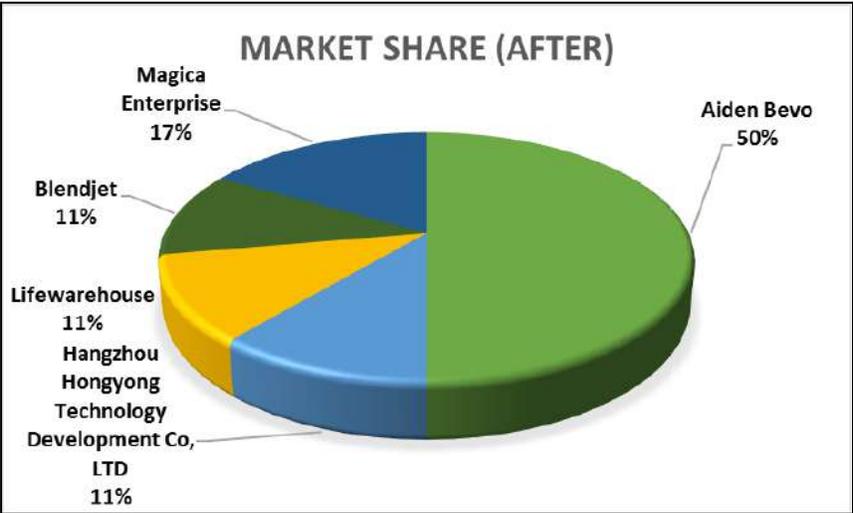


Figure 4.0: Market share after Magica Enterprise entry to market

#### 5.4 FORECASTS OF POTENTIAL REPEAT-PURCHASE VOLUME

Since our target market size is to achieve 30% of the adult population in Malaysia, we are forecasting our product potential repeat-purchase volume which will increase around RM50,000 and might be the repeat buyer of our products every year. The market might be affected by the economic changes if our country has a bad economic level, so our target market size will decrease from the normal target. If the customers do not have good financials, then it will limit the people to purchase any product in the market. Other than that, if there are demographic changes, it might increase or decrease our target market size. For example, if the number of adult population in Malaysia decreases it will affect the percentage of our target market and vice versa.

<b>MONTHS</b>	<b>SALES FORECAST (RM)</b>
January	70,000
February	70,000
March	70,000
April	70,000
May	70,000
June	70,000
July	70,000
August	70,000
September	70,000
October	70,000
November	70,000
December	70,000
<b>Total Year 1</b>	<b>3,500,000</b>
<b>Year 2</b>	<b>3,550,000</b>
<b>Year 3</b>	<b>3,600,000</b>

Table 7.0: Sale forecast

## **5.5 HELPFUL BARRIERS**

Every business in this world will have challenges from the other competitors, the same to Magica Enterprise. Besides, in order to ensure our product is not having bad competition from other competitors, our business might be involved in a few helpful barriers to entry that may protect our product from the competition such as technology and regulation. Firstly, according to the technology barriers, our business will ensure our business will make our product always updated about the technology since the business already enhanced the voice over system throughout the product by analyzing potential problems of the technology that might make the voice over system become slow and not functioning in a long life expectancy. This is to ensure our target market does not change our product to another competitor's product. Second, the barrier of regulation also might help our business since our product was created with a voice over system. With some regulation, our business can take action against other competitors that try to copy our product in an illegal way. This might be costly to our business that increases our expenses but it will save our product branding.

## 5.6 COMPETITION AND COMPETITIVE EDGES

Competitors	Strengths	Weaknesses
<p>Aiden Bevo</p> <p>Aiden Bevo USB Rechargeable Electric Juicer Blender Portable Bottle Juicer</p>	<ul style="list-style-type: none"> <li>● Made up of durable, tough, high-quality borosilicate glass</li> <li>● Food grade ABS which is BPA free, eco-friendly, and safe material forms the cap</li> </ul>	<ul style="list-style-type: none"> <li>● Only up to 6 blending cycles in a single charge</li> <li>● Cannot refrigerate the bottle</li> <li>● Moderate price</li> </ul>
<p>Hangzhou Hongyong Technology Development Co, LTD</p> <p>Portable Ice Ball Maker Kettle</p>	<ul style="list-style-type: none"> <li>● Easy to making 17 full ice balls at a time</li> <li>● Convenient to use and clean</li> </ul>	<ul style="list-style-type: none"> <li>● Moderate price</li> <li>● Old style design</li> </ul>
<p>Lifewarehouse</p> <p>LWH Fairy Portable Juice Blender</p>	<ul style="list-style-type: none"> <li>● Waterproof structure</li> <li>● Wireless charging</li> </ul>	<ul style="list-style-type: none"> <li>● High price</li> <li>● Limitation of color optional</li> </ul>
<p>Blend Jet</p> <p>Blendjet 2 Portable Blender</p>	<ul style="list-style-type: none"> <li>● Water-resistant</li> <li>● Lightweight and durably constructed</li> <li>● Big blender performance, compact size</li> </ul>	<ul style="list-style-type: none"> <li>● Only up to 15 times blend in a time</li> <li>● High price</li> </ul>

Table 8.0: Competitor's strengths and weaknesses

## 5.7 MARKETING STRATEGY

### 1) Pricing strategy

Before setting the price of the product, we survey the price of the ice-maker machine and the blender if to be bought both. We also search for the latest price of the voice-over technology system, and also the total cost of making the product. We made sure that the price of the product set is affordable and customers will save their money from buying 2 types of products like the blender and ice-maker machine which is amounting RM50 per bottle. Besides that, we also made sure that we will gain some profit, and the price set is not too cheap, which could lead to our loss.

### 2) Sales tactics

Sales tactics used to sell our product are through our own sales force and also through distributors. In order to widen the sales of the product, we decided to use a distributor method so that our product will be widely known to many retailers. Some experienced distributor that has acquaintances with retailers will indirectly introduce our product. It also assumes less risk as the distributor will purchase, shipping, and invoicing the product upon the order.

### 3) Service and warranty policy

The product does not require the installation service as the product is readily installed. Customers who bought the product just need to click on the button, and the product is set to use. However, we do have warranties for 3 months in case anything goes wrong with the product. We offer help service for any problem involved with the product. The customer just needs to call the help-line that is connected to our customer service department. In any case if the staff from the service department could not repair the product the customer bought, then we will replace the product with a new one. Within the 3 months, all the services involved or the replacement are free of charge.

#### 4) Advertising and promotion

This company uses various approaches to promote the product. We make an official website that includes all the details about the product. People can make their survey and research based on all the information stated in the website. Also, we open our official social media such as instagram, twitter and facebook to post our infographics and posters. Not only that, we also make a video content on how our product works, as a teaser to attract customers. Other than that, in order to ensure people do not have any social media, the company will do advertising or promotion through banners, flyers and also distributing our business cards.

#### 5) Distribution

Our company uses dual distribution where we, as a manufacturer, sell our product directly to the customers and indirectly through third-party distributors and retailers, such as Amazon, factory outlets and local shopping malls. This method allows us to bring our product to reach a larger market. It involves the distributors and brokers. The brokers tend to handle the sales of the products while the distributors transport the products from manufacturers to the retailers with profit.

## 5.8 MARKETING PERSONNEL

### 5.8.1 List of marketing personnel

POSITION	NUMBER OF PERSONNEL
Marketing manager	1
Marketing assistant	1
Advertising staff	1
Digital marketing staff	1

Table 9.0: List of marketing personnel

### 5.8.2 Organizational chart of Marketing Department



Figure 5.0: Organizational chart of Marketing Department

### 5.8.3 Remuneration of Marketing Personnel

Position	No.of personnel	Monthly salary (RM)	EPF (13%) (RM)	SOCSSO (RM)	TOTAL
Marketing manager	1	3,000	390	68.60	3,458.60
Marketing assistant	1	2,200	286	50.60	2,536.60

Advertising staff	1	1,500	195	34.90	1,729.90
Digital Marketing staff	1	1,500	195	34.90	1,729.90
<b>TOTAL</b>	<b>4</b>	<b>8,200</b>	<b>1,066</b>	<b>189</b>	<b>9,455</b>

Table 10.0: Remuneration of Marketing Personnel

#### 5.8.4 MARKETING BUDGET

Item	Fixed Asset (RM)	Monthly Expenses (RM)	Other Expenses (RM)
<b>Fixed asset</b> Vehicle - Van	25,000		
<b>Working capital</b> Salary, EPF, SOCSO Transportation cost		9,445 250	
<b>Other expenses</b> Flyers Business card Banner Advertising Insurance Road Tax			200 200 800 3,000 1,200 250
<b>TOTAL</b>	<b>40,000</b>	<b>9,695</b>	<b>5,650</b>

Table 11.0: Marketing budget

## 6.0 OPERATIONS /PRODUCTION PLAN

### 6.1 DEVELOPMENT

#### 6.1.1 POSSIBLE LOCATION

In November 2019, Magica Enterprise started by registering a business and then finding the strategic location. Magica Enterprise is located at Blok 4-D, tingkat 1, Jalan ½ Permai, 50000 Kuala Lumpur. We chose this location based on several factors, including infrastructure, transit, distance, and environment. Furthermore, given that our store is in Kuala Lumpur, we consider our location to be important as it is a very strategic location in the middle of Kuala Lumpur. However, Magica Enterprise does not have a specific shop for customers to buy directly but the location of the shop is a place for the staff in order to store the product, take and record orders and also to make and pack the product for customers. In January 2020, we started fully operational.

#### 6.1.2 SOURCE OF EQUIPMENT

Most of our supplies and equipment are sourced in Kuala Lumpur which can indirectly reduce the transportation cost and delivery can be done in a short time. Other than that, there is also equipment sourced from overseas.

<b>EQUIPMENT</b>	<b>SUPPLIER</b>
Printer	Iconet Computer
Computer	Iconet Computer
WIFI	TP Link Services
Air Conditioner	TBC Electrical Chain Store
Fan	TBC Electrical Chain Store
Screw Press Machine	Jiangxi Zhengtu Sports Industry Co., Ltd
Laser Printing Machine	Jiangxi Zhengtu Sports Industry Co., Ltd
Cutter Machine	Jiangxi Zhengtu Sports Industry Co., Ltd

Table 12.0: List of equipment and Supplier

### 6.1.3 PRODUCTION FLOW

#### **The Process Chart**

Design the Magical Spoken Bottle.



Measure all parts of the bottle and identify the raw material and equipment to produce the Magical Spoken Bottle.



Identify the suppliers that can provide all of the raw material and equipment that is needed to produce Magical Spoken Bottle.



Make a payment to the suppliers after getting all of the materials and equipment.



Check the quantity and quality of the material and equipment that have been received.



Divide the materials to every section and let professionals install everything for the Magical Spoken Bottle.



Create the product according to the sequence of processes set by the company.



Once settled, it will be checked and tested first.



Process done and the finished product can be stored.

Figure 6.0: Activity flow for process making the product

**Flow Chart Production For Each Unit of Magical Spoken Bottle.**

Open the store at 10 a.m



Check all of the material to be used for the process.



Install and cut the PVC for the bottom part of the bottle.



Combine the bottom and top of the bottle.



Install the blade on top of the iced maker.



Insert the Voice over system chip outside the bottle.



Each unit of Magical Spoken Bottle will be tested first before being released.

Figure 7.0: Activity flow for the production

## 6.2 PRODUCTION

### 6.2.1 MANPOWER PLANNING

Business and Operations hours:

Business hour	= 10 Hours per day ( 10 a.m until 8 p.m )
Operating hour	= 10 Hours per day (10 a.m until 8 p.m)
Working days	= 6 days per week (Monday – Saturday)
Salary per staff	= RM 1500 per month
Over Time fee	= Rm 11 per hour
Total Operations Cost	=14,690 + 7,480 + 7,650
	=29,820

### 6.2.2 FACTOR EFFECT TIME FRAME

It is normal for every business operating to always face factors that will affect their business. There are some factors affecting our business time frame such as failures at supply sources, transportation issues or unforeseen weather factors. This is a major factor that can cause the delivery schedule to be delayed. There is a risk of delaying the manufacturing process or the manufacturing period becoming slower, if supplies cannot be delivered on time. In addition, employee's factors can also affect our business time frame. For example, regularly take sick leave and vacations. Human error is also one of the problems that affect businesses. For example, failure to provide services properly. Our company also depends on utilities, so in the event of a power outage problem will have a negative impact on the manufacturing process and so on.

## 6.3 FACILITIES

### 6.3.1 LOCATION PLAN

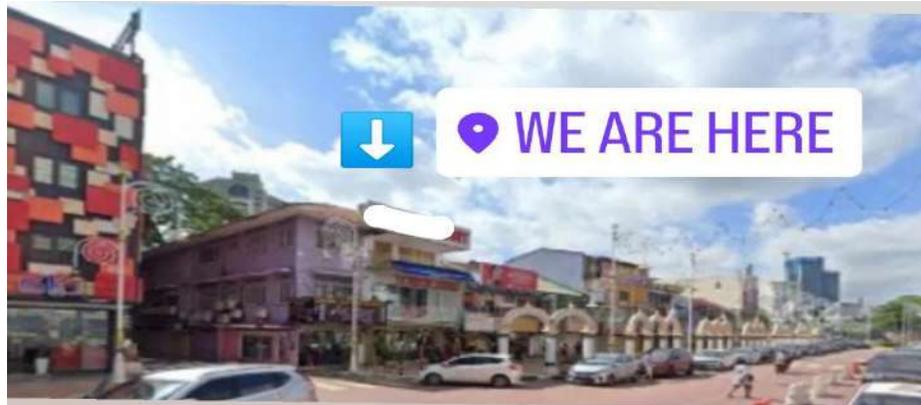


Figure 8.0: Map location of Magica Enterprise

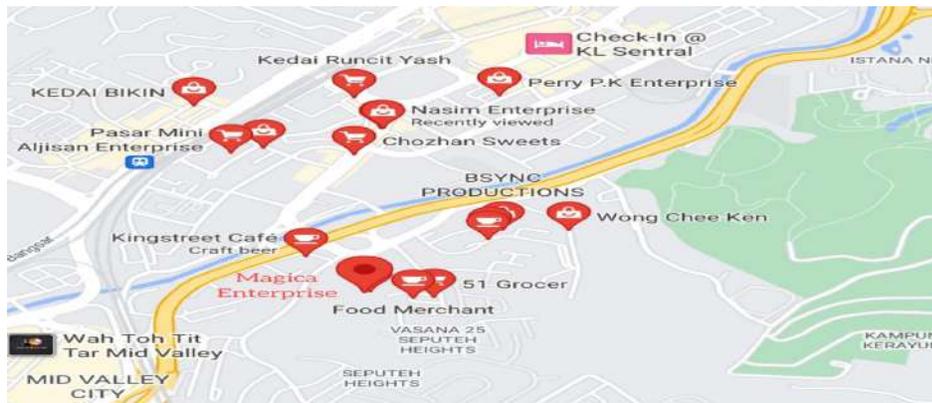


Figure 8.0: Business location of Magica Enterprise on google map

The diagram above shows the location of our premises located in Blok 4-D, Tingkat 1, Jalan ½ Permai, 50000 Kuala Lumpur. This premise is a place provided to conduct our business but it is not a walk in store for customers to buy but only for stock keeping, making products, packing orders, recording orders and the location to pick up orders by the courier only. Our store takes place on the first floor. We chose this place because this location is very strategic where it has a large adult population and most of them have a higher cost of living. In addition, the location is also very convenient to get public transportation for employees who use Grab, taxis and buses. This location not only makes it easier for staff but also makes it easier for our suppliers to come to our place to deliver supplies. Our premises are also close to various shop facilities such as CIMB Bank, laundry, restaurants and grocery stores. So we don't have to go far to find what we want.

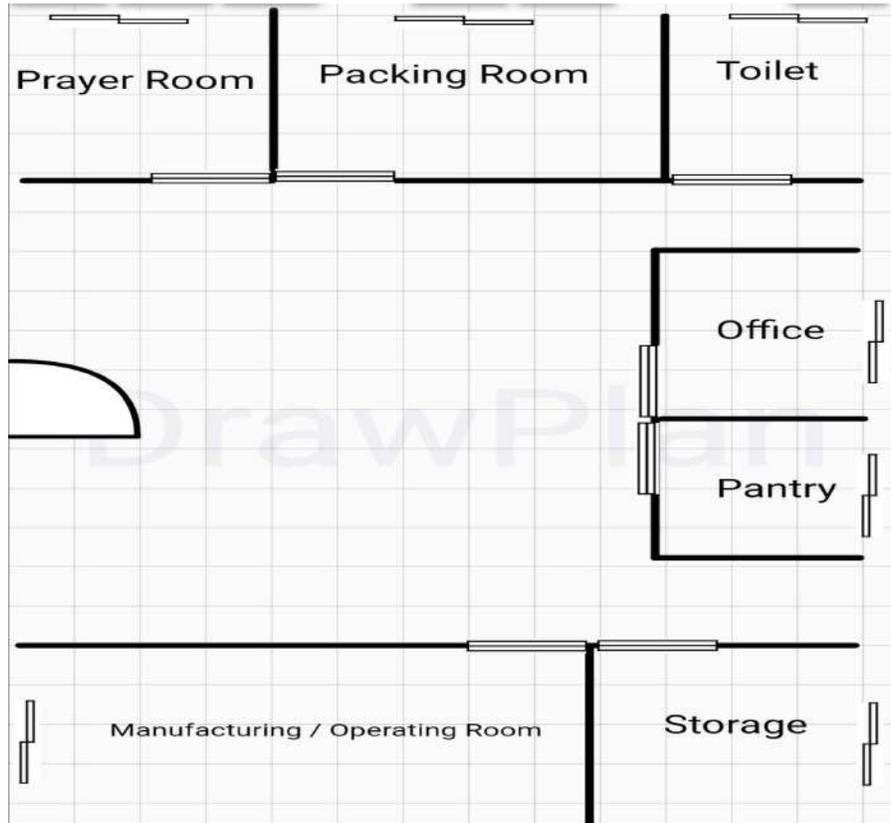


Figure 9.0: Layout for process- based operation

Magica Enterprise is more focused on manufacturing operations, then process -based operations layout. The layout is designed to simplify the manufacturing process so that it is more organized and simple. There are also stores available for storage of stock, supplies or finished products. It will be easy for staff to load supplies and all equipment because it is on the same floor. In addition, we also provide pantry, toilets and prayer rooms available for use by employees and others.

### 6.3.2 MAINTENANCE / UTILITIES / OVERHEAD COST

NO	TYPES OF COST	TOTAL (RM)
1	Electricity	2000
2	Water	400
3	Telephone Bill	300
4	Internet (WIFI)	300
5	Computer Maintenance	250
6	WIFI Maintenance	250
7	Printer Maintenance	300
8	License and Permit	250
9	Rental Deposit	1,500
10	Rental	2,100
11	Training Cost	500
	<b>Total</b>	<b>8,150</b>

Table 13.0 : Table of total maintenance, utilities and overhead cost

Table 6.3 shows the total maintenance, utility and overhead costs. Magica Enterprise is estimated to incur a total cost of RM 8,150 in its entire operation. All equipment such as computers, printers and wifi will face additional expenses such as maintenance. The cost of electricity is likely to change every month according to its usage but the amount is almost the same.

## 6.4 STAFFING

### 6.4.1 STAFF NEED

Our operations department consists of an Operation Manager, and three employees and all of it works full time. All employees are required to undergo training before starting employment in our business. Training is important to help new employees to work productively and skillfully. Through the training program, employees can learn many things especially about product

manufacturing and customer management skills. Training can expand their knowledge and improve their abilities and competencies. Not only that, but also to be able to gain new experiences.

#### 6.4.2 MAIN DUTIES STAFF

The operation manager holds the highest position in this department. The operation manager's responsibility is to ensure that employees complete all tasks efficiently. In addition, to oversee day -to -day business operations, hiring staff, managing budgets, increasing revenue, following marketing strategies and developing and implementing growth strategies. While the responsibility of employees is to provide services to customers as directed by the general manager. Our priority is to be able to produce the best products and give satisfaction to our customers.

#### 6.4.3 HOW EMPLOYEES BE SOURCED

The terms and conditions we set are not too strict. The first condition is to have at least an SPM certificate. In addition, specializes in product manufacturing and customer management. We warmly welcome candidates who have in-depth advanced knowledge in this field. We will conduct an interview in advance to find out the potential, knowledge and attitude of the participants. Participants involved will be given a number of questions and problems to solve in a limited time.

#### 6.4.4 EMPLOYMENT RELATIONSHIP

To maintain a healthy work environment, we are very concerned about employee interaction. The best way to attract new employees as well as retain old employees is through effective leadership. To establish strong relationships with employees, managers need to maintain their relationships with all employees regardless of rank or race. Furthermore, our organization appreciates all of the employees from the bottom up as well as top down. The steps taken throughout the operation are maintaining open and honest communication to foster mutual trust. Especially when discussing ideas and devising strategies to improve business results.

#### 6.4.5 TRAINING

All of our staff are trained through a training program. The training will be implemented either in house training or delivered in special programs related to our field. Usually this training program will be done in house training and we will use external trainers to assist in teaching specific skills or abilities to employees. Training sessions require at least three months and each employee has already undergone this training program. A training cost of RM500 will be borne.

#### 6.4.6 ORGANIZATIONAL CHART FOR OPERATIONAL DEPARTMENT



Figure 10.0: Organizational Chart

Figure 6.7 shows the organization chart for the operations department. There is one operations manager, and three other employees indicating a total of four staff members are required in this department. All operations related will be notified, delivered or communicated by the operations manager to her subordinates. The main task focused in this department is to produce products for all customers.

#### 6.4.7 LIST OF OPERATION PERSONNEL AND SCHEDULE OF REMUNERATION

<b>Position</b>	<b>No Of Personnel</b>	<b>Monthly Salary</b>	<b>EPF Contribution (13%)</b>	<b>SOCSSO</b>	<b>Amount</b>
Operation Manager	1	2,000	260	46.10	2,306.10
Staff	3	4,500	585	88.80	5,173.90
<b>Total</b>					<b>7,480</b>

Table 14.0: Table of list of operation personnel and schedule of remuneration

Table 6.4 shows the scheduled remuneration plan for operating personnel. After deducting 13% from the EPF, and SOCSSO, the total salary of the operations manager is equal to Rm 2,306.10 while the total salary for all three employees is Rm 5,173.90. The overall total remuneration is Rm 7,480.

## 6.5 EQUIPMENT

### 6.5.1 EQUIPMENT NEEDS

<b>EQUIPMENT</b>	<b>QUANTITY (UNIT)</b>	<b>PRICE PER UNIT</b>	<b>TOTAL COST (RM)</b>
Printer	2	500	1,000
Computer	4	2,800	11,200
WIFI	1	400	400
Air Conditioner	2	680	1,360
Fan	4	250	1,000
Long Table	4	80	320
Chair	7	50	350
Board	2	55	110

Screw Press Machine	1	8,000	8,000
Laser Printing Machine	1	2,500	2,500
Cutter Machine	1	3,000	3,000
<b>Total</b>			<b>29,240</b>

Table 15.0 : Table of equipment purchase

Table 6.5 shows the total number of equipment to be purchased, as well as the total cost of each equipment, for operation. The company will buy two printers, four computers, one WIFI unit, two air conditioning units and four fans for its operation. There are also some machines needed which are one screw press machine, one laser printing machine and one cutting machine. To acquire all this equipment, the cost of Rm 29,240 will be borne by us. The suppliers for all this equipment are located throughout Kuala Lumpur and China. The shipping cost for the supplies store in Kuala Lumpur to be borne is a bit low due to its location nearby our store.

<b>EQUIPMENT</b>	<b>SUPPLIER</b>
Printer	Iconet Computer
Computer	Iconet Computer
WIFI	TP Link Services
Air Conditioner	TBC Electrical Chain Store
Fan	TBC Electrical Chain Store
Long Table	Recro Furniture
Chair	Recro Furniture
Board	Winsin Stationery Sdn Bhd

Screw Press Machine	Jiangxi Zhengtu Sports Industry Co., Ltd
Laser Printing Machine	Jiangxi Zhengtu Sports Industry Co., Ltd
Cutter Machine	Jiangxi Zhengtu Sports Industry Co., Ltd

Table 16.0: Table of equipment's supplier

## 6.6 SUPPLIES

### 6.6.1 MATERIAL NEEDS

MATERIALS	QUANTITY	PRICE PER UNIT	TOTAL COST (RM)
Printer Ink (Black)	2 Liter	150	300
Printer Ink ( Cyan)	2 Liter	150	300
Printer Ink (Magenta)	2 Liter	150	300
Printer Ink ( Yellow)	2 Liter	150	300
A6 Paper (500 pc per pack)	1 Pack	10	10
Printed Box	300 Box	4	1,200
Bubble wrap (33 Cm x 100 m)	7	40	280
Straw	300	1	300
Brush	300	1	300
Bottle's Bag	300	2	600
Bottle	300	5	1,500
PVC	300	5	1,500
Metal	300	4	1,200
Blade	300	5	1,500
Plastic (Bottle Cap)	300	3	900

Rubber	300	4	1,200
Voice Over System Chip	300	10	3,000
<b>Total</b>			<b>14,690</b>

Table 17.0 : Table of Material

Table 6.7 shows all the materials that will be required in the operating department. The most essential and important materials for our products are bottle, PVC, metal, blade, plastic, rubber and voice Chip. To get a cheap price we will usually buy in bulk rather than buying with a small quantity. Straw, brush and bottle bags are needed as additional accessories while A6 paper, ink, printed box, bubble wrap are for packaging before being picked up by the courier. The overall cost for material is Rm 14,690.

#### 6.6.2 RELIABLE SOURCES AND MAJOR SUPPLIES

<b>MATERIALS</b>	<b>SUPPLIER</b>
Printer Ink (Black)	Iconet Computer
Printer Ink (Cyan)	Iconet Computer
Printer Ink (Magenta)	Iconet Computer
Printer Ink (Yellow)	Iconet Computer
A6 Paper	Winsin Stationery Sdn Bhd
Printed Box	Sarman Printing
Bubble wrap (33 Cm x 100 m)	Bubble Marketing Sdn Bhd
Straw	Anhui Yien Import-Export Trading Co., Ltd
Brush	T Rex Metalware Sdn Bhd
Bottle's Bag	NonWoven Bag Printing
Bottle	Molhit Pack Sdn Bhd

PVC	Sigma Hardware Sdn Bhd
Metal	Kilang Tukang Besi Lee
Blade	Blade Mate Industries Sdn Bhd
Plastic (Bottle Cap)	Molhit Pack Sdn Bhd
Rubber	Preeco engineering Sdn Bhd
Voice Over System Chip	Kamaya Electric Co., Ltd

Table 18.0 : Table of material's suppliers.

## 6.7 OPERATION BUDGET

ITEM	FIXED ASSETS (RM)	MONTHLY EXPENSES (RM)	OTHER EXPENSES (RM)
<b>Fixed Asset</b>			
Machine & Equipment	29,240		
<b>Working Capital</b>			
Raw Material		14,690	
Operation Overhead		2,400	
Utilities		3,500	
Salary (EPF SOCSO)		7,480	
<b>Other Expenses</b>			
Maintenance			800
Training Cost			500
<b>Pre - Operation</b>			
Business License And Permit			250
Rental Deposit			1,500
<b>Total</b>	<b>29,240</b>	<b>27,270</b>	<b>3,050</b>

Table 19.0: Operation budget

## 7.0 ORGANIZATIONAL PLAN

### 7.1 OWNERSHIP STRUCTURE

Magica Enterprise was registered as a partnership company under Partnership Act 1961. Magica Enterprise consists of four people who combine resources to form a business and agree to share risks, profits and losses that is Nur Ainin Sofiya Binti Mohd Hider, Siti Nur Azlindawati Binti Md Zain, Intan Eliyana Binti Azman, and Nurul Izzati Binti Nordin. In the part of liability, the business and owners will operate as one entity and we also have distributed the responsibilities based on our position as managers. The table below shows our ownership percentage.

<b>PARTNERS</b>	<b>OWNERSHIP PERCENTAGE</b>
Nur Ainin Sofiya Binti Mohd Hider	25%
Siti Nur Azlindawati Binti Md Zain	25%
Intan Eliyana Binti Azman	25%
Nurul Izzati Binti Nordin	25%

Table 20.0: Ownership percentage

#### 7.1.1 COMPANY ORGANIZATION CHART



Figure 11.0: Organizational chart of Magica Enterprise

## 7.2 MANAGEMENT TEAM

Our company has four managers whose roles are responsible for the processes of getting activities completed efficiently with and through other people. We also set and achieve the company's goals through the execution of four basic management functions which are planning, organizing, leading, and controlling. We as a higher-level management of Magica Enterprise combined our skills, knowledge, ideas, and experience to start this business and provide services as well. The customers can easily approach us for any questions about products through social media which are WhatsApp and Instagram. It is because we already have a person to handle the customers' needs.

### 7.2.1 MANAGERS AND THEIR ROLES

<b>POSITION</b>	<b>NO.</b>	<b>ROLES</b>
General Manager	1	-Overseeing daily business activities, improving overall business functions, managing budgets, develop strategic plans, and communicating business goals
Administration & Operational Manager	1	-Maintaining financial, employee, and client. -Helps organize schedules, manage payroll and personnel databases, create reports, and offer other clerical duties. -Drafting and mailing customer correspondence and newsletters.
Marketing Manager	1	-Ensure the company is communicating the right messaging to attract prospective customers and retain existing ones. -Develops a pricing strategy which maximizes profits and market share, but still considers customer satisfaction. Supports sales and lead generation efforts.
Financial Manager	1	-Taking care of all the important financial functions of an organization. -The person in charge should maintain a far sightedness in order to ensure that the funds are utilized in the most efficient manner. -Assessing financial details to ensure regulations are met.

Table 21.0: Manager's roles

## 7.2.2 KEY EMPLOYEE POSITION



Figure 12.0: Administration organization chart

Under the administration department based on the chart above, the only one of our key employee positions is Administration Assistant Manager. The assistant will help the managers to ensure that the office is operating and working smoothly. For example, keeping inventory, ordering supplies as well as supervising the maintenance of office equipment.

## 7.2.3 SCHEDULE OF REMUNERATION FOR MANAGEMENT TEAM

<b>Position</b>	<b>Number</b>	<b>Monthly Salary (RM)</b>	<b>13% EPF (RM)</b>	<b>SOCSCO (RM)</b>	<b>TOTAL (RM)</b>
General Manager	1	5,000	650	88.80	5,738.80
Financial Manager	1	3,000	390	68.60	3,458.60
Administration Manager	1	2,000	260	46.10	2,306.10
Administration Assistant Manager	1	1,500	195	34.90	1,729.90
<b>TOTAL</b>	<b>4</b>	<b>11,500</b>	<b>1,495</b>	<b>238.40</b>	<b>13,233.40</b>

Table 22.0: Remuneration of management team

## 7.2.4 RESUMES



FULL NAME	Nur Ainin Sofiya binti Mohd Hider
IDENTITY CARD NUMBER	
DATE OF BIRTH	24 September 2001
AGE	21 years old
PERMANENT ADDRESS	
PHONE NUMBER	
EMAIL ADDRESS	ainin903@gmail.com
MARITAL STATUS	Single
ACADEMIC QUALIFICATIONS	<ul style="list-style-type: none"><li>• Diploma in Business Management</li><li>• Degree in Public sector</li><li>• Master in Business and Administrative</li></ul>
SKILLS	<ul style="list-style-type: none"><li>• Good communication skills</li><li>• Excellent in manage problems</li><li>• Good in leadership</li></ul>
EXPERIENCE	5 year as Accountant in Family Store TTJ
PRESENT OCCUPATION	General Manager



FULL NAME	Siti Nur Azlindawati binti Md Zain
IDENTITY CARD NUMBER	
DATE OF BIRTH	27 JUNE 2000
AGE	22 years old
PERMANENT ADDRESS	
PHONE NUMBER	
EMAIL ADDRESS	azlindawati7@gmail.com
MARITAL STATUS	Single
ACADEMIC QUALIFICATION	<ul style="list-style-type: none"> <li>● Diploma in Accounting</li> <li>● Bachelor in Business and Administrative</li> </ul>
SKILLS	<ul style="list-style-type: none"> <li>● Good in communication skills</li> <li>● Excellent in making proper planning</li> <li>● Good in handling risk problems</li> </ul>
EXPERIENCE	5 year as Administrative manager in TNB
PRESENT OCCUPATION	Administration and Operational Manager



FULL NAME	Intan Eliyana binti Azman
IDENTITY CARD NUMBER	
DATE OF BIRTH	1 March 2001
AGE	21 years old
PERMANENT ADDRESS	
PHONE NUMBER	
EMAIL ADDRESS	eliyanaintan40@gmail.com
MARITAL STATUS	Single
ACADEMIC QUALIFICATION	<ul style="list-style-type: none"><li>• ACCA</li><li>• Master in Business Administrative and Marketing</li></ul>
SKILLS	<ul style="list-style-type: none"><li>• Good ability to manage critical problems</li><li>• Excellent in marketing plan</li><li>• Good in communication skills</li></ul>
EXPERIENCE	4 years as Marketing Assistant in AEON Mall
PRESENT OCCUPATION	Marketing Manager



FULL NAME	Nurul Izzati binti Nordin
IDENTITY CARD NUMBER	
DATE OF BIRTH	08 DECEMBER 2001
AGE	21
PERMANENT ADDRESS	
PHONE NUMBER	
EMAIL ADDRESS	izzatiinordin@gmail.com
MARITAL STATUS	Single
ACADEMIC QUALIFICATION	<ul style="list-style-type: none"> <li>• Diploma in Accounting</li> <li>• ACCA</li> </ul>
SKILLS	<ul style="list-style-type: none"> <li>• Excellent in accounting software</li> <li>• Good in handling risk problems</li> <li>• Expert in decision making</li> </ul>
EXPERIENCE	4 years as Accountat in Malaysia Airlines Sdn Bhd
PRESENT OCCUPATION	Financial Manager

### 7.3 EXTERNAL RESOURCES AND SERVICES

<b>EXTERNAL PROFESSIONAL RESOURCES</b>	<b>NUMBER OF EMPLOYEES</b>
External Accountant	2

Table 23.0: External resources and services

Based on the table above, Magica Enterprise has used services from external professional services which is an external accountant for two people. The external accountant is required to review the financial information of Magica Enterprise to investigate any errors or fraud and also to perform audits on operations and report findings. Besides, the external managers also can help financial managers to evaluate financial statements and assess accounts for accuracy and compliance.

### 7.4 HUMAN RESOURCES

<b>TYPES OF EMPLOYEES</b>	<b>NUMBER OF EMPLOYEES</b>
Human Resource Manager	1
Recruiter	1

Table 24.0: Employees under Human Resource

The employee under the Human Resources department based on the table above is a Human Resources Managers that is responsible for acquiring staff for Magica Enterprise. For example, managing the employee compensation and benefit cost, training the new staff and handling the workplace issues. Other than that, the recruiter is responsible for finding decent employees based on the Magica Enterprise's terms and conditions.

#### 7.4.2 SCHEDULE OF REMUNERATION FOR HUMAN RESOURCES

<b>Position</b>	<b>Number</b>	<b>Monthly Salary (RM)</b>	<b>13% EPF (RM)</b>	<b>SOCSSO (RM)</b>	<b>TOTAL (RM)</b>
Human Resources Manager	1	2,000	260	46.10	2,306.10
Recruiter	1	1,500	195	34.90	1,729.90
<b>TOTAL</b>	<b>2</b>	<b>3,500</b>	<b>455</b>	<b>81</b>	<b>4,036</b>

Table 25.0: Remuneration of Human Resources

#### 7.5 LIST OF FIXED ASSET

##### LIST OF OFFICE FURNITURE AND FITTINGS

<b>ITEM</b>	<b>QUANTITY (UNIT)</b>	<b>PRICE PER UNIT (RM)</b>	<b>TOTAL COST (RM)</b>
Office Table	2	80.00	160.00
Office Chair	2	100.00	200.00
Sofa	2	300.00	600.00
Receptionist Table	1	100.00	100.00
Air Conditioner	1	800.00	800.00
File Cabinet	2	80.00	160.00
<b>TOTAL COST</b>			<b>2,020.00</b>

Table 26.0: Total cost of office furniture and fittings

## OFFICE EQUIPMENT

<b>ITEM</b>	<b>QUANTITY (UNIT)</b>	<b>PRICE PER UNIT (RM)</b>	<b>TOTAL COST (RM)</b>
Printer	2	250.00	500.00
Computer	2	500.00	1,000.00
Office phone	3	50.00	150.00
Water dispenser	1	70.00	70.00
<b>TOTAL COST</b>			<b>1,720.00</b>

Table 27.0: Total cost of office equipment

## 7.6 LIST OF WORKING CAPITALS

### UTILITIES

<b>NO.</b>	<b>TYPE OF COST</b>	<b>TOTAL (RM)</b>
1	Electricity Bill	970.00
2	Telephone Bill	100.00
3	Water Bill	130.00
	<b>TOTAL COST</b>	<b>1,200.00</b>

Table 28.0: Utilities

OFFICE RENTAL

<b>NO.</b>	<b>TYPE OF COST</b>	<b>TOTAL (RM)</b>
1	Rental	1,200.00
	<b>TOTAL COST</b>	<b>900.00</b>

Table 29.0: Office rental

LIST OF OFFICE SUPPLIES

<b>ITEM</b>	<b>QUANTITY (UNIT)</b>	<b>PRICE PER UNIT (RM)</b>	<b>TOTAL COST (RM)</b>
File	15	2.00	30.00
Notebook	12	2.50	30.00
Pen	30	0.50	15.00
Calculator	2	45.00	90.00
A4 Paper (Box)	2	63.50	127.00
Puncher	1	3.00	3.00
Envelopes	20	2.00	40.00
Ink Printer (Black)	3	70.00	210.00
Ink Printer (Colour)	3	85.00	255.00
<b>TOTAL COST</b>			<b>800.00</b>

Table 30.0: Office supplies

## 7.5 ADMINISTRATION BUDGET

ITEM	FIXED ASSET (RM)	MONTHLY EXPENSES (RM)	OTHER EXPENSES (RM)
<b>FIXED ASSETS</b>			
Office Furniture & Fittings	2,020		
Office Equipment	1,720		
<b>WORKING CAPITAL</b>			
Remuneration of Management Team		13,233.40	
Remuneration of Human Resources		4,036.00	
Utilities		1,200.00	
Rental		1,200.00	
Office Supplies		800.00	
<b>OTHER EXPENDITURE</b>			
Other Expenditure	-	-	-
<b>PRE-OPERATIONS</b>			
Business Registration & License	-	-	-

Table 31.0: Administration budget

## 8.0 FINANCIAL PLAN

### 8.1 START-UP COST

<b>START-UP COSTS</b>	
<b>Capital Expenditure: Administrative</b>	<b>RM</b>
Office furniture and fittings	2,870
Office equipment	1,720
<b>Capital Expenditure: Operations</b>	
Machinery	29,240
<b>One-Time Start-up Expenditure</b>	
Installation of equipment	1,200
Starting inventory cost	13,500
Office supplies	800
Advertising for opening	2,000
<b>Other Pre-Operations Expenditure</b>	
Deposit (rent, utilities, etc.)	3,500
Business Registration & Licenses	250
Insurance & Road Tax for Motor Vehicle	2,000
Other Expenditure	
<b>TOTAL Start-Up Costs</b>	<b>57,080</b>

Table 32.0: Start-up cost

## 8.2 WORKING CAPITAL

### WORKING CAPITAL (MONTHLY)

Particulars	RM	FIXED	VARIABLE
<b>Marketing</b>			
Salary, EPF & Socso	9,445	9,445	
Transportation Cost	250		250
Advertising Cost	3,000	3,000	
<b>Administrative</b>			
Salaries and Wages	17,269	17,269	
Rent	1,200	1,200	
Utilities(Office)	1,200		1,200
Office Supplies	800		800
		-	
<b>Operations</b>			
Salary, EPF & Socso	7,480		
Factory Maintenance	-		
Utilities Operation	3,500		
Raw material and packaging	14,690		
Operation Overhead	2,400		
Other Expenditure			21,126
			-
Total Working Capital	61,234	18,469	21,126
Total Working Capital Required	1 month		
Working capital + contingencies (5%)	3,062		
<b>TOTAL</b>	64,296		

Table 33.0 : Working capital

### 8.3 START-UP CAPITAL AND FINANCING

<b>ESTIMATED START-UP CAPITAL</b>	200,000
<b>FINANCING</b>	
Equity: Share & Venture Capital	100,000
Loan	100,000
Annual Interest Rate	8%
Loan Duration (years)	10 years

Table 34.0: Start-up Capital and Financing

## 8.4 CASH FLOW STATEMENT

### MAGICA ENTERPRISE

<b>CASH FLOW PRO FORMA STATEMENT</b>			
	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>
	<b>(RM)</b>	<b>(RM)</b>	<b>(RM)</b>
<b><u>CASH INFLOW</u></b>			
Capital (Cash)	200,000	0	0
Loan	100,000	0	0
Cash Sales	3,500,000	,3,550,000	3,600,000
Collection of Accounts Receivable	0	0	0
<b>TOTAL CASH INFLOW</b>	<b>3,800,000</b>	<b>3,550,000</b>	<b>3,600,000</b>
<b><u>CASH OUTFLOW</u></b>			
<b>Administrative Expenditure</b>			
Salaries, EPF & SOCSO	207,228	207,228	207,228
Utilities (Office)	14,400	14,400	14,400
Rental	14,400	14,400	14,400
Office Supplies	9,600	9,600	9,600
<b>Marketing Expenditure</b>			
Salaries, EPF & SOCSO	113,340	113,340	113,340
Transportation Cost	3,000	3,000	3,000
Advertising Cost	24,000	24,000	24,000
<b>Operations Expenditure</b>			
Cash Purchase	160,000	160,540	170,100
Payment of Account Payable	-	-	-

Carriage Inward & Duty	10,738	10,738	10,738
Salaries, EPF & SOCSO	89,760	89,760	89,760
Operation Overhead	23,431	48,520	48,520
Utilities	36,631	70,800	70,800
<b>Other Expenditure</b>	0		
<b>Pre-Operations</b>			
Deposit (rent, utilities, etc.)	1,500	1,500	1,500
Business Registration & Licenses	250	0	0
Insurance & Road Tax for Motor Vehicle	1,450	1,450	1,450
Other Pre-Operations Expenditure	-	26,925	21,126
Fixed Assets			
Purchase of Fixed Assets - Land & Building	-	-	-
Purchase of Fixed Assets - Others (30,000 + 29,240 + 3,740,)	62,980	-	-
Hire-Purchase Down Payment	-	0	0
Hire-Purchase Repayment:			
Principal	-	-	-
Interest	-	-	-
Loan Repayment:			
Principal	10,000	20,000	20,000
Interest	8,000	8,000	8,000
Tax Payable			
<b>TOTAL CASH OUTFLOW</b>	<b>790,708</b>	<b>824,201</b>	<b>827,962</b>
<b>CASH SURPLUS (DEFICIT)</b>	<b>3,009,292</b>	<b>2,725,799</b>	<b>2,772,038</b>
<b>BEGINNING CASH BALANCE</b>		<b>3,009,292</b>	<b>5,735,091</b>
<b>ENDING CASH BALANCE</b>	<b>3,009,292</b>	<b>5,735,091</b>	<b>8,507,129</b>

Table 35.0: Cash flow statement

## 8.5 INCOME STATEMENT

<b>MAGICA ENTERPRISE</b>			
<b>PRODUCTION COST PRO-FORMA STATEMENT</b>			
	<b>Year 1 (RM)</b>	<b>Year 2 (RM)</b>	<b>Year 3 (RM)</b>
Raw Materials			
Opening Stock	0	20,000	17,800
Current Year Purchases	160,000	160,540	170,100
Ending Stock	20,000	17,800	15,000
Raw Materials Used	146,000	162,740	172,900
Carriage Inward	0	0	0
	146,000	162,740	172,900
Salaries, EPF & SOCSO	89,760	89,760	89,760
Factory Overhead			
Depreciation of Fixed assets (Operations)	5,848	5,848	5,848
Operation overhead	28,800	28,800	28,800
Total Factory Overhead	270,408	287,148	297,308
Production Cost	526,728	539,648	559,968

<b>MAGICA ENTERPRISE</b>			
<b>PRO-FORMA INCOME STATEMENT</b>			
	Year 1	Year 2	Year 3
Sales	3,500,000	3,550,000	3,600,000
Less: Cost of Sales			
Opening Stock of Finished Goods	0	155,000	140,000
Purchase	160,000	160,540	170,100
less: Ending Stock of Finished Goods	(155,000)	(140,000)	(170,000)
<b>Gross profit</b>	<b>3,505,000</b>	<b>3,725,540</b>	<b>3,740,100</b>
Less: Expenditure			
Administrative Expenditure	245,628	245,628	245,628
Marketing Expenditure	140,340	140,340	140,340
Other Expenditure	0	0	0
Business Registration & Licenses	250		
Insurance & Road Tax for Motor Vehicle	2,000	2,000	2,000
Other Pre-Operations Expenditure	-	323,103	253,511
Interest on Hire-Purchase	-	-	-
Interest on Loan	8,000	8,000	8,000
Depreciation of Fixed Assets	12,783	12,783	12,783
Operations Expenditure	149,823	200,000	200,000
<b>Total Expenditure</b>	<b>558,824</b>	<b>931,854</b>	<b>862,262</b>
<b>Net Profit Before Tax</b>	<b>2,946,176</b>	<b>2,793,686</b>	<b>2,877,838</b>
<b>Tax</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Profit After Tax</b>	<b>2,946,176</b>	<b>2,793,686</b>	<b>2,877,838</b>
<b>Accumulated Net Profit</b>	<b>2,946,176</b>	<b>5,739,862</b>	<b>8,617,700</b>

Table 36.0: Income statement

## 8.6 BALANCE SHEET

<b>MAGICA ENTERPRIS</b>			
<b>PRO-FORMA BALANCE SHEET</b>			
	Year 1 (RM)	Year 2 (RM)	Year 3 (RM)
<b>ASSETS</b>			
Fixed Assets (Book Value)			
Office Equipment	1,616	1,212	808
Office furniture & fittings	1,376	1,032	688
Machine & equipment	23,392	17,544	11,696
Vehicle	24,000	18,000	12,000
Goodwill	0	87,683	168,879
	50,384	125,471	194,071
<b>Current Assets</b>			
Stock of Raw Materials	20,000	17,800	15,000
Stock of Finished Goods	155,000	140,000	170,000
Accounts Receivable	0	0	0
Cash Balance	3,009,292	5,735,091	8,507,129
	3,184,292	5,892,891	8,692,129
<b>Other Assets</b>			
Rental Deposit	1,500	1,500	1,500
<b>TOTAL ASSETS</b>	<b>3,236,176</b>	<b>6,019,862</b>	<b>8,887,700</b>
<b>Owners' Equity</b>			
Capital	200,000	200,000	200,000
Accumulated profit	2,946,176	5,739,862	8,617,700
	0	0	0

<b>Long Term Liabilities</b>			
Loan Balance	90,000	80,000	70,000
Hire-Purchase Balance	0	0	0
	90,000	80,000	70,000
<b>Current Liabilities</b>			
Accounts Payable	0	0	0
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>3,236,176</b>	<b>6,019,862</b>	<b>8,887,700</b>

Table 37.0: Balance sheet

## 9.0 PROJECT MILESTONES

<b>Activities</b>	<b>Deadlines</b>
Incorporation of venture	1/12/2019
Completion of design and development	24/12/2019
Completion of prototypes	27/12/2019
Obtaining of sales representative	29/12/2019
Signing of distributors and dealers	31/12/2019
Ordering of materials in production quantities	1/1/2020
Starting of production or operations	6/1/2020
Launching day	20/1/2020
Receipt of first orders	22/1/2020
Delivery of first sales	24/1/2020

Table 38.0: Project milestone

## **9.1 CONCLUSIONS**

In the final analysis, we hope that we will be able to continue and grow our business together with the advancement of technology. So that we can provide more knowledge about the products and make it widespread throughout the nation. Moreover, our management has carefully examined its potential client base and capability to increase its sales average to obtain market share in the basic needs. We hope that our business will provide essential things for the students and will expand within local range and further global range. Our product price is totally worth it in terms of the quality of the product, and we will be able to maintain that price in the long run.

Last but not least, this business will benefit both our people and the country. We will also provide innovative ideas in the future to compete and stand together with big companies. Our product price is totally worth it in terms of the quality of the product, and we will be able to maintain that price in the long term. Other than that, we believe that it is our responsibility to provide the community with the things that can make life easier.

## 10.0 APPENDICES



Figure 13.0: Business card

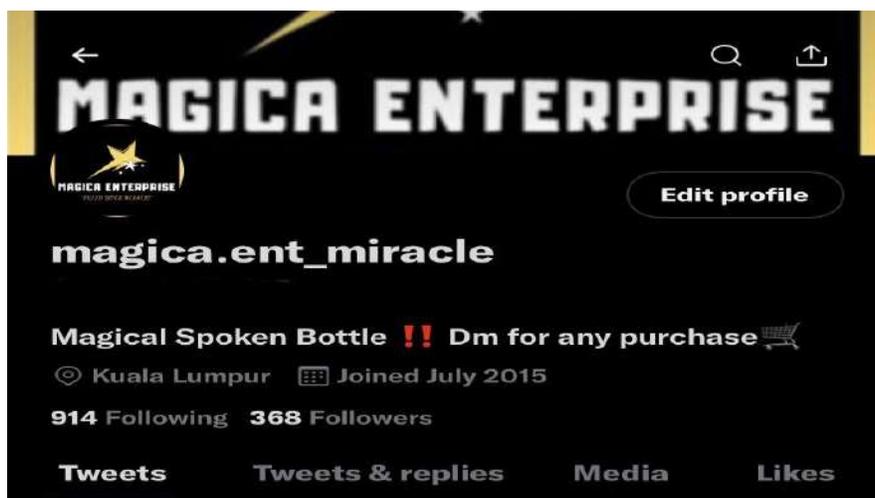


Figure 14.0: Twitter for Magica Enterprise



Figure 15.0: Instagram for Magica Enterprise



Figure 16.0: Website of Magice Enterprise



Figure 17.0: Flyers of promotion of mega sale

Year	Number ('000)			Annual Population Growth Rate (%)		
	Total	Citizens	Non Citizens	Total	Citizens	Non Citizens
2010	28,588.6	26,264.1	2,324.5	1.8	1.6	4.0
2011	29,062.0	26,616.9	2,445.1	1.6	1.3	5.1
2012	29,510.0	26,961.7	2,548.3	1.5	1.3	4.1
2013	30,213.7	27,325.6	2,888.0	2.4	1.3	12.5
2014	30,708.5	27,696.2	3,012.3	1.6	1.3	4.2
2015	31,186.1	28,060.0	3,126.1	1.5	1.3	3.0
2016	31,633.5	28,403.5	3,230.0	1.4	1.2	3.3
2017	32,022.6	28,735.1	3,287.5	1.2	1.2	1.8
2018	32,382.3	29,059.6	3,322.7	1.1	1.1	1.1
2019	32,523.0	29,382.7	3,140.4	0.4	1.1	(5.6)
2020	32,584.0	29,677.4	2,906.6	0.2	1.0	(7.7)
2021*	32,655.4	29,962.3	2,693.1	0.2	1.0	(7.6)

\* Estimates

Figure 18.0: Table of population and annual population growth rate in Malaysia