



# Kmar Logistics Services

## Business Plan



### Contact Information:

1378 May view avenue,  
Unit 1, Ottawa K1Z8H7,  
Ontario, Canada

[kmarlogisticservices@gmail.com](mailto:kmarlogisticservices@gmail.com)

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Thank you

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\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (typed or printed)

\_\_\_\_\_  
Date

This is a business plan. It does not imply an offering of securities.

In this document, the company shall refer to Kmar Logistics Services and the shipping or trucking company shall refer to 3rd party companies.



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## 1. Executive Summary

As a start up in the logistics services industry seeking to scale and stay profitable, **KMAR LOGISTICS SERVICES** has gone an extra mile by producing this Business Plan with the aim of obtaining loan financing to finance its operations and increase revenue, while capturing value. This business plan has been developed to give meaningful insights into operating and financing variables of the firm, analysis of the industry within which the firm operates and projected financial statements based on assumptions, to provide a picture of how feasible the business model can be implemented to generate cash flow sufficient to cover principal and interest repayments.

## 2. Company Summary

### 2.1 Company Background

**Kmar logistic services** was founded by **Kingsly Chia** in **2018**. He is a holder of a bachelors degree in ports and shipping administration, a masters in management a post graduate degree in quality management and a post graduate degree in project management. Over the past 12 years Mr Kingsly chia has gained a lot of experience working in the supply chain field. In other to put his experience into practice, he created his own company already mentioned above. His vision is to see this company grow into a multinational while still providing first class services to his clients.

- **Container Booking services**
- **Trucking Services**
- **Pick Up and Delivery Services**

<b>Business Name</b>	<b>KMAR LOGISTICS SERVICES</b>
<b>Current Location</b>	1378 May view avenue, Unit 1, Ottawa K1Z8H7, Ontario, Canada
<b>Company Mission Statement</b>	<p>- <b>KMAR LOGISTICS SERVICES</b> offers professional transport and logistics services within Canada, the USA and African routes. These services include:</p> <ul style="list-style-type: none"> <li>* <b>Container Booking Services</b></li> <li>* <b>Trucking Services</b></li> <li>* <b>Pick Up and Delivery Services</b></li> </ul> <p>Our mission is to deliver a world class, reliable experience to each and every one of our clients while offering exceptional value in the marketplace and setting the standard for professionalism in the logistic solutions we provide.</p>
<b>Company Philosophy/ Values</b>	The idea is to control the efficient and effective flow and storage of goods, services and information from a sending point to a receiving pointing. This is our core value and the most important objective is for us to deliver.

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<b>Company Vision</b>	Our Vision is to act as an indispensable partner to our clients by offering a selected range of logistics, planning and transport services on a worldwide scale, expanding operations beyond Canada and African routes to the rest of North America, South America, Europe, and the Middle East.
<b>Goals &amp; Milestones</b>	<ol style="list-style-type: none"> <li>1. Order fulfillment</li> <li>2. Delivery fulfillment</li> <li>3. Quality fulfillment</li> <li>4. Cost fulfillment</li> </ol>
<b>Target Market</b>	Businesses and Individuals in Canada seeking to transport their goods from one location to another.
<b>Industry</b>	<ol style="list-style-type: none"> <li>1. Industry: Transportation and Logistics Industry in Canada.</li> <li>2. Road Transport constitutes 29% of the overall transportation industry in Canada and as of 2021, industry is expected to grow by 3.7% annually to 2024</li> <li>3. Industry opportunity lies in increased ecommerce activity, increase in household spending, and rising trade.</li> </ol>
<b>Legal Structure/ Ownership</b>	Sole Proprietorship

## 2.2 Service Description and Pricing

Service	Description	Pricing (CAD)
<b>1. Trucking Services</b>	Montreal to Ottawa	<b>600</b>
	Within Montreal Area	<b>200</b>
	Within Edmonton	<b>200</b>
	Within Toronto	<b>300</b>
	Within Calgary	<b>200</b>





## 2.3 Business Model

### 2.3.1 Resource requirements:

- Delivery Van
- Freightliner sleeper with container trailer
- Driver
- Operations officer
- Website and Social media presence
- Office space with loading dock
- Computer

Kmar Logistics Service currently owns a Mercedes sprinter 2011 Delivery Van which it acquired in April 2021.

## 2.4 Operational Plan

Customers reach out to the Kmar Logistics Service through phone call, email or any other medium of communication in order for them to place their order. Orders come from customers needing:

- To load or offload containers through container booking,
- Trucking services to move their goods to different destinations, and
- Pick up or delivery of items

## Order Execution

To execute customer orders for:

### I) Container Booking:

- Company provides booking service for 20 ft, 40 ft, 40 ft Flat Rack and Special Equipments Containers,
- In providing this service, the company shall position itself as a **freight broker**, getting client orders and forwarding these orders to either of its larger shipping partners,

The company currently operates with **four (04)** Shipping partners who are: -

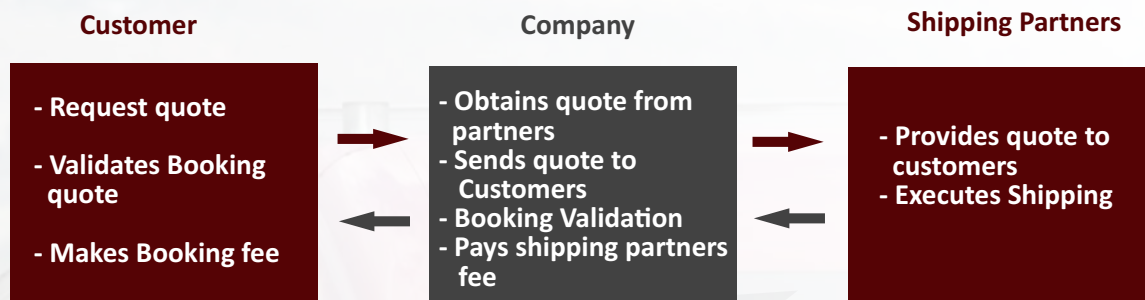
- ❖ MAERSK Shipping Company
- ❖ CMA CGM S.A.
- ❖ Mediterranean Shipping Company S.A.
- ❖ HYPAQ LLYOD

- Customers request a quote for the service,
- The company responds by providing quotes from its different shipping partners to the customers,
- Once client confirms a quote, the company, through the founder or the chief operations officer confirms the booking with the shipping company. This step is the booking validation stage.
- The shipping company selected sends a booking confirmation to the company,
- The company sends the booking confirmation and brokerage fee to and ocean freight client through email,
- Client the proceeds to make payment of cooking fee ad ocean \ freight
- The company charges a fixed fee of CAD 500 per container booking fee, Once container is moved to the port and is loaders on board the vessel , the company now will request a bill of lading from the shipping company
- The company currently rents a loading dock for containers which it uses for loading and unloading clients' goods,





Fig 1. Container Booking and Trucking Service Model



ii) Trucking service:

- Trucking services are available to the following locations:

Montreal to Ottawa	CAD 600
Within Montreal Area	CAD 200
Within Edmonton	CAD 200
Within Toronto	CAD 300

- The company currently outsources its trucking services to other third-party trucking services,
- The company seeks to purchase its own **Freightliner sleeper with container trailer** so it can execute client orders without having to pay third party trucking companies hence maximizing revenue,
- The client has the choice of doing the trucking for container pick up or drop off personally or may hire the company to do so for a fee,
- In a situation where the client request trucking services from the company, the company responds by sending a quote to client,
- Once the client confirms a quote, the company currently works (outsources) with two independent trucking services to deliver trucking services to clients. These two partner companies are:

**Rocque Et Sabourin Inc**  
**Brothers Brokers Limited,**

- The trucking company selected sends a trucking confirmation and trucking service fee to the company,
- The company sends the trucking confirmation and trucking service fee to client through email,
- The client then proceeds to make payment of trucking confirmation and trucking fees before container is trucked

iii) Pickup and Delivery Service

- The company currently owns a delivery van,
- Clients contacts the company and makes a request for goods to be picked up from point A and dropped in point B,
- The company responds by sending quote to client through email which includes fees for large and small packages, as illustrated in the next figure diagram below.

0 - 25kg	CAD 100
26 - 50 kg	CAD 180
51 - 100 kg	CAD 250
101 kg- 150 kg	CAD 320
151 kg- 200 kg	CAD 400
Montreal to Ottawa full load	CAD 2000



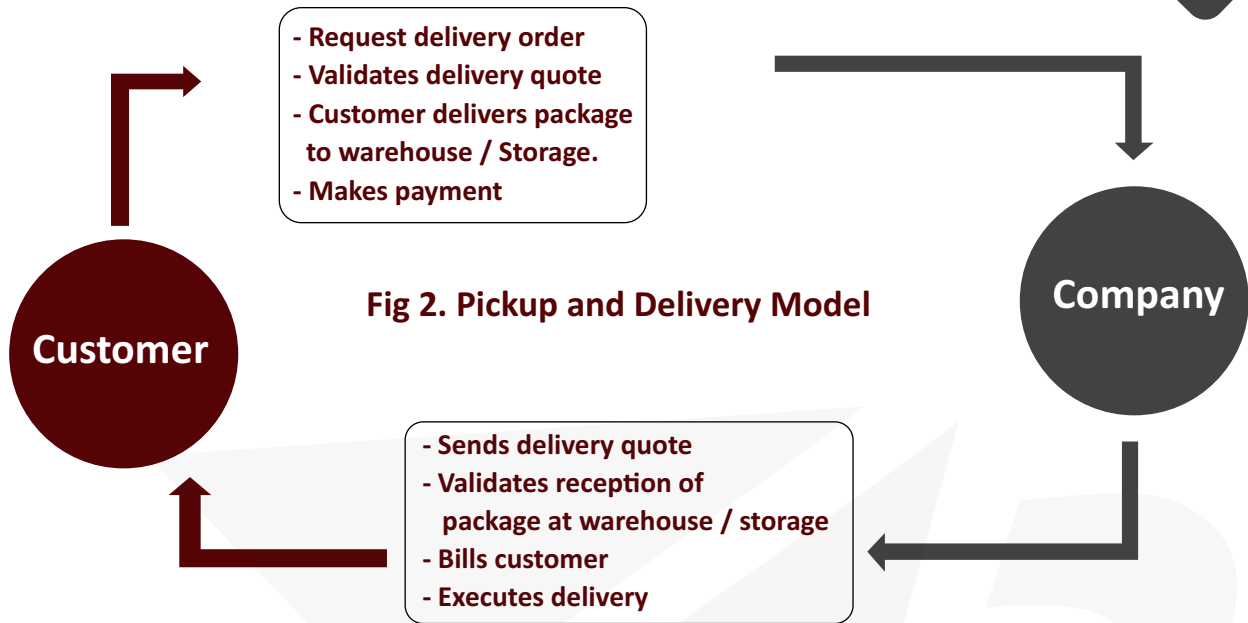


Fig 2. Pickup and Delivery Model

- Customer confirms quote and selected parcel weight, and price applies,
- Customer delivers package to warehouse / storage and makes payment
- The Delivery van driver of Kmar Logistics Services, executes order by moving the goods to designated location.

### 2.5 The Business Team

At the moment, the business team is made up of only the sole proprietor  
With the acquisition of the loan financing, the business team will include:

Personnel	Description	Monthly pay (CAD)	Annual Pay (CAD)
Founder/Owner	<ul style="list-style-type: none"> <li>• General supervision and performance monitoring, deal making task</li> <li>• Delivery van driver</li> </ul>	Entitled to income	Entitled to income after expenses
1 Driver	Freightliner truck driving Transporting goods along selected routes	2,500	30,000
1 Chief Operating Officer	In charge of day to day running of the firm	2.500	30,000

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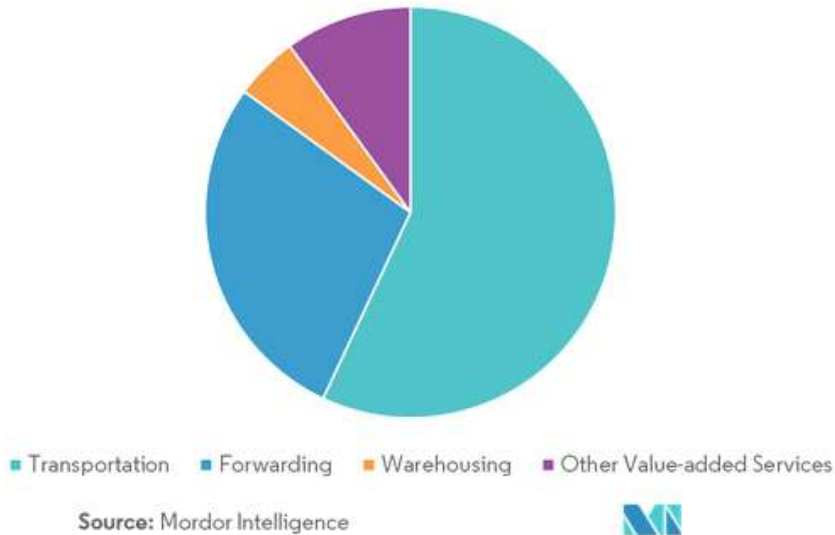




### 3. Industry and Market Analysis

#### 3.1 Industry Size and Trends.

Canada Project Logistics Market, by Service, 2018



#### Recent performance

Truck transportation, the largest industry in the transportation sector in terms of both GDP and employment, enjoyed healthy economic growth between 2010 and 2019.

Over this period, industry GDP grew at an average annual pace of 3.8 per cent, mirroring the trajectory in the overall transportation sector.

However, growth over this decade was uneven. Following the 2008-09 recession, demand for truck transportation grew fastest, spurred by rising merchandise trade.

Against this backdrop, industry GDP expanded by 4.9 per cent per year between 2010 and 2014.

The fortunes of truck transportation deteriorated in the wake of the 2015 oil price collapse, which set off a period of weaker economic growth in Canada and slowing goods trade. Making matters worse, the industry was becoming increasingly constrained by truck driver shortages, which had more than doubled from an annual average of 8,600 in 2016 to 20,500 in the first three quarters of 2019.

Thus, GDP grew at a slower 2.7 per cent per year between 2015 and 2019.

Despite the slowdown in GDP growth in the latter part of the decade, the financial performance of the industry remained sound. Lower fuel prices dampened overall cost growth, while higher output prices, presumably influenced by trucking business' pricing in capacity constraints, boosted revenues.

The industry was also benefitting from efficiencies in logistics. For example, the average load carried by trucks increased by 22 per cent, from 9.7 tonnes in 2008 to 11.8 tonnes in 2018. This explains why tonne-kilometres by truck rose 20 per cent over this period, although shipments only rose by a meagre 5 per cent.

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All in all, truck transportation generated pre-tax profits of \$4.7 billion in 2019 (at a margin of 6.5 per cent), more than double its \$1.9 billion profits in 2010 (margin of 4.5 per cent).

Truck transportation was significantly disrupted by the COVID-19 pandemic. Industrial shutdowns in China, intended to slow the spread of the virus, contributed to global supply chain disruptions, and shrinking global trade in early 2020.

These supply-side disruptions were followed by demand shocks, as countries including

Canada mandated lockdowns, leading to slumping consumer spending. While online shopping prevented stronger declines to consumer spending, demand for freight transportation dipped. As a result, truck transportation saw GDP decline by 18 per cent in the second quarter of 2020—the largest decline among freight transportation industries. Truck transportation also shed 38,800 jobs over the first two quarters of the year, including 11,200 in freight arrangement services.

Fortunately for the industry, shipping levels appeared to be rebounding in the summer.

The number of trucks entering Canada from the U.S. all but returned to pre-COVID levels by July, after declining by 31 per cent between February and April. Similar timely data is not publicly available for domestic trucking movements. However, truck driver employment, which represents a useful proxy for domestic trucking activity, rose to 313,800 in August, after falling from 308,800 to 283,800 between February and June.

Since August, employment has moderated, amid more stringent lockdowns to manage the second wave of the pandemic. At 297,600 in December, it remains slightly below pre-COVID levels.

A key reason why truck transportation has proven to be resilient during the COVID-19 pandemic is that it was deemed an essential service **Outlook** Over the near term, the economic recovery in truck transportation will parallel the rebound in the Canadian economy. Canada's merchandise trade will shape the outlook for truck transportation. we recognized that demand for trucking services would depend on Canada's merchandise trade. Canada's economic growth was slowing against the backdrop of an aging population, and elevated consumer debt levels. Thus, businesses were increasingly needing to tap into foreign markets to sell their goods.

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Most noticeably, Canada's trade (exports plus imports) in motor vehicles and parts is forecast to slow from 7.8 per cent per year between 2010 and 2019 to 2.7 per cent per year between 2020 and 2029. This partly reflects behavioural changes such as altered commuting patterns and the continuing shift to online retail that will present challenges for an auto industry that relies on consumers needing vehicles to drive to work and to shop.

Finally, the financial performance of truck transportation is forecast to improve beyond 2020. Revenues will receive a boost from the recovery in trucking activity, rising from an estimated \$62.7 billion in 2020 to \$76.9 billion by 2024. However, a surge in fuel price as a result of the war in Ukraine may lead to declining revenues.

The industry is also expected to gradually benefit from fuel efficiencies because of truck platooning—whereby trucks in a convoy are linked by a computer system that controls acceleration and braking. Costs, in turn, are also projected to rise in the forecast, although softer job growth and lower crude prices will limit gains. Against this backdrop, the industry will see pre-tax profits return to pre-COVID levels by 2022. Margins will level off around 6.8 per cent through 2024—in line with their pre-COVID levels.

### 3.2 Target Market

#### For consumers:

- \* **Age** = 18 years and above
- \* **Gender** = Both sexes
- \* **Location** = Ottawa, Edmonton, Calgary, Montreal, Toronto
- \* **Income** = Less than or equal to CAD 2500 monthly
- \* **Occupation** = General
- \* **Education level** = General

#### For businesses:

- \* **Industry:** light manufacturing, commerce, and other general industrials
- \* **Location:** Ottawa, Edmonton, Calgary, Montreal, Toronto
- \* **Size:** Small, Medium and large capital businesses
- \* **Stage in business:** (startup, growing, mature)



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### 3.3 Competitor Analysis

Competitor	Operating Regions	Strengths	Weaknesses
<b>Red Star Logistics Inc</b>	Ottawa, Edmonton Calgary, Montreal,	- Availability of New Trailers and great customer service, - Availability of Website and Online Presence	- website is very vague and not very explicit - lack of services offering on website - Very little online presence.
<b>Canworld Logistics Inc.</b>	Calgary, Montreal,	- Broad range of services - Great feedback from customers - Robust Website - Great Customer Service	- Very ugly graphics online. - Limited number of delivery trucks - Limited areas of operation
<b>CPC Logistics Canada.</b>	Toronto Ottawa, Edmonton	- Broad Range of products and services - Longevity in the market - Fully functional and robust website - Great Customer Service	- Misleading graphics on social media. - Very low social media penetration - Lack of competent drivers
<b>Paige Logistics Ltd.</b>	Ottawa, Edmonton	- Offers world-class logistics services - Has a large fleet of drivers available for supply chains - Great Customer Service - Robust and fully functional website	- Fairly active social media - Limited areas of service - Little or no customer feedback



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### 4. Marketing Plan

In this phase, it is a central task of the marketing concept to establish name, brand recognition and a unique trade mark. Later on, the strategy will primarily be targeted to gain new customers and create customer loyalty of repeat customers. Several marketing and sales promotion strategies will be implemented. Figure 6.1 shows different marketing elements and how we will use in marketing the company, as well as their estimated potential success factor.

**The numbers are based on typical businesses in the logistics and transportation industry. As can be seen, printed advertisements target a large potential customer group, but at a relatively high cost.**

Marketing alliances with other trading businesses to generate cost savings and increase efficiency. This Strategies will include but not be limited to;

- Offering of special opening discounts, coupons and bonuses,
- Mutual use of marketing and web promotion events and joint promotion arrangements.

- Web and e-mail marketing ,

**Email marketing is a relatively inexpensive additional effort. Direct mailings are a very**

efficient strategy that sends mailings to selected customers or business groups. Since spreading costs of such mailings are very low, this marketing element provides a useful tool for special offer promotions.

The use of marketing and sales promotions proceeds as follows: as a broad base to attract new customers, the strategy will include a combination of printed advertisements and special offers with opening discounts. Furthermore, a group of customers will be selected for direct mailings. This strategy is expected to continue for 3-4 months, after which the effort will turn towards creating customer loyalty for regular customers. This strategy is supplemented by a regular marketing strategy and direct mailings to regular customers. A marketing alliance and online advertisements will also come to use.

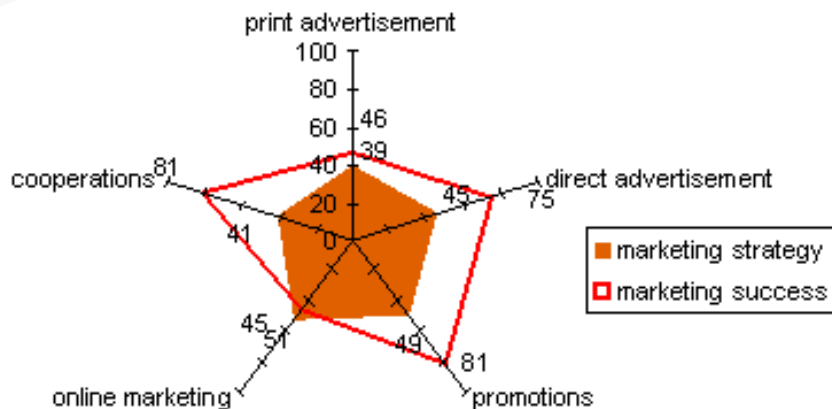


Figure 6.1 marketing strategies and marketing success



## 4.1 Digital Marketing Plan

Breaking this barrier will require strategic branding and marketing with precise implementation. Light and heavy equipment are standard utilities associated with certain Business-to-business (B2B) markets. They do not greatly concern the general consumers. This raises the challenge of devising a strategic marketing model that can accurately target the most potential customers across B2B dominated marketing channels. Also, considering the consumer segment to be a small subset of internet users, the business calls for an equally balanced marketing approach, which is dependent on both traditional and modern digital marketing methods.

### Marketing Objectives

- \* Increase Brand awareness
- \* Boost Sales Revenue
- \* Increase website traffic
- \* Get more social media followers

## 4.2 Marketing Tools

### 4.2.1 Branding

Effective branding helps the company develop a certain image with which it is perceived by its customers, competitors, and the general population. Proper branding gives credibility to our brand, makes it stand out from the diversity and ensures image consistency across all marketing channels. Basically, branding is what differentiates a determined well-established organization like ours from an unorganized business. Branding strategies the company will implement involve the design and development of logos, trademarks, website it easier to recognize a business. Some other branding techniques include the preparation of: Visiting Cards and email address that make Product Brochures, Packaging, and Letterheads.

### 4.2.2 Business Networking Events

The business executives shall attend various business networking events, such as trade shows, product launches, seminars, award ceremonies, etc. These will introduce the company's venture to more and more people and assist in making fruitful business connections. Another important reason to be a part of business networking events or host one is the exposure to like-minded professionals and acknowledgment of the business as a potential rival by key competitors. Business networking is also one of the few B2B marketing strategies that focus on accomplishing industrial recognition instead of targeting customers.

### 4.2.3 Search Engine Optimization (SEO)

Search engine optimization assists a business in appearing at the top position of search engine result pages (SERPs). In SEO, the position of a web page for particular search terms (keywords) is called ranking and higher rankings ensure better visibility to internet users. To provide these rankings, search engines measure the relevance of these search terms and the completion of the user's search intent on a web page. Several algorithms help search engines determine keyword relevancy.

SEO is further divided into two types:

### 4.2.4 On-page SEO

53% of all trackable website traffic comes from search engines. On-Page (On-Site) SEO improves the webpage's ranking by making changes and adjustments directly on the website. It focuses on keyword positioning, relevancy of the content, UX and website speed. On-Page SEO makes the company's website trustworthy for search engines and ensures higher rankings for the future. Not to mention that the top three URLs on a SERP receive the highest number of clicks.

### 4.2.5 Off-Page SEO

Off-Page (Off-Site) SEO refers to those activities that take place on third party websites and impact rankings. They change the public perception of a website, make it sound more reliable, safe and authoritative. In the eCommerce industry, backlinks generated from other websites act as references. They help in lead generation and spread awareness about the website. Some other important aspects of Off-Page SEO include business listing, content marketing and blogging.





**4.2.6 Social Media Marketing**

- \* Google my business
- \* Google ads
- \* Facebook
- \* Twitter
- \* LinkedIn

**4.2.7 Advertising**

Various forms of advertising can be used for marketing and promotion of the business.

**Affiliate Marketing**

In B2B affiliate marketing, renowned people of the industry or those with important business connections find leads for equipment rental businesses. However, affiliate marketing requires businesses to provide strong motivations to their affiliate partners in the form of incentives such as a percentage commission or a lump sum amount. Basically, the affiliate becomes an intermediary between the business and customer, and carries out its own marketing campaigns to secure leads. This assists the equipment rental business in reducing its marketing efforts. It is essential in affiliate marketing for the business owner to formulate a partnership agreement to be signed between the owner and the affiliate partner. This agreement should mention all the incentives beforehand along with the partnership duration and performance estimations. Separate documentation regarding the sales cycle and business product line or services can be prepared to assist the affiliates in launching effective marketing strategies

**4.2.8 Planned Marketing Budget**

Marketing tool	Estimated Monthly Cost	Estimated Annual Cost
Branding	75	900
Business Network Events	75	900
Search Engine Optimization (SEO)	100	1200
Social Media Marketing: <ul style="list-style-type: none"> <li>• Google my business</li> <li>• Google ads</li> <li>• Facebook</li> <li>• Twitter</li> <li>• LinkedIn</li> </ul>	100	1200
Online and offline Advertising	50	600
Affiliation Marketing	100	1200
<b>Total</b>	<b>500</b>	<b>6000</b>

**Key Performance Indicators (KPI) used in measuring effectiveness of marketing campaigns :**

- \* Weekly web traffic
- \* Weekly / monthly leads generated
- \* New contracts awarded
- \* Annual revenue growth
- Contacts and networks earned from seminars and conferences

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**4.2.9 Marketing Objectives**

- \* Increase Brand awareness
- \* Boost Sales Revenue
- \* Increase website traffic
- \* Get more social media followers

**4.3 Marketing Tools**

- \* Business website

The company currently has a business website [www.kmarlogisticservice.com](http://www.kmarlogisticservice.com)

**Social media marketing on**

- \* Facebook
- \* Instagram
- \* LinkedIn
- \* Twitter
  
- \* Email marketing
- \* Search engine optimization
- \* Content marketing
- \* Print marketing materials (brochures, flyers, business cards)



**5. SWOT ANALYSIS ( Strength, Weaknesses, Opportunities & Threats)**

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>- Experience of company founder and working team in the industry.</li> <li>- Company's technical partnership with Distributors, Custom Clearance and warehousing companies will ease identification and delivery of goods in country of designation.</li> <li>- Presence of tracking devices to mitigate risk against theft and ensure accurate deliveries.</li> <li>- Established supply chain entities</li> <li>- Availability of advanced software and technology to manage distribution</li> </ul>	<p><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>- Fragmentation in the industry</li> <li>- Lack of eCommerce businesses giving competitive advantage to online rental platforms</li> <li>- Lack of distribution and customer relationship management offices</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>- Rising standards of living and emerging African markets</li> <li>- Unexplored online channels like marketplaces and eCommerce sites</li> <li>- Opening up of new markets due to government agreements</li> <li>- Unavailability of high-tech logistics management companies serving emerging African markets</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>- The Shortage of The Drivers.</li> <li>- Port Sector Issues.</li> <li>- Improving Supply Chain Visibility.</li> <li>- Tax Structure and Warehousing Problems.</li> </ul>

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**5.1 Other factors Affecting activity Political, Economic, Social, Technological, Legal & Environmental**

<p><b>Political</b></p> <ul style="list-style-type: none"> <li>• Political stability in Canada and USA enabling market predictability and providing a favourable environment for investment</li> <li>• Trade regulations and legal framework ensuring safe and secure business operations.</li> <li>• Trade blocs and industrial ties making rental services more accessible</li> </ul>	<p><b>Economic</b></p> <ul style="list-style-type: none"> <li>• Surge in Foreign Direct Investments</li> <li>• Moderate inflation and boost in disposable income favouring purchases of high quality products from overseas.</li> <li>• Regulated interest rates and readily available government and private loan options</li> <li>• Higher consumer spending trends in comparison to previous years</li> </ul>
<p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Increased urbanization and infrastructure improvement projects</li> <li>• Large scale availability of skilled and educated workforce in targeted cities</li> <li>• Consumer preference for quality services leading to repeat purchase</li> <li>• Economic class stratifications enabling logistics services to vary prices from location to location</li> </ul>	<p><b>Technological</b></p> <ul style="list-style-type: none"> <li>• Online rental platforms and solutions expanding business potential</li> <li>• A ccessibility of advanced IT structure</li> <li>• Internet penetration and technological research affecting cost structure and value chains</li> </ul>
<p><b>Legal</b></p> <ul style="list-style-type: none"> <li>• Consumer protection, data protection and eCommerce trading laws</li> <li>• Anti-discrimination laws</li> <li>• Health and safety standard laws</li> <li>• Copyrights, patents and intellectual property laws</li> <li>• Antitrust laws for competition regulation in the industry</li> </ul>	<p><b>Enviromental</b></p> <ul style="list-style-type: none"> <li>• Sustainable development approaches increasing the demand for electric and solar powered equipment which mostly have to be shipped.</li> <li>• Availability and increase in usage of renewable resources</li> </ul>



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## 6. Financial Plan

This section provides insights of the financial accounts and financial projections of the business for the next three years. Analysis have been carried out and presented in Microsoft Excel Format.

All Accounting and Financial recording and reporting have been presented according to the International Financial Reporting Standards (IFRS).

Financial projections has been forecasted based on pre-set assumptions which are:

1. **Source of Financing:** The company shall obtain a loan of **CAD 150,000 (ONE HUNDRED AND FIFTY THOUSAND CANADIAN DOLLARS)** at an interest rate of **6% (SIX PERCENT)**, to be repaid over a period of **three (03) years**.

### 2. Uses of Funds:

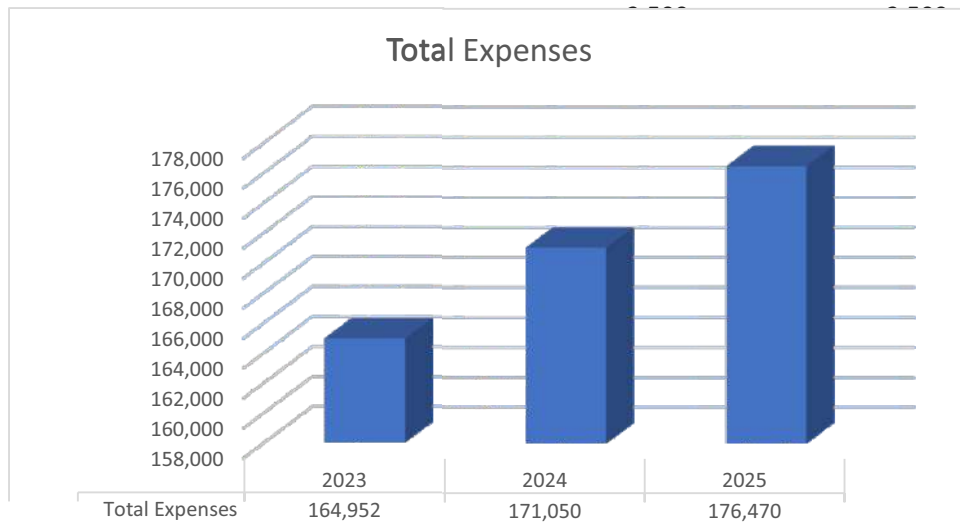
Use	Amount (CAD)
Freightliner sleeper with container trailer Truck	50,000
Annual Office Space with Loading Dock renting expenses	43,200
Payroll Expenses	60,000
<b>Total</b>	<b>153,200</b>



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KMAR LOGISTICS SERVICES				KMAR LOGISTICS SERVICES			
Accounting Analysis				Accounting Analysis			
Canadian Dollars (CAD)				Canadian Dollars (CAD)			
<b>Important Assumptions</b>				<b>Important Assumptions</b>			
<b>Fiscal Year</b>				<b>2023 Fiscal Year</b>			
Date				12/31/2023	Date		
Period				1	Period		
Months in Periods				12	Months in Periods		
Tax Rate				13%	Tax Rate		
<b>Sources of Funds</b>				<b>Sources of Funds</b>			
Loan Financing (Debt)				Loan Financing (Debt)			
Loan Amount			150,000	Loan Amount			
Annual Interest rate			6%	Annual Interest rate			
Loan Term in years			3	Loan Term in years			
Monthly payments			4,563.29	Monthly payments			
Total of 36 Payments			164,278.46	Total of 36 Payments			
Total Interest			14,278.46	Total Interest			
<b>Uses of Funds</b>				<b>Uses of Funds</b>			
<b>Cost Analysis</b>				<b>Cost Analysis</b>			
<b>Operating Expenses</b>		<b>Monthly Cost</b>		<b>Operating Expenses</b>		<b>Monthly Cost</b>	
<b>Fixed/Indirect Expenses</b>				<b>Fixed/Indirect Expenses</b>			
Office Rent and Loading Dock rental	3,600			43,200	Office Rent and Loading Dock rental		
Payroll :							
1 Driver	2,500			30,000	#VALUE!		0
1 operations officer	2,500			30,000	#VALUE!		0
Web and Digital Marketing	500			6,000	10,000		15,000
Depreciation				7,000	7,000		7,000
Insurance				3,000	3,000		3,000
Utilities	250			2,500	2,500		2,500
Office Stationery	250			3,000	#VALUE!		0
<b>Variable Cost (Direct Expenses)</b>				<b>Variable Cost (Direct Expenses)</b>			
Fuel				18,000	22,000		25,000
Transport expenses				3,000	3,000		3,000
<b>General Overhead</b>				<b>General Overhead</b>			
Business Travel Expenses				5,000	5,000		5,000
Documentation Fees				1,500	2,000		2,500
Container Demurrage Fee				3,500	4,000		4,000
<b>Financial Expenses</b>				<b>Financial Expenses</b>			
Interest Expense				9,252	6,350		3,270
<b>Total Expenses</b>				<b>164,952</b>	<b>#VALUE!</b>		<b>70,270</b>
<b>Capital Expenditures and Depreciation Schedule</b>				<b>Capital Expenditures and Depreciation Schedule</b>			
<b>Purchase of Freightliner Slipper with container trailer</b>				<b>Purchase of Freightliner Slipper with container trailer</b>			
Residual Value				50,000	-		-
Useful life in years				15,000			
				5			
Annual depreciation charge				7,000	7,000		7,000
Accumulated Depreciation				7,000	14,000		21,000
<b>Net Book Value</b>				<b>43,000</b>	<b>29,000</b>		<b>8,000</b>





<b>Mercedes sprinter 2011 Delivery Van cost price</b>		21,000		
Date of Acquisition		4/1/2021		
Residual value		5,000		
Useful life In years		5		
Annual depreciation charge		3,200	3,200	3,200
Accumulated depreciation		9,600	12,800	16,000
<b>Net Book Value</b>		<b>11,400</b>	<b>8,200</b>	<b>5,000</b>
<b>Hyundai Santa fe XL</b>				
Purchase date		18/12/2021		
Purchase price		35,000		
Residual value		6,600		
Useful life in years		5		
Annual depreciation charge		5,680	5,680	5,680
Accumulated depreciation		11,360	17040	22,720
<b>Net Book value</b>		<b>23,640</b>	<b>17,960</b>	<b>12,280</b>
<b>Hydraulic lift machine cost price</b>				
		4,000		
Purchase date 2021		4/1/2021		
Annual depreciation		710	710	710
Accumulated depreciation		1,420	2,130	2,840
<b>Net book Value</b>		<b>2,580</b>	<b>1,870</b>	<b>1,160</b>
<b>Total Annual Depreciation</b>		<b>16,590</b>	<b>16,590</b>	<b>16,590</b>
<b>Total Accumulated Depreciation</b>		<b>29,380</b>	<b>45,970</b>	<b>62,560</b>
<b>Revenue Analysis</b>				
<b>Container Booking Revenue</b>				
Container Booking Unit price		500	500	500
Number of container Bookings		120	160	200
<b>Projected revenue from Container booking Service</b>		<b>60,000</b>	<b>80,000</b>	<b>100,000</b>
<b>Container Booking Revenue growth rate</b>			<b>33.33%</b>	<b>25.00%</b>
<b>Trucking Services Revenue</b>				
<b>Route</b>		<b>Unit Trucking price</b>	<b>Unit Trucking price</b>	<b>Unit Trucking price</b>
Montreal to Ottawa		600	600	600
Within Montreal Area		200	200	200
WithIn Edmonton		200	200	200
WithIn Calgary		200	200	200
Trucking within Toronto		300	300	300
Projected Number of Trucking trips		90	120	150
<b>Total projected Revenue from Trucking services</b>		<b>54,000</b>	<b>72,000</b>	<b>90,000</b>
<b>Trucking Services Revenue growth rate</b>			<b>33.33%</b>	<b>25.00%</b>
<b>Revenue from Pick up and Delivery Services</b>				
<b>Shipping Route</b>		<b>Unit Pricing</b>	<b>Unit Pricing</b>	<b>Unit Pricing</b>
Montreal to Ottawa full load		2,000	2,000	2,000
0 - 25kg		100	100	100
26 - 50 kg		180	180	180
51 - 100 kg		250	250	250
101 kg - 150 kg		320	320	320
151 kg - 200 kg		400	400	400
Projected Shipping Orders		60	120	180
<b>Revenue from Pick up and Delivery Services</b>		<b>60,210</b>	<b>120,240</b>	<b>180,270</b>
<b>Pick up and Delivery Services revenue growth rate</b>			<b>100%</b>	<b>50%</b>
<b>Total Revenue Projections from Core Business services</b>		<b>174,210</b>	<b>272,240</b>	<b>370,270</b>
			56%	36%



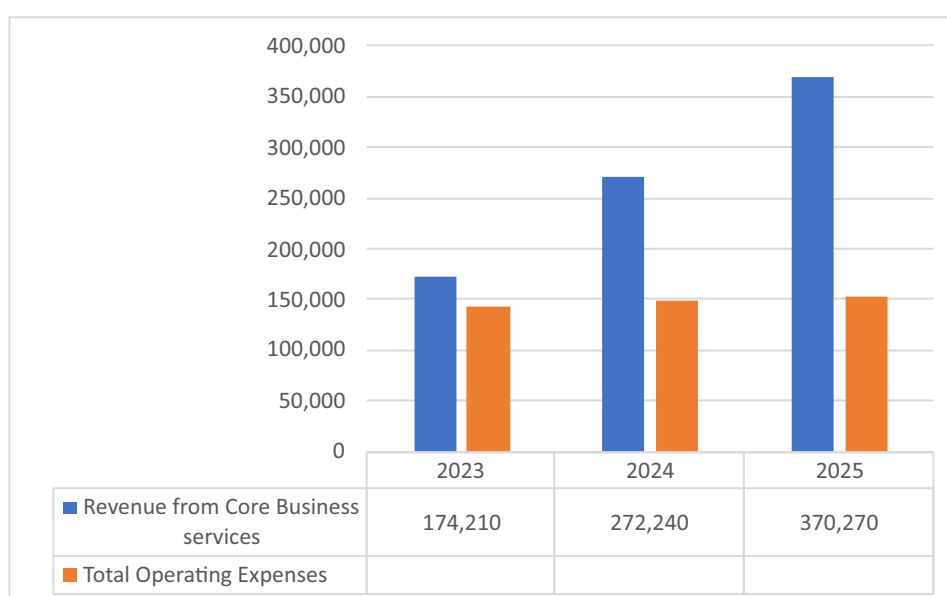


**KMAR LOGISTICS SERVICES**  
**Projected Financial Statements**  
**Canadian Dollars (CAD)**

2023      2024      2025

**Income Statement**

<b>Revenue from Core Business services</b>		<b>174,210</b>	<b>272,240</b>	<b>370,270</b>
Cost of Services Offered :				
Fuel		18,000	22,000	25,000
Transport expenses		3,000	7,000	11,000
<b>Total costs of services offered</b>		<b>(21,000)</b>	<b>(29,000)</b>	<b>(36,000)</b>
<b>Gross Profit</b>		<b>153,210</b>	<b>243,240</b>	<b>334,270</b>
<b>Expenses</b>				
Office Rent and Loading Dock rental		43,200	43,200	43,200
Payroll		60,000	60,000	60,000
Web and Digital Marketing		6,000	10,000	15,000
Depreciation		16,590	16,590	16,590
Insurance		3,000	3,000	3,000
Utilities		2,500	2,500	2,500
Office Stationery		3,000	3,000	3,000
Business Travel Expenses		5000	5000	5000
Documentation Fees		1500	2000	2500
Container Demurrage Fee		3500	4000	4000
<b>Total Operating Expenses</b>		<b>144,290</b>	<b>149,290</b>	<b>154,790</b>
<b>Operating Income (EBIT)</b>		<b>8,920</b>	<b>93,950</b>	<b>179,480</b>
Interest Expense		(9,252)	(6,350)	(3,270)
<b>Pre-Tax Income</b>		<b>(332)</b>	<b>87,600</b>	<b>176,210</b>
<b>Income Tax %</b>	13	0.13	43	(11,388)
<b>Net Income</b>		<b>(289)</b>	<b>76,212</b>	<b>153,303</b>



*Designed by Ejiyce*



**Cash Flow Analysis**

**Cash flow from operations**

Net Income	(289)	76,212	153,303
depreciation, amortization and provisions	16,590	16,590	16,590
changes in inventories	0	0	0
changes in receivables	0	0	0
change in current liabilities	0	0	0
<b>Net Cash flow from operations</b>	<b>16,301</b>	<b>92,802</b>	<b>169,893</b>

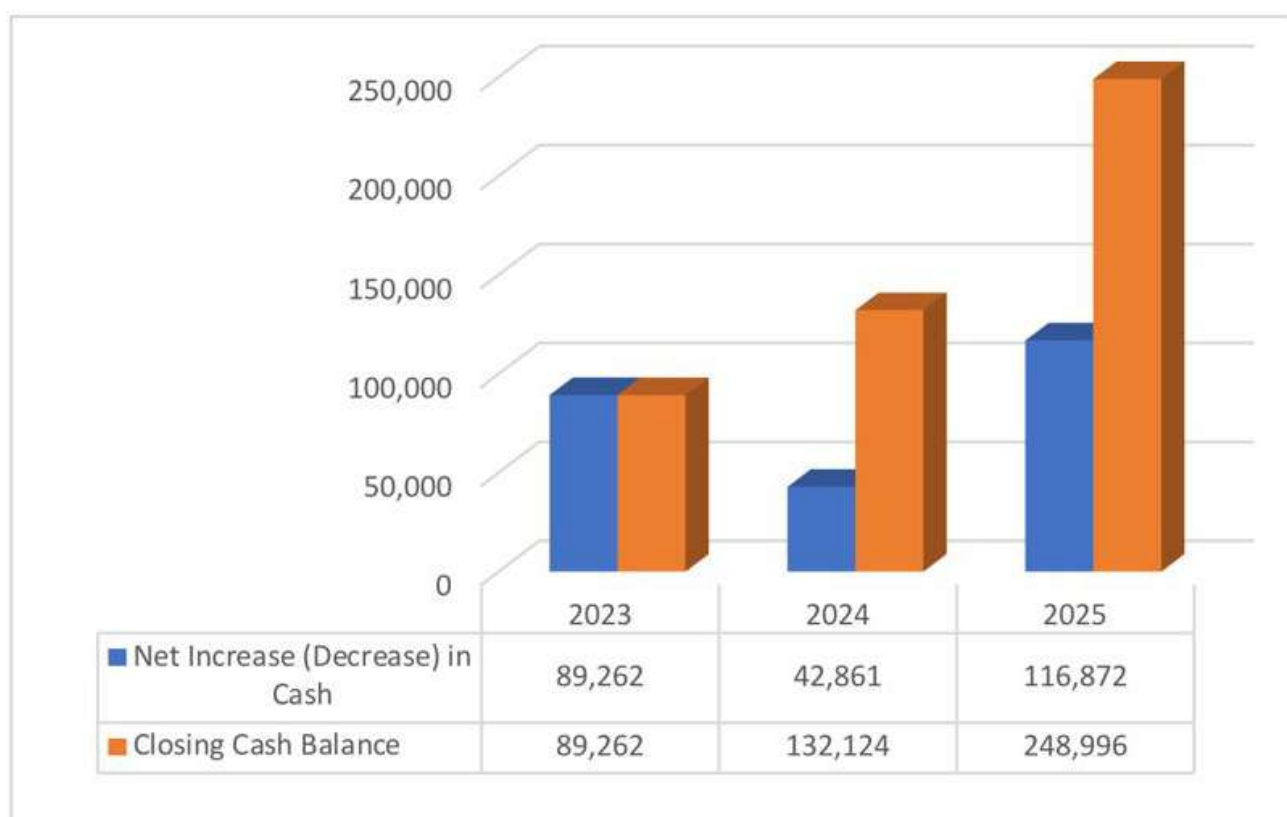
**Investing Cash Flow**

cash outflow on acquisition of tangible assets	(50,000)	0	0
<b>Net cash flow from investing</b>	<b>(50,000)</b>	<b>0</b>	<b>0</b>

**Financing Cash Flow**

capital increase through new contributions	20,000		
Debt Principal Repayments	(47,039)	(49,940)	(53,021)
proceeds from Borrowings	150,000	0	0
<b>Net cash flow from financing</b>	<b>122,961</b>	<b>(49,940)</b>	<b>(53,021)</b>

<b>Net Increase (Decrease) in Cash</b>	<b>89,262</b>	<b>42,861</b>	<b>116,872</b>
<b>Opening Cash Balance</b>	<b>0</b>	<b>89,262</b>	<b>132,124</b>
<b>Closing Cash Balance</b>	<b>89,262</b>	<b>132,124</b>	<b>248,996</b>



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**Balance Sheet**

**Assets**

**Fixed Assets**

Freightliner Slipper with container trailer	43,000	29,000	8,000
Hyundai Santa fe XL	23,640	17,960	12,280
Hydraulic lift machine	29,381	35,061	40,741
Mercedes sprinter 2011 Delivery Van	11,400	8,200	5,000
Office Furniture	2,800	2,450	2,100
<b>Total Fixed Assets</b>	<b>110,221</b>	<b>92,671</b>	<b>68,121</b>

**Current Assets**

Cash	89,262	132,124	248,996
<b>Total Current Assets</b>	<b>89,262</b>	<b>132,124</b>	<b>248,996</b>
<b>Total Assets</b>	<b>199,482.94</b>	<b>224,794</b>	<b>317,116</b>

**Liabilities**

Current liabilities	0	0	0
Loan	102,961	53,021	0
<b>Total Liabilities</b>	<b>102,961</b>	<b>53,021</b>	<b>0</b>

**Equity**

Owners equity	96,810.57	96,522	171,774
Net income	-289	76,212	153,303
Capital contribution		5,690	6,390
Drawings	0	(6,650)	(14,350)
<b>Net Equity</b>	<b>96,522</b>	<b>171,774</b>	<b>317,116</b>

<b>Total Liability and Equity</b>	<b>199,482.94</b>	<b>224,794</b>	<b>317,116</b>
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<b>Balance Sheeet Check</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>
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Appendices

<https://www.mordorintelligence.com/industry-reports/canada-project-logistics-market>  
<https://publications.gc.ca/collections>

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