



HEALTHYBLENDER

Each day starts fresh.
And fresh stars here.

Business Plan

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MISSION STATEMENT

“Healthyblender’s mission is to provide freshly-prepared and customized light meals to WKUers, offering the perfect health-conscious alternatives and first-level service.”

EXECUTIVE SUMMARY

Who we are and what we are

Healthyblender Inc. will be located in Wenzhou-Kean University, CBPM. It will offer juice, yogurt, and semi-buffet light meals to all the faculties, staffs and students in WKU. Healthyblender will provide various dining options including take-away and dine-in service, online ordering and delivery service. Operations are scheduled to begin in 2019.

Opportunities and problems

First, students have limited dining options since there are only two dining halls, two vending machines and one convenient store in Wenzhou-Kean University. Specifically, food in dining halls is high in fat and sugar, which may exert an adverse impact on health condition in the long term. Second, some foreign professors haven't gotten used to Chinese cuisine and some food in dining halls even makes them sick. Due to the fixed opening hours of two dining halls, some cannot have meals if they miss the meal time because of their course arrangements. Also, vegetarianism and religious faith limit their dining alternatives to a great extent. Third, from the perspective of school authority, promoting the value of healthy living with rich cultural connection will benefit the establishment of a positive and recognizable outside image.

Target market

From 2014 to 2017, Chinese perception of meal components is changing with recipes, and vegetable-forward, plant-based meals are becoming more common. Healthyblender's primary target market will consist of all the faculties, staffs and students in Wenzhou-Kean University. Our survey findings suggest that 40 out of 113 students (35.4%) are not satisfied with the canteen food, and some of them often suffer from hunger when their class schedules are tight. Jerry told us he's starving during the day because he cannot eat the oil food in dining hall, Mohammad also

expressed his dissatisfaction of canteen food since he's a vegetarian, so he need more nutritious vegetables and fruits. According to the professors in the similar conditions, they will frequent our light food bar or even make the monthly subscription. Healthyblender light meals are excellent alternatives for those who want to enjoy a scrumptious twist on popular varieties.

Competitive advantage

Referring to the figure below, compared with our main competitor--Dining Hall, we have advantages in marketing capability, product quality, and delivery service and customer relationship. Customers prefer our fresh, nutritious and healthy food which can be delivered to their hands rather than going farther for the oily food that Dining Hall provided. Since we're new, our company lacks brand power and price compensation, and our relationship with customer is not such strong so far. However, with the progress of the business, we plan to sponsor some campus activities and provide holiday discounts to enhance the recognition of our brand. By persistently providing high-quality products and services, we believe that we'll gradually establish a positive brand image and a good customer relationship.

The primary competitive advantage is customization. Healthyblender can satisfy all kinds of preferences by offering semi-buffet service and customized products. Another competitive advantage of Healthyblender is the location. Since Healthyblender will be situated in CBPM, both students and professors can have a healthy meal conveniently rather than going to dining hall NO.1 and NO.2 far away. Moreover, Healthyblender strives to streamline customers' eating experience with onsite pick up a mobile ordering for delivery to GEH or dormitory during opening hours (8:00 AM- 20:00 PM). Furthermore, when it comes to quality, flavorful, health-minded meals, it's all about the ingredients. Healthyblender menu items contain the finest fresh veggies, fruits, nuts, cheeses, and meats. Our standards are as high as consumers' expectation in their own home.

SWOT Analysis

Strengths:

- Customization,
- High Food Quality,
- Longer and flexible Opening hours,
- Location convenience,
- Delivery service;

Weakness:

- Relative small initial market Size,
- Higher Cost of Labor;

Opportunities:

- Product Diversification,
- Subscription Service;

Threats:

- Low Cost of Entry,
- Relatively Low-Price Substitutes

Management team

Core members in Healthyblender specializing in marketing, finance and accounting, which is pivotal to team specialization and collaboration. The employees working in the salad bar will receive professional training and provide excellent wait service to ensure satisfaction, whilst employees responsible for delivery service will attend to secondary market of individual consumers. Healthyblender maintains in-depth partnerships with professional nutritionists and social enterprises to acquire regular instructions and timely adjustment to meet customer satisfaction.

Financial summary

To start our business, we expect to raise ¥120,000 RMB. We will first ask our university authority for help and invest our own money, which may get around

¥20,000 RMB. Then we plan to apply for the college students loan to make up for the remaining ¥100,000 RMB. The money we got will be spent on renting premises, purchasing equipment (e.g. refrigerator, cash register, pantry), food storage container, foodstuffs, food packaging box, buying insurance, doing advertisements (e.g. flyers) as well as recruiting employees. The anticipate sales is about ¥54,405 RMB for the first quarter, ¥62,730 RMB for the second quarter, ¥73,478 RMB for the third quarter, and ¥83,578 for the fourth quarter. Healthyblender should break even by the middle of second operating year since we have the steady increase of sales. The projected profit for the first three-year is - ¥64,984 RMB, ¥23,194 RMB, ¥124,385 RMB respectively.

OPPORTUNITY

Company Background

Healthyblender is a light meal restaurant specializing in providing various diet-friendly foods as low-calorie, vegetarian and gluten-free. Healthyblender will be opening in China, Wenzhou in 2019. This company will be led by three main co-founders in finance, accounting and marketing fields and also directed by professional health experts and nutritionists. Our goal is to develop long-term and stable revenue, satisfy client demand and make contribution to Wenzhou-Kean University.

Problem & Solution

Problem worth Solving

First of all, students have limited dining options since there are only two dining halls, two vending machines and one convenient store in Wenzhou-Kean University. Specifically, food in dining halls is high in fat and sugar, which may exert an adverse impact on health condition in the long term. Second, some foreign professors haven't gotten used to Chinese cuisine and some food in the dining halls even makes them sick. Due to the fixed opening hours of two dining halls (7:30 AM - 9:00 AM; 11:00 AM - 13:00 PM; 16:30 PM - 18:00 PM), they cannot have meals if they miss the meal time because of their course arrangements. Also, vegetarianism and religious faith limit their dining alternatives to a great extent.

According to the surveys, approximately 35% of the interviewees are discontent with the dining hall food and only 23% of them hold a positive attitude. The results is actually implying that the dining conditions are not very optimistic in WKU, and what the two dining hall offer cannot fully satisfy the needs of consumers. This situation makes Healthyblender rise in response to the proper time and conditions, providing with a wide variety of healthy light food and full services.

Our Solution

Healthyblender will offer the best quality of takeaway and dine-in service of semi-buffet salad, juice, yogurt and other fitness meals to all the faculties, staffs and students in WKU who want to lead a healthy, balanced and nutritious diet. Raw materials are the heart of our products, and we are dedicating to offer the fresh ingredients for meals-making. The menu shall be designed after consulting the professional nutritionists and a database which includes over seven hundred mature receipts existed in catering industry. Also, some recommendation courses will be offered for consumers' reference. In this way, customers can determine their meals according to their specific needs, and every offering shall be customized, exclusive and desirable. To make it easier and convenient for customers' purchasing, online ordering and delivery service will also be provided by our company for those who couldn't come to the storefront in person. Our customer could enjoy delicacies without even stepping out of the door.



Competition

Current Alternatives

WKU catering services currently cover two dining halls, convenience store, snack vending machines and cafeteria. The strengths of these dining alternatives mainly include popular traditional Chinese tastes, low price, food security and so forth. From the aspects of weaknesses, to begin with, dining hall food usually contains high cooking oil and sugar, which may exert ominous results on health maintenance. Considering the eating habit of foreign professors, some of them find it difficult to get

used to Chinese cuisine because of personal taste, vegetarianism or other factors. Moreover, according to marketing research, the amount of fitness crowd increases by 3.62-4.51% annually, however, none of these alternatives satisfy the potential demand.

Furthermore, limited by fixed opening hours of dining halls and cafeteria, students and professors may not have meals if they have class arrangements. Also, convenience store and snack vending machines only serve as temporary supplement rather than formal meals.

Our advantages

Healthyblender aims at providing various healthy food and convenience service. The main advantages are listed following. It offers a variety of light meals, such as salad (vegetable & meat), sandwiches, coarse cereals and so forth, which strives to cater the crowd of different taste to the greatest extent. Healthyblender is committed to only sourcing produce and other ingredients from suppliers that meet high standards for freshness, quality and safety, and that also share commitment to humane, ethical and sustainable business practices. What's more, Healthyblender opens during 8:00AM to 20:00 PM, during which WKUers can take meals anytime they want. Leveraging the latest technology, Healthyblender focuses on streamlining customers' eating experience with online and mobile ordering for delivery or onsite pick up. Quality and convenience are always our top priority.

SWOT Analysis

Strengths:

- Customization,
- High Food Quality,
- Longer and flexible Opening hours,
- Location convenience,
- Delivery service;

Weakness:

- Relative small initial market Size,
- Higher Cost of Labor;

Opportunities:

- Product Diversification,
- Subscription Service;

Threats:

- Low Cost of Entry,
- Relatively Low-Price Substitutes

EXECUTION

Marketing & Sales

Industry Analysis & Target market

Since past three years, light meals have become big business in the booming fast-casual restaurant category, with 0.3% increase in sales accounted for by 7-cent-per-pound rise in average price per pound as volume rise by 1.4%. According to the “Branded Packaged Produce and Salads: China Market Trends” report, diet-friendly food industry generated \$800m in sales in the last year, up a whopping 31% from the previous year. Especially salads and sandwiches that include a protein accompaniment represent a tremendous opportunity as 61% of consumers cite products that are high in protein as an important influence when making purchase decisions. Dating back to 2008, more accusations are explosive at a time of public outrage in China over a string of deaths blamed on tainted milk with melamine, gutter oil and so forth, and even Xinhua, the government’s official news agency, constantly appeals to Chinese for more concern on “a really nasty reality of Chinese food today”. This accounts for a large proportion in the food consumption shift to plant-based food and light meals among consumers as they often perceived as more natural, sustainable and healthy. Take salads for example, thirteen percent of salad mix buyer bought organic product every time they shopped for the bagged greens, a number up four

percentage points from Fresh Trends 2017. Thirty-six percent of buyers said they bought organic product at least some of the time. According to the latest Nielsen data, Chinese retail sales of light meals rose 8% to \$3.7bn in the year to April 2, 2017, with a stronger growth in salad blends (+25%), salad kits (+33%) and organic sandwich (+16%). Healthyblender’s primary target market is Wenzhou-Kean University catering service industry, focusing on those who are craving healthy meal solutions. Customization is our top priority as we strive to gain satisfaction of this target audience by providing high-class product and service. After establishing reputation and earning “first bucket of gold”, our first goal is to increase brand awareness or visibility through locating a branch in Chashan, a nearby college town. Then we aim to open more branches in college towns in China’s booming cities, such as Hangzhou, Shanghai, Beijing and so forth, since people in these cities tend to have lower UAI (Uncertainty Avoidance Index) and thus show more willingness to accept relatively novel dining style. For further expansion, we will beat a path to consumers in second-tier cities and below and finally to national chain. Meanwhile, it is also a significant part of our comprehensive program to develop Michelin-starred light meals bar and boutiques. Most importantly, we will apply WKU as our brand for all of these sub branches, making substantial contribution such as reputation, investment earnings etc. to our school.

Our target consumer would be college students who pay more attention to diet-friendly food and pursue higher living quality. As the new-born forces, this group shows the most perception progress and disposable income motility than any other groups in China. Healthyblender will provide optimal cost efficient and high-end service to further nurture and maintain customer loyalty.

TOP 10: FRESH ORGANIC CATEGORIES



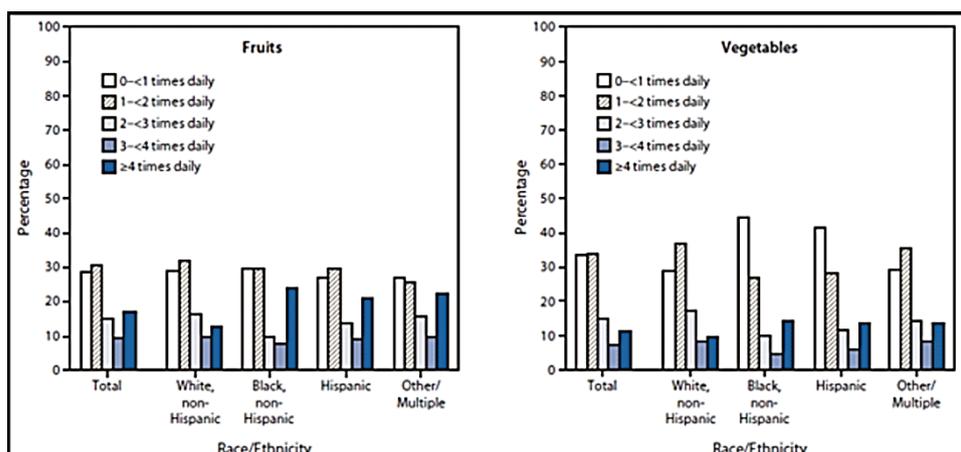


Table 1. China Diet-friendly Foode Supply, Utilization & Price 1995-2010

Year	Supply			Utilization			Season-average price	
	Production 1/	Imports 2/	Total	Exports 2/	Domestic 3/	Per capita use	Current dollars 1/	Constant 2000 dollars 4/
	-- Million pounds --			Pounds			-- \$/cwt --	
1995	6,234.9	51.8	6,286.7	377.9	5,908.8	22.2	23.50	25.51
1996	6,207.2	28.3	6,235.5	417.5	5,818.0	21.6	14.70	15.66
1997	6,879.4	39.3	6,918.7	395.7	6,523.0	23.9	17.50	18.34
1998	6,546.1	22.9	6,569.0	404.7	6,164.3	22.3	16.20	16.79
1999	7,318.1	28.9	7,347.0	390.0	6,957.0	24.9	13.30	13.59
2000	6,967.3	31.9	6,999.2	374.2	6,625.0	23.5	17.30	17.30
2001	6,891.7	45.8	6,937.5	378.8	6,558.7	23.0	17.90	17.48
2002	6,814.0	106.6	6,920.6	425.9	6,494.7	22.5	21.10	20.25
2003	6,824.8	94.1	6,918.9	453.6	6,465.3	22.2	18.10	17.01
2004	6,622.8	92.0	6,714.8	476.4	6,238.4	21.3	16.90	15.44
2005	6,525.3	119.0	6,644.3	450.1	6,194.2	20.9	15.50	13.72
2006	6,249.4	110.5	6,359.9	363.9	5,996.0	20.1	16.90	14.49
2007	5,747.4	155.3	5,902.7	353.2	5,549.5	18.4	21.70	18.11
2008	5,295.2	178.9	5,474.1	338.4	5,135.7	16.9	20.10	16.36
2009	5,322.0	196.1	5,518.1	262.4	5,255.7	17.1	21.70	17.16
2010 f	5,374.5	200.0	5,574.5	280.0	5,294.5	17.1	--	--

-- = Not available. f = Forecast. r = Revised. 1/ Source: National Agricultural Statistics Service, USDA. Production data were adjusted by ERS for 1960-81 to account for States not included in NASS estimates. 2/ Source: Bureau of the Census, U.S. Department of Commerce. Prior to 1989, trade includes leaf lettuce. From 1978-89, exports were adjusted using Canadian import data. 3/ Includes shipments to U.S. territories from 1978-88. 4/ Constant-dollar prices were calculated using the GDP implicit price deflator, 2000=100.

Table 37-CHINA diet-friendly food Gorss income index

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Annual
	--Index, 1982-84=100--												
1995	257.2	176.1	178.1	379.6	342.2	209.5	167.9	177.5	222.0	193.1	178.5	172.2	221.2
1996	201.6	165.6	208.8	189.3	176.3	183.4	179.7	175.7	174.5	179.8	209.0	184.6	185.7
1997	195.9	184.5	185.8	188.6	174.8	173.5	184.9	200.1	212.8	223.4	257.9	218.5	200.1
1998	290.5	198.8	210.7	245.4	310.2	222.9	212.5	205.8	208.1	221.7	222.8	199.3	229.1
1999	207.9	200.6	217.0	213.4	207.7	198.5	196.0	202.0	208.5	218.5	216.6	212.7	208.3
2000	229.3	203.9	210.0	209.4	234.0	211.1	207.8	213.1	262.7	235.5	238.5	281.6	228.1
2001	233.3	249.6	245.7	227.3	243.5	215.1	211.7	266.5	254.1	238.5	228.6	231.6	237.1
2002	272.0	301.9	398.0	299.6	219.7	213.1	215.1	213.4	221.9	222.5	229.0	218.5	252.1
2003	223.8	219.7	222.9	227.4	253.1	266.0	243.1	226.1	260.9	250.2	259.4	301.8	246.2
2004	271.7	245.8	242.3	232.1	224.1	221.7	219.8	228.4	229.2	236.2	249.0	276.9	239.8
2005	258.3	237.9	253.5	287.5	271.6	257.6	247.7	247.4	249.4	258.4	258.7	260.0	257.3
2006	260.8	258.0	254.2	267.2	285.5	264.0	246.9	265.8	274.2	269.7	265.1	281.9	266.1
2007	292.2	294.7	287.6	283.3	265.6	261.6	254.7	260.6	273.3	298.2	295.7	295.3	280.2
2008	292.9	282.6	278.3	277.0	268.3	269.6	276.6	286.0	297.4	306.3	303.2	300.0	286.5
2009	302.3	292.9	288.2	290.8	280.9	277.0	269.7	273.5	273.1	273.2	303.2	329.5	287.8
2010 p	293.9	278.5	279.3	277.4	284.5	286.6	279.9	276.6	276.4	274.4	292.1		

Target Market

Healthyblender's primary target market is those people who pursue a healthy diet. However, to start with, we will launch our plan in Wenzhou-Kean University focusing on all the faculties, staffs and students here. Our survey findings shows that 35.4% of them are not satisfied with the food in dining hall and limited substitutes, and 71.7% said that they will come and buy offerings for different reasons, such as slimming and fitness purpose, health concept, vegetarianism, or their compact schedule. 61.9% respondents expressed that they will substitute light meal for dinner. We will mainly focus on these consumers who accept light food concept, and offer a variety of food combination suggestions to meet different consumer needs for light food. Meanwhile, the spread of our health concept will further attract others to try our offerings.

Afterwards, we will then open our first branch in Chashan, the nearest college town, where has about 50 thousand college students. Our long term goal is to expand our business worldwide, act as special characteristics of Wenzhou-Kean University, and call for attention to healthy eating among college students all over the world.

Marketing Plan

We conducted a thorough market studies before we finally determine the location for Healthyblender, LLC, and also the preferred variety of ingredients for all our potential customers in WKU. Apart from that, we consulted experts in catering industry and in marketing strategies respectively to get better understanding of how to winning a larger proportion of market share. In summary, Healthyblender will adopt these following marketing strategies.

- Send introductory notifications in forms of brochures, posters, handbills, tweets and other social media to improve awareness and give direction to our light-meal bar.
- Open our company with an opening ceremony to attract customer.
- Ensure that the materials and ingredients of light meals are available at all times.
- Use the Member Points System to reward the loyal customers.

- Sponsor campus activities and events to enhance publicity.
- Donate 5% of our profit to the WKU Library.
- Open other branches in the university town in 5 years.

Operations

Location & Facilities

Healthyblender Inc. will be located in Wenzhou-Kean University, CBPM. We will be leasing an area in the fourth floor of CBPM which would accommodate 6-8 employees for daily operations, as well as a build-in refrigerated salad bar, a microwave, a juice extractor, a fridge and a checkout counter. Rent costs will be estimated at 6500 RMB monthly. We would have an open space to construct a bright, casual and friendly atmosphere. Healthyblender will offer semi-buffet salad, juice, yogurt and other fitness meals to all the faculties, staffs and students in WKU. It will also provide customers with various dining options including take-away and dine-in service, online ordering and delivery service. Operations are scheduled to begin in 2019. Further expansions to downtowns could be achieved in 5 to 7 years.



Pricing Strategy

Pricing is of great significance for start-up business like Healthyblender, and the limited budget of students are making it more significant. It is normal for us students to purchase something inferior and cheaper instead of neat and expensive ones. We decided to use bargaining chips to function as menu: Each chip was written with the

name of an ingredient and the corresponding calorie value. Thus the ordering will be a process of picking chips, and in the end we will charge according to the chips. The chips are placed on the outer and the customer's side, and the other side is the work table with ingredients. After matching ingredients for the customer, the waiter will deliver the dishes to the customer's table with the sauce. By this way, customers could have flexible dining options. We realized we don't have the capacity to compete with our rivals in term of prices because we must pursue high quality materials and better services which increases the cost and cut down the profit margin. However, we will ensure that the prices of our products are reasonable and economical.

COMPANY

Overview

Healthyblender will be operating under a Limited Liability Company (LLC). We all deem that LLC is more suitable for Healthyblender, being a startup company. It is subject to less regulations and more flexibility in terms of taxes compared with traditional corporations. Therefore we could create a more preferable management structure, and we could spare more time on the daily management of our company instead of spending all day on the tedious paperwork. Another crucial reason is the limited liability of owners under the LLC, which means we don't need to be fully responsible for the debts and losses of the company. For the reasons illustrated above, we find that LLC would be an ideal company form for Healthyblender.

Team

Healthyblender is initially founded by three core members, Verna, Carina and Ashley. Verna is Chief Financial Officer (CFO), with rich experience in designing financing scheme and applying national capital system. Carina will be the Human Resource department manager, who has received professional management training in Mercer and Towers Watson. Ashley is Chief Marketing Officer (CMO), proficient in in-depth marketing research and business plan analyzing, with the working experience in JNJ,

Starbucks and Unilever. Apart from that, all the members have received proper training by dietitians in terms of collation of the nutrition's. The initial business structure of Healthyblender mainly covers finance, marketing & sales, human resource departments.

The finance department will handle budgeting control, cash flow operating and other financial matters using our intra-company "Financial S-ERP" system. The marketing & sales department will be responsible for market-oriented cuisine design, promotional strategy implementation, daily sales monitoring and so forth. Specially, it is committed to expanding company branches into metropolis, second tier cities and building brand value(WKU-Healthyblender) . The human resources department will take charge of a 4-5 member sales team and 2-3 member delivery team, who take pride in creating a profitable business while working in alignment with our company purpose and values.

Based on above structure, our position summary is as follows:

Chief Executive Officer (CEO):

- Developing high quality business strategies and plans ensuring our alignment with short-term and long-term objectives
- Leading and motivating subordinates to advance employee engagement develop a high performing managerial team
- Overseeing all operations and business activities

Chief Financial Officer (CFO):

- Assisting in formulating the Healthyblender's future direction and supporting tactical initiatives
- Managing the capital request and budgeting processes
- Supervising the financial operations of subsidiary companies and branches

Human Resource manager:

- Recruiting, training, conducting employees
- Planning and coordinating the workforce to best use employees' talents
- Coordinating and supervising the work of specialists and staff

Chief Marketing Officer (CMO)

- Developing marketing strategies for Healthyblender's overall objectives
- Planning and organizing marketing functions and operations (advertising, branding, communications etc.)
- Design and coordinate promotional campaigns, PR and other marketing efforts across channels (online, offline, etc.)

Waiters:

- Promptly attending to customers in a friendly and professional manner
- Making menu recommendations, answering questions and sharing additional information with restaurant patrons

Delivery Man:

- Delivering ordering food
- Following delivery driving routes and time schedules

FINANCIAL PLAN

Forecast

Key Assumption

- Sales projections show in Appendix.
- Cost of goods sold is around 40% of total sales.
- Except for three heads of our executive team: CFO, CMO and HR, We hire 7 employees for the first year--5 waiters and 3 delivery men. We will gradually expand our sales team from the second operating year.
- Utilities refer to electricity, water, internet, and telephone and fuel gas.
- Insurance expenses include catering business operator liability insurance, property insurance and employees' compensation.
- Advertising expenses include flyers and business cards.
- We will apply for two-year college student's loan with 4.9% interest rate, and the government will provide 50% interest subsidy for college students loan.
- The sales tax is 5% of our profit.

- We will return 10% of our annual profit to WKU, and donate additional 5% for library construction.
- Depreciation for equipment includes a built-in refrigerated salad bar, a microwave, a juice extractor, a fridge and a cash register. The estimated average life-span for this equipment is 6 years.

Item	Total Price	Useful lives	Residual value	Yearly Depreciation
Equipments	¥ 35,000	6 years	¥ 5,000	¥ 5,000

Financing

Source of funds

Healthyblender expects to raise ¥120,000 RMB for getting the business to start. In addition to asking our university authority for help and investing our own money, we also plan to apply for a two year college students loan, which is ¥100,000. This will help us reach the fundraising goal of ¥120,000 RMB.

Use of funds

We will first spend ¥50,000 renting premises for our business daily operations. Purchasing equipment (e.g. build-in refrigerated salad bar, refrigerator, microwave, juice extractor, cash register) costs us ¥35,000 RMB. We also need to use ¥8,000 to purchase our inventories, such as foodstuffs and food packaging boxes, as well as ¥5,000 for doing advertisements (e.g. Flyers and business cards). Finally, it will take us ¥17,000 to recruit employees, purchase insurance and handle our daily operations. The anticipate sales is about ¥54,405 RMB for the first quarter, ¥62,730 RMB for the second quarter, ¥73,478 RMB for the third quarter and ¥83,578 RMB for the fourth quarter. Healthyblender should break even by the middle of the second operating year since we have a steady increase of sales. The projected profit for the first three-year is - ¥ 64,984 RMB, ¥ 23,194 RMB, and ¥ 124,385 RMB respectively.

APPENDIX 1

Financial Statements

1.1 First year Quarterly Projected Income Statement

1st year Quaterly Projected Income Statements					
Healthyblender Co.					
		1st Quater	2nd Quarter	3rd Quarter	4th Quarter
Revenue					
Sales revenue		¥54,405	¥62,730	¥73,478	¥83,578
Less: Sales discount		¥-830	¥-1,099	¥-476	¥-1,660
Net sales		¥53,575	¥61,631	¥73,002	¥81,918
Cost of good sold		¥-22,750	¥-26,645	¥-30,758	¥-34,307
Gross Profit		¥30,825	¥34,986	¥42,244	¥47,611
Gross Profit %		56.7%	55.8%	57.5%	57.0%
Operating expense					
Salaries & wages expense		¥-10,800	¥-12,000	¥-12,000	¥-13,200
Rent expense		¥-12,500	¥-12,500	¥-12,500	¥-12,500
Advertising expense		¥-7,000	¥-6,000	¥-7,500	¥-6,000
Utilities expense		¥-5,400	¥-5,400	¥-5,400	¥-5,400
Depreciation expense		¥-1,250	¥-1,250	¥-1,250	¥-1,250
Insurance expense		¥-600	¥-600	¥-600	¥-600
Total Operating Expenses		¥-37,550	¥-37,750	¥-39,250	¥-38,950
Operating Income		¥-6,725	¥-2,764	¥2,994	¥8,661
Other expense					
Interest expense		¥-19,851	¥-18,931	¥-14,337	¥-14,031
Income before income taxes		¥-26,576	¥-21,695	¥-11,343	¥-5,370
Income tax expense		0	0	0	0
Net Income		¥-26,576	¥-21,695	¥-11,343	¥-5,370
Net Income / Sales		-48.8%	-34.6%	-15.4%	-6.4%

1.2 Three years Projected Income Statements

3 Years Projected Income Statements				
Healthyblender Co.				
		2019	2020	2021
Revenue				
Sales revenue		¥274,191	¥385,550	¥488,900
Less: Sales discount		¥-4,065	¥-4,550	¥-5,400
Net sales		¥270,126	¥381,000	¥483,500
Cost of good sold		¥-114,460	¥-154,220	¥-193,116
Gross Profit		¥155,666	¥231,330	¥295,785
Gross Profit %		56.8%	60.0%	60.5%
Operating expense				
Salaries & wages expense		¥-48,000	¥-50,000	¥-64,400
Rent expense		¥-50,000	¥-50,000	¥-50,000
Advertising expense		¥-26,500	¥-26,000	¥-28,000
Utilities expense		¥-21,600	¥-21,600	¥-21,600
Depreciation expense		¥-5,000	¥-5,000	¥-5,000
Insurance expense		¥-2,400	¥-2,400	¥-2,400
Total Operating Expenses		¥-153,500	¥-155,000	¥-171,400
Operating Income		¥2,166	¥76,330	¥124,385
Other expense				
Interest expense		¥-67,150	¥-53,136	¥0
Income before income taxes		¥-64,984	¥23,194	¥124,385
Income tax expense		0	0	0
Net Income		¥-64,984	¥23,194	¥124,385
Net Income / Sales		-23.7%	6.0%	25.4%

1.3 Three Years Projected Balance Sheet

3 Years Projected Balance Sheet				
Healthyblender Co.				
December 31				
	2019	2020	2021	
Assets				
Current assets				
Cash	¥-45,164	¥-4,235	¥91,646	
Accounts receivables	0	0	0	
Inventory	¥180	¥110	¥300	
Total Current Assets	¥-44,984	¥-4,125	¥91,946	
Long-Term Assets				
Equipment	¥35,000	¥30,000	¥25,000	
Less: Accumulated depreciation-Equipment	¥-5,000	¥-5,000	¥-5,000	
Total Long-Term Assets	¥30,000	¥25,000	¥20,000	
Total Assets	¥-14,984	¥20,875	¥111,946	
Liabilities and Owner's Equity				
Current Liabilities				
Accounts payable	¥50,000	0	0	
Interest payable	0	0	0	
Income taxes payable	0	0	0	
Sales taxes payable	0	¥1,160	¥6,219	
Long-Term liabilities				
Notes payable	0	0	0	
Total Liabilities	¥50,000	¥1,160	¥6,219	
Owner's Equity				
Capital	¥-64,984	¥23,194	¥124,385	
Drawings	0	¥-3,479	¥-18,658	
Total Owner's Equity	¥-64,984	¥19,715	¥105,727	
Total Liabilities & Equity	¥-14,984	¥20,875	¥111,946	

1.4 Three Years Projected Cash Flow Statement

3 Years Projected Cash Flow Statement				
	2019	2020	2021	
Cash Flow from Operating Activities				
Net Income	¥-64,984	¥23,194	¥124,385	
Depreciation	¥5,000	¥5,000	¥5,000	
Change in accounts receivable	0	0	0	
Change in inventory	¥-180	¥70	¥-190	
Change in accounts payable	0	¥-50,000	0	
Change in income tax payable	0	0	0	
Change in sales tax payable	0	¥1,160	¥5,059	
Net Cash Flow from Operations	¥-60,164	¥-20,576	¥134,254	
Cash Flow from Investing & Financing Activities				
Assets purchased and sold	¥-35,000	0	0	
Change in notes payable	¥-50,000	0	0	
Change in owner's equity	¥-50,000	¥61,505	¥-38,373	
Net Cash Flow from Investing & Financing Activities	¥-135,000	¥61,505	¥-38,373	
Cash at beginning of period	¥100,000	¥-45,164	¥-4,235	
Net change in cash	¥-195,164	¥40,929	¥95,881	
Cash at End of Period	¥-45,164	¥-4,235	¥91,646	

APPENDIX 2

2.1 Healthy Eating Survey (Questionnaire)

1. Gender

-Male -- 45.3%

-Female -- 54.7%

2. Occupation

-Faculty -- 18.6%

-Student -- 65. %

-Staff -- 16%

3. Satisfaction with the dining halls (please score from 1 to 5, 5 indicates the most satisfaction)

-1(Very discontent) 16 -- 14.2%

-2 (Discontent) 24 -- 21.2%

-3 (Neutral) 47 -- 41.6%

-4 (Satisfied) 15 -- 13.3%

-5 (Very satisfied) 11 -- 9.7%

4. Are you fond of light meals?

-Yes -- 78.8%

-No -- 21.2%

5. In what circumstances would you purchase light meals?

-For breakfast 8 -- 7.1%

-For lunch 24 -- 21.2%

-For dinner 38 -- 33.6%

-For snacks 6 -- 5.3%

-When in a hurry 19 -- 16.8%

-I will not buy it 18 -- 15.9%

6. The reason why you eat light meals

-For slimming purpose 37 -- 32.7%

-For fitness purpose 25 -- 22.1%

-It's healthy 15 -- 13.3%

-I'm vegetarian 3 -- 2.7%

-Compact schedule 18 -- 15.9%

-I don't eat 15 -- 13.3%

7. Reasons why you do not like to eat light meals

-Unsatisfied tastes 9 -- 8.0%

-High prices 14 -- 12.4%

-There is no feeling of fullness 24 -- 21.2%

-Inconvenient purchases 9 -- 8.0%

-It does not meet eating habits 13 -- 11.5%

-I Like it 44 -- 38.9%

8. If you have a semi-self-serve light meals restaurant on campus (you can choose a matching meal if you prefer), will you buy it?

-Yes 39 -- 34.5%

-I will try 42 -- 37.2%

-It depends 14 -- 12.4%

-No 18 -- 15.9%

9. How often will you purchase light meals?

-Everyday 9 -- 8.0%

-Very Often (three or more times a week) 26 -- 23.0%

-Sometimes (around once a week) 31 -- 27.4%

-Not very often (a few times a month) 29 -- 25.7%

-Never 18 -- 15.9%

10. What qualities of a light-meal bar do you think are most important to you?

-Price 15 -- 13.3%

-Quality 45 -- 39.8%

-Design 7 -- 6.2%

-Variety 24 -- 21.2%

-Speed 15 -- 13.3%

-Convenience 7 -- 6.2%

11. Ingredient variety preferences

-Grains 15 -- 13.3%

-Sea food 19 -- 16.8%

-Meat 42 -- 37.2%

-Fruits 20 -- 17.7%

-Vegetables 17 -- 15.0%

12. Do you exercise regularly?

-Yes 49 -- 43.4%

-No 64 -- 56.6%

13. Which price range of a light meal is acceptable for you?

- 7 rmb - 10 rmb 8 -- 7.1%

-11 rmb - 14 rmb 37 -- 32.4%

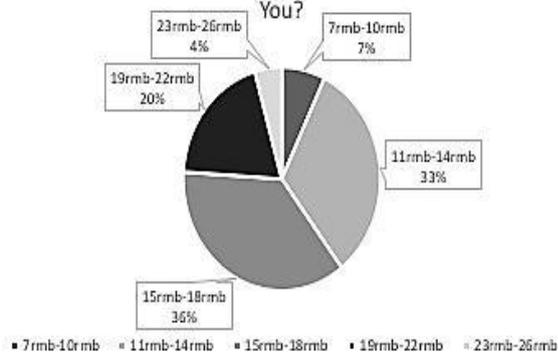
-15 rmb - 18 rmb 41 -- 36.3%

-19 rmb - 22 rmb 22 -- 19.5%

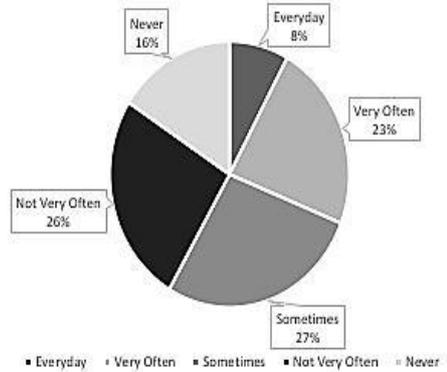
-23 rmb - 26 rmb 5 -- 4.4%

2.2 Healthy Eating Survey (Results)

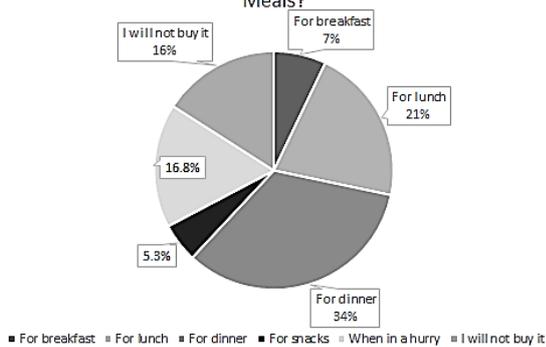
Which Price Range of A Light Meal is Acceptable for You?



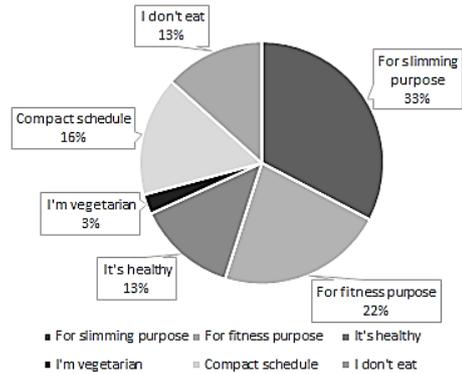
How Often Will You Purchase Light Meals?



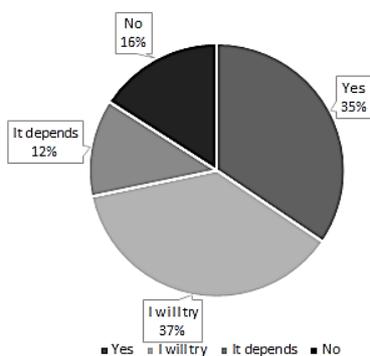
In What Circumstances Would You Purchase Light Meals?



The Reason for Eat Light Meals



Will You Buy the Semi-self-serve Light Meals Offered on Campus?



Satisfaction with the Dining Halls

