



myMeals

your preference,
your porch.

Business Plan

South Pasadena High School
2020-2021



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[mymeals.vei](https://www.instagram.com/mymeals.vei)



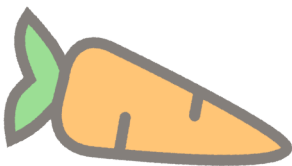
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Executive Summary

In the US, over the past three generations, obesity rates have climbed while the percent able to cook has dropped significantly. According to a survey conducted by our company, 93% of Gen Z members would like to cook better, but time and experience are obstacles. Additionally, during COVID-19, the usage of food delivery services has increased with growing popularity even before the pandemic. MyMeals seeks to provide our customers with a way to learn culinary skills, enabling them to lead healthy and fulfilling lives.

At MyMeals, our mission is to provide customers with a convenient and cost-effective way to cultivate healthy eating habits while learning essential culinary skills. We are registered as a C corporation and have 34 employees. Our location in Los Angeles, California sets us in a position to effectively deliver all across the country. By our first year in business, MyMeals will have established a strong social media presence and hired dieticians to expand our product. By our third year, we will continue to build partnerships with sustainable farms and begin selling in grocery stores. Lastly, by our fifth year, MyMeals plans to have expanded enough to purchase our own shipping infrastructure to improve the quality of our service.

With the meal kit industry worth over \$9 billion and expected to grow at 12.7% annually, MyMeals is entering a ripe market. Our primary indirect competitor is Blue Apron, a real-world company that has been successful in the past decade delivering meal kits. However, they do not have an emphasis on cooking skills nor do they stress healthy lifestyles. Blue Apron produces 200 million pounds of freezer pack waste per year. Through the use of 2% cotton and 98% water, our freezer packs can be recycled. Additionally, many food delivery services use cardboard packaging that is quickly thrown away. Through our “How to Repurpose” page on our website, we encourage customers to use our reusable packaging to grow a beautiful garden and prevent packaging from being wasted. In the virtual world, MyMeals faces 92 competitors in the food and beverage industry. However, we are the only company that specializes in food delivery, indicating a market gap we will take advantage of.

MyMeals currently offers five diets with 2-week, 4-week, and 9-week subscription plans available. Our pricing is competitive in the market and also covers shipping expenses. Three meals will be delivered to our customers each Monday to ensure fresh ingredients. And with a constantly expanding selection of meals and diets, customers will always be satisfied and willing to buy from us again.

50 million Americans do not have reliable access to fresh, healthy, and affordable food. Through our partnership with Feeding America, one of the nation's largest hunger-relief organizations, we hope to align our missions and leverage our brand's platform for good. On top of that, we plan to hold monthly company volunteering days and donate all excess and unsold inventory to food banks.

MyMeals is currently in an extremely strong position with financing entirely through the sale of equity. MyMeals is financed through 3 angel investors, each with an investment of \$50,000, and \$20,000 provided by virtual enterprise upon business registration. This sum of \$170,000 aims to cover our firm's expenses for 3 months of operation. Profit margins for meal plans range from 42-47% and our 2-week, 4-week, and 9-week meal plans are priced at \$71.99, \$134.99, and \$279.99 respectively. As of January 30, MyMeals has a quick ratio of 70.54, with our only liability as an account payable to the California Department of tax. By April, MyMeals projects to gain a total revenue of \$437,250.82 and have \$479,204.24 in expenses, a net loss of \$55,453.42.

With a growing industry and a strong financial footing, MyMeals is expected to continue expanding and keep giving new and returning customers the satisfaction of cooking a nutritious meal with their own hands. MyMeals seeks to provide customers with more than just a box of ingredients at their doorstep, we empower them to lead more independent, healthful, and fulfilling lives.



Quentin Holmes
Chief Executive Officer



About the Business

COMPANY OVERVIEW

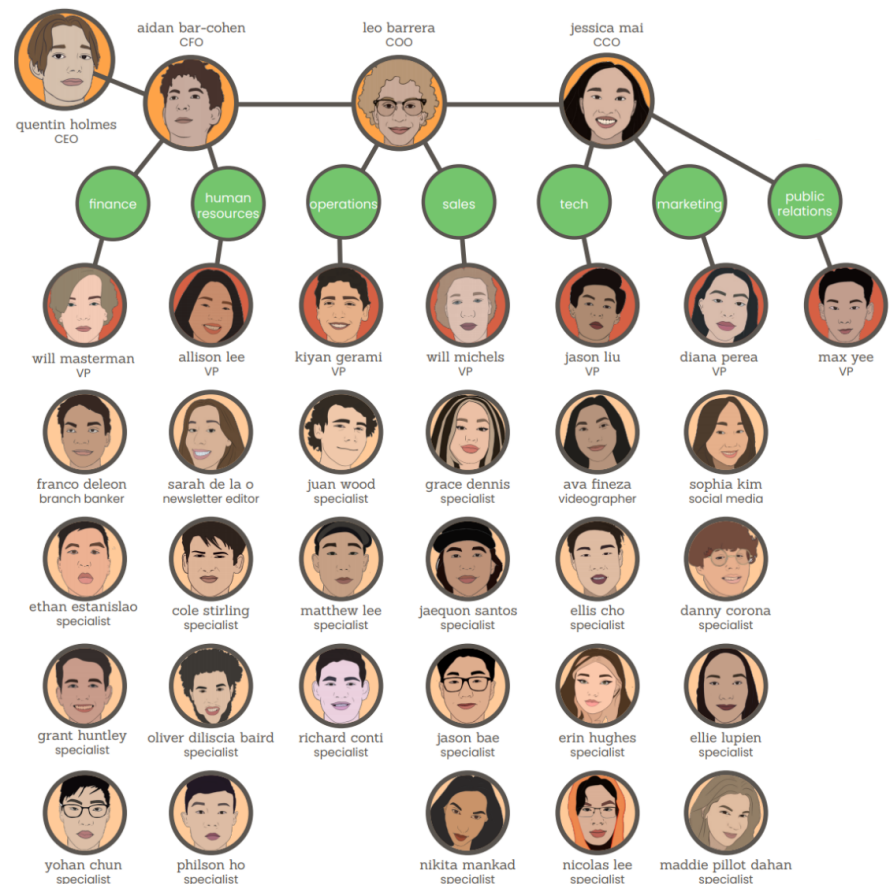
MyMeals is a meal kit delivery service that allows our customers to choose from a wide range of diets and meals. In each meal kit, customers are provided all the ingredients and recipes they need to cook delicious and healthy meals in their own kitchens. Three meals are delivered weekly, and subscription plans range from 2 to 9 weeks long.

MISSION STATEMENT

Through our subscription-based meal kit delivery service, we provide customers with a convenient and cost-effective way to cultivate healthy eating habits and learn essential culinary skills.

COMPANY ORGANIZATION

MyMeals is a C corporation based in Los Angeles, CA with 34 employees lead by the CEO. We are divided into seven departments: finance and human resources lead by the CFO; operations and sales lead by the COO; technology and marketing lead by the CCO; and the public relations department.



SWOT ANALYSIS

Strengths | MyMeals has a

strong focus on the environment through the use of recyclable and reusable packaging.

Additionally, MyMeals has a unique focus on the individual. Using our specialized meal kits, we provide a level of personalization and connection that our competitors do not.

We are also highly profitable through the use of subscription plans.

Weaknesses | Shipping meals are expensive, which causes our prices to be higher, which could deter potential customers. Retaining customers after their subscription has ended may also be an issue. To combat this, we will consistently update our diet selection with fresh and trendy diets that our customers will love.

Opportunities | The market for food delivery services is growing rapidly and has been fueled by the coronavirus pandemic. The use of general delivery services has increased as well. The meal-kit industry is growing at a CAGR of 13%,¹ a positive trend that is expected to continue long after the pandemic is over.

Threats | Difficulty selling during the pandemic and a saturated market are our main threats. With many well-established companies, carving out our niche in the meal kit industry will be a challenge. To combat this, we differentiate ourselves with our specialized meal kits and a focus on customer well-being.

Business Rationale

CUSTOMER EMPATHY

As Gen Z and millennials leave their homes to lead their own lives, they are faced with a harsh reality. A staggering 37% of millennials and 54% of Gen Z reported being unable to cook, with obstacles such as time and experience preventing them from leading healthy lifestyles.⁵ Whether young people don't know how to or don't have the time, it is clear there are barriers to progress. The average American adult spends 40 minutes cooking and cleaning per meal.² On top of that, the average person spends nearly 70 minutes a week shopping for groceries, not accounting for commute time.³ These days, people are busy, and all this time adds up, making cooking every day all but impossible for the vast majority of the population. Many end up falling back on fast food, which is quick and inexpensive, but often unhealthy. MyMeals eliminates the obstacles that prevent individuals from cooking at home and eating healthy meals by providing customers with a consumer-friendly way to receive fresh, pre-portioned ingredients and simple easy-to-follow recipes at a reasonable cost.

PROBLEM STATEMENT

Over the past three generations, the percentage of people able to cook has dropped dramatically from 76% to 46% while obesity rates have doubled, from 18% to 36%.⁴ This has led to an increased number of individuals with health issues, such as diabetes and hypertension, especially in the younger age ranges. People's lives have become busier, leaving less time for cooking, but the ability to cook remains an essential life skill.

IDEAL STATE

MyMeals promotes and enables healthy lifestyles, simplifies the cooking process, and allows customers to become more independent and self-sufficient. With our convenient delivery service, a wide variety of diet meal plans, and 100% recyclable and repurposable packaging, MyMeals will make it easy for customers to learn valuable culinary skills and provide them with the tools they need to maintain a healthy lifestyle, shaping a future that is more healthful and sustainable.

COMPANY GOALS

1-year | By our first year, MyMeals plans to have created a strong social media presence where we will make instructional cooking videos to market our products. Additionally, we will hire experts and dietitians to expand our selection of meals, encouraging customers to keep coming back to try new diets.

3-year | By our third year, we will continue partnering with sustainable farms to improve the quality of our ingredients and meals. MyMeals also plans to start selling in popular grocery stores such as Vons and Albertsons.

5-year | By our fifth year, we will acquire our own shipping infrastructure to reduce costs and improve the quality of our service.

OUR SUPPLIERS

Marin Sun Farms | To source animal products, we use Marin Sun Farms, a San Francisco-based meat company dedicated to the creation of a more sustainable food system. They are a certified organic and Animal Welfare Approved facility.

Shasta Produce | Our produce supplier, Shasta Produce, is the largest wholesale distributor of fruits and vegetables in California. They are a family-owned business

firmly rooted in the tradition of working hard and making sure their customers are always satisfied.

United Parcel Service | We will use UPS as our shipping service. The cost of shipping a 14 by 10 by 12-inch box is \$9.50, \$0.70 cheaper than USPS, and \$0.44 cheaper than FedEx. MyMeals will be shipping domestically using 5-8 day shipping, so

External Environment

CURRENT ECONOMIC CONDITIONS

In the fourth quarter of 2020, the United States experienced a 6% increase in GDP, compared to a 34.3% decrease in the second quarter of 2020, illustrating the clear path for economic recovery. The U.S. unemployment rate decreased from 6.7% in the 4th quarter of 2020 to 6.3% in the 1st quarter of 2021. The inflation rate for the United States is 1.4% in the first quarter of 2021. The current economic conditions clearly show that MyMeals is entering the economy at a great time.

REAL-WORLD INDUSTRY ANALYSIS

Meal Kit Industry | The global meal kit delivery services market size was estimated at \$7.6 billion in 2019 and is now estimated at \$9.1 billion in 2020. By 2022, the market is expected to more than double from 2017, reaching \$11.6 billion. The global meal kit delivery services market is expected to grow at a compound annual growth rate of 12.7% from 2020 to 2027, reaching \$19.92 billion by 2027. The growing popularity and value of meal kit delivery services indicate that MyMeals is entering a ripe market.

According to the Bureau of Labor Statistics report published in April 2019, among married couples, 48.8% of families had both employed husbands and wives. Similarly, 63% of married couples with children are both employed. With an inflating average lifestyle, it's common for families with working parents to face a time crunch in cooking. Meal kit delivery services provide pre-proportioned ingredients, simplifying the cooking process and eliminating the need to shop for a wide variety of ingredients. Overall, these meal kit delivery services have made cooking a less time- and energy-intensive task, which compels amateurs to try cooking meals themselves. A shifting preference for

meal kits is driven by benefits pertaining to homemade meals. For instance, homemade food is more economical than eating in a restaurant. Furthermore, homemade meals made with fresh and all-natural ingredients are often much healthier than fast food and take-out alternatives.

VIRTUAL INDUSTRY ANALYSIS

Out of the 916 firms in the United States, MyMeals faces no direct competitors and enters the food and beverages industry. Currently, 92 VEI firms categorize themselves under this industry, of which MyMeals is the only firm that utilizes 100% recyclable and compostable materials for their packaging. By entering an untapped diet meal-kit market, MyMeals capitalizes on having no direct competition and bringing an innovative product to the market. The meal kit delivery industry is saturated but the individualized diet meal plans create newfound opportunity in this broad market. MyMeals is entering a narrower unsaturated market for diet meal plans which teach healthy eating habits as well as cooking skills.

REAL-WORLD COMPETITION

Blue Apron and Hello Fresh, MyMeals's main real-world competitors, demonstrate its lack of environmental cautiousness and inability to capitalize on diet-based meal kits, which are continuously growing in popularity over time. Both companies provide meal plans for families that are not tailored to those who want to improve their health. On the contrary, MyMeals provides individualization for our consumers. Aside from the real world, in the Virtual Marketplace, MyMeals faces no direct competitors.

Blue Apron | Blue Apron is a meal kit delivery service that allows customers to choose from 2-serving or 4-serving meals to be shipped to their homes. Blue Apron provides raw ingredients for their meals and step-by-step instructions for cooking their dishes. In June of 2017, Blue Apron was estimated to be worth over \$1 billion. Indicating there is a strong market and interest in meal kit delivery services. Although Blue Apron had a promising start, the company fails to adapt to industry and consumer trends. Blue Apron demonstrates their lack of commitment to environmental sustainability and inability to capitalize on the growing diet meal industry. Blue Apron delivered about 8 million packages in 2017, producing a staggering 192,000 tons of freezer-pack waste that year

alone. Unlike Blue Apron, MyMeals uses recyclable ice packs that contain 98% water and 2% non-GMO cotton-based gel that is recyclable and can be used to give nutrients to plants. Although Blue Apron offers meal kits similar to MyMeals, they lack environmental consciousness and fail to capitalize on the growing industry prevalent in dietary meals.

Hello Fresh | Like Blue Apron, Hello Fresh offers 2-serving or 4-serving meal kits. In 2017, Hello Fresh was estimated to be worth over \$1.6 billion. Hello Fresh is now worth over \$2.3 billion, demonstrating the recent growth of the meal kit delivery industry. Hello Fresh utilizes eco-friendly plastic for their ice packs, but unlike MyMeals, the gel contents of their ice packs must be discarded. This continues to add to the mountains of freezer pack waste in landfills. My Meals also differentiates itself from its competitors by placing an emphasis on teaching essential cooking skills. MyMeals provides simple and easy-to-follow recipes, simplifying the cooking process and making it much more appealing for all.

VIRTUAL WORLD COMPETITION

No other Virtual Enterprise company delivers meal kits and teaches healthy eating habits through cooking. MyMeals' specialization as a diet meal kit company distinguishes itself as the market leader in an industry with no direct competitors.

Timeless | Timeless, MyMeals's sole indirect competitor in the virtual world, offers one-time purchases of raw and pre-portioned bulk food ingredients with recipe cards and directions on how to cook a meal with the given ingredients. Similar to MyMeals, Timeless provides meal kits for consumers to cook various dishes. However, MyMeals goes even further by utilizing 100% recyclable and repurposable packaging, cultivating healthy eating habits and teaching our customers essential cooking skills.

Marketing Plan

TARGET MARKET

Gen Z | MyMeals' primary target market is Gen Z or individuals between the ages of 18 and 24. Gen Z is beginning to lead independent lives and tends to prefer products that are both valuable and practical for their daily lives.¹¹ As obesity rates rise among the younger generation, healthy eating is now a priority. Home cooking tends to be healthier due to lower levels of saturated fats, sodium, and calories. MyMeals enables easy home cooking and will allow our customers to lead healthier and more fulfilling lives.

Millennials | MyMeals' secondary target market consists of millennials, or individuals between the ages of 25 and 38. Meal kit delivery services are popular among millennials as they allow customers to cook quick and tasty meals without having to spend much time grocery shopping.¹² MyMeals offers a variety of meals, allowing millennials to be satisfied trying new and exciting meals.

MARKET SEGMENTATION

Psychographics | Gen Z and Millennials have grown up in a fast-moving world and they tend to be impatient when it comes to making decisions. They rely heavily on social media when it comes to making decisions. In addition, they look for services that make their lives easier to manage.

Benefits | As social media plays a major role when it comes to making decisions, we are able to reach our target audience more easily. MyMeals is a simple and quick service that can make the lives of 71% of Gen Z and 66% of Millennials who would like to learn how to cook¹³ less stressful.

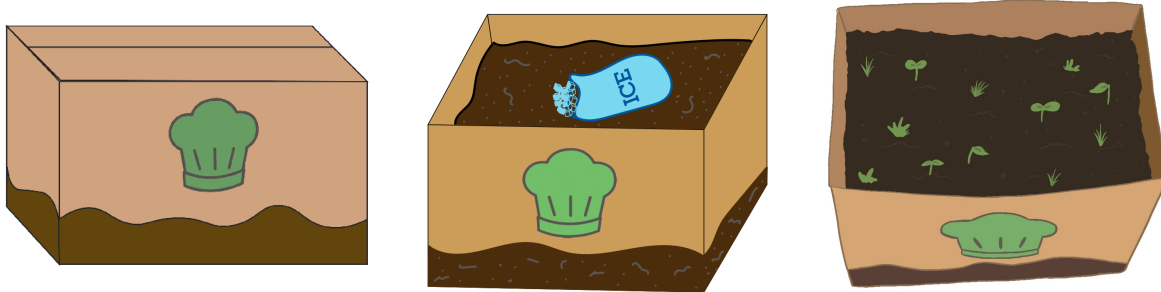
CORPORATE SOCIAL RESPONSIBILITY

MyMeals will partner with Feeding America, one of the largest hunger relief organizations in the nation, to provide fresh and healthy meals for those who don't have access to affordable foods. MyMeals will have monthly employee service days where employees will get the opportunity to volunteer at local food banks in the LA area. Additionally, MyMeals will also donate any unsold inventory to Feeding America. As 76%

of Gen Z¹⁴ have purchased or would consider purchasing from companies with moral goals, MyMeals prioritizes giving back to local communities to create a positive change.

ENVIRONMENTAL SUSTAINABILITY

MyMeals uses recyclable and repurposable cotton ice-packs made of 98% water and 2% non-GMO cotton. Through the “How to Repurpose” page on our e-commerce website, customers can learn how to turn their cardboard boxes into a beautiful home garden.

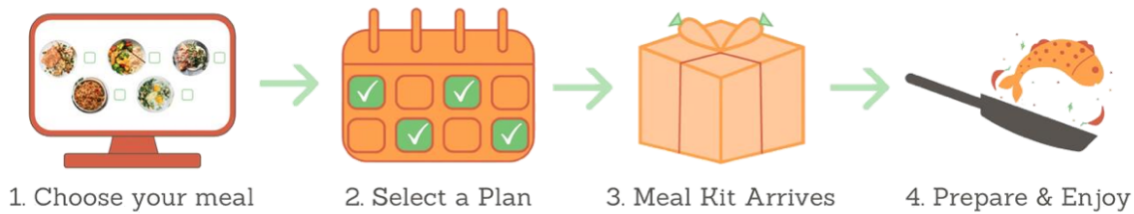


PRICING

For each diet, MyMeals offers 3 subscription plans. As customers choose longer duration plans the individual cost per meal decreases. MyMeals delivers three full meal kits by each Monday they are on a meal plan. Our pricing is highly competitive due to the unique nature of our product being specialized and individualized.

2 weeks	4 weeks	9 weeks
\$12.00 per meal	\$11.25 per meal	\$10.40 per meal
2 weeks x 3 meals/wk =	4 weeks x 3 meals/wk =	9 weeks x 3 meals/wk =
Total: \$71.99	Total: \$134.99	Total: \$279.99

PRODUCT



MyMeals currently has 5 different diet options available. Each of the diets have their own nutritional characteristics and specialized meals.



Protein Diet

Our *Protein Diet* is crafted with a perfect mix of protein and vegetables to ensure a strong energy level throughout the day. This diet helps build muscle mass and is great for active individuals seeking a robust and balanced diet.



Weight Loss Diet

Our *Weight Loss Diet* introduces a meal plan that cultivates mindful eating habits with the aim of maintaining lasting lifestyle changes. The diet plan intends to prevent a repeated loss and regain of body weight, through a variety of high protein, low carb, and healthy meals.



Vegetarian Diet

The *Vegetarian Diet* incorporates organic produce and protein-rich foods to create delicious meatless meals. This plan is a great way to stay healthy!



Vegan Diet

MyMeals' *Vegan Diet* supplements key nutrients through wholesome plant-based meals. This diet integrates organic vegetables with non-typical vegetables to diversify each meal.



Keto Diet

Our *Keto Diet* transitions customers from low carbs to a high-fat diet plan to initiate ketosis. This metabolic state is maintained through a mildly restrictive yet thoroughly organized diet plan consisting of several specialty food items.

PLACEMENT

E-Commerce Website | Our e-commerce website accounts for 20% of total sales. Through our website, customers can view the selection of diets we offer, learn more about our company's mission, and read about our commitment to environmental sustainability through the use of recyclable and repurposable packaging.

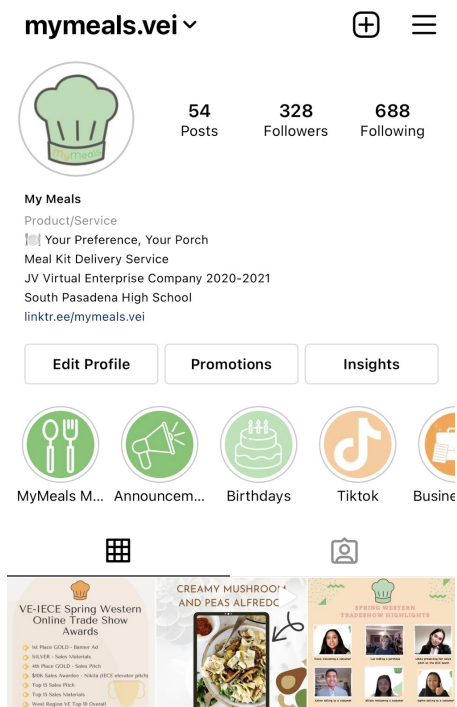
Trade Fairs | Trade fairs will account for 15% of total sales. Through these virtual events, MyMeals will be able to have more direct online interactions with those interested in purchasing from the food industry.

Inter-Firm Contracts | Our inter-firm contracts account for 65% of total sales. Our operations department is responsible for contacting virtual firms directly to draft new contracts. In addition, our operations department will use email marketing strategies to promote and to keep customers engaged about our products.

PROMOTION

Social Media | With over 246 million Americans using social media, MyMeals will leverage popular platforms such as Instagram and TikTok to influence a broader audience. To strengthen our online presence and reach our target market, MyMeals will allocate \$560 for Instagram marketing, \$290 for TikTok, and \$275 for Twitter. MyMeals will also have a personal profile on each of these social media sites to engage customers with our service and to provide them with more knowledge about our overall mission. Within each social media site, MyMeals will incorporate a link that will direct customers to our website and allow them to easily make meal kit purchases.

Instagram | With 74% of Gen Z and 71% of Millennials using Instagram at least every week,¹⁶ MyMeals will utilize this platform to reach its ideal target audience and maintain customer retention. MyMeals will create a variety of posts that inform customers about the new meals and recipes we plan to offer. This will excite customers to continue





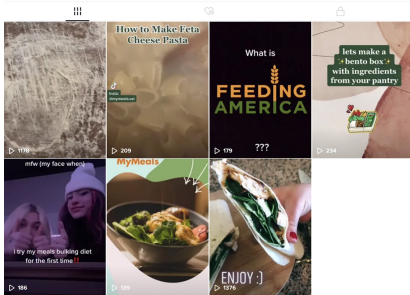
@mymeals.vei

15 Following | 34 Followers | 306 Likes

Edit profile



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Meal Kit Delivery Service
VEI Company from South Pas
<http://vei-mymeals.com/>



purchasing from our brand as they are being offered a variety of products. In addition we will bring brand transparency to our customers by informing them about the events happening within our company and talking about our partnership with Feeding America to end food insecurity in the United States..

TikTok | With over 60% of TikTok users belonging to the Gen Z¹⁷ demographic, MyMeals will utilize this platform to reach its primary target market and improve customer acquisition. MyMeals will create 15-second cooking video clips that allow customers to view the simplicity of cooking with MyMeals at home. These videos will highlight the variety of recipes we offer and entice customers to try a MyMeals recipe. To further promote our videos on the social media platform, we will use trending music and hashtags that appeal to the TikTok audience.

Twitter | With 42% of Millennials using Twitter every week, MyMeals will use this platform to reach its secondary target market. Since Millennials tend to spend more time viewing advertisements as compared to Gen Z, MyMeals will be able to make more detailed posts regarding our company's service. MyMeals will create tweets that promote our company as being a simple and exciting service for customers who want to try cooking easy recipes at home. In addition we will use this service to improve customer acquisition and maintain current customers by informing them about the new products we hope to launch and the steps we are taking towards ending food insecurity in the United States.

POSITIONING

MyMeals focuses on providing a meal kit delivery service to the individual rather than an entire family. We offer a variety of diets and plans to choose from to make healthy eating at home quicker and more simple to achieve. As our customers find importance in



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Joined November 2020

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giving back, we strive to give back to our community by partnering with Feeding America to diminish food insecurity in the United States and use the materials necessary to reduce our company's waste byproduct.

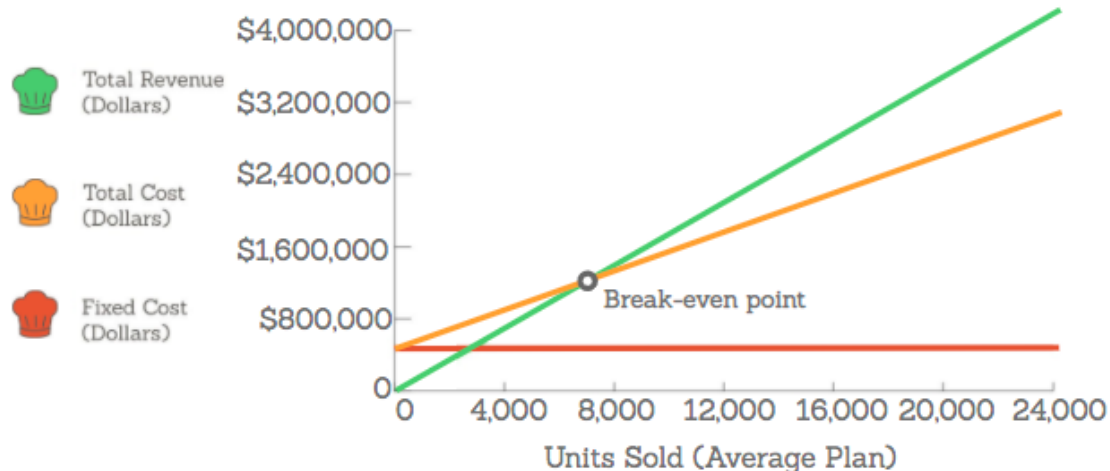
BUSINESS RISKS

Customer Retention | Customer retention could pose a business risk to MyMeals. While we may continue to gain new customers through creative and innovative marketing strategies, if customers have finished a diet and no longer have an interest, we could lose profit over time. To prevent this risk, we will update our selection of meals and diets, and keep our customers informed and engaged on social media.

Consumer Trends | Along with customer retention, changes in consumer purchasing trends could pose a threat to MyMeals. As consumers are always looking for better food alternatives or different methods of shipping, we must be up-to-date with customer expectations. A way to address changes in consumer trends is to analyze market trends and incorporate necessary changes in our company.

Financial Planning

BREAK-EVEN ANALYSIS



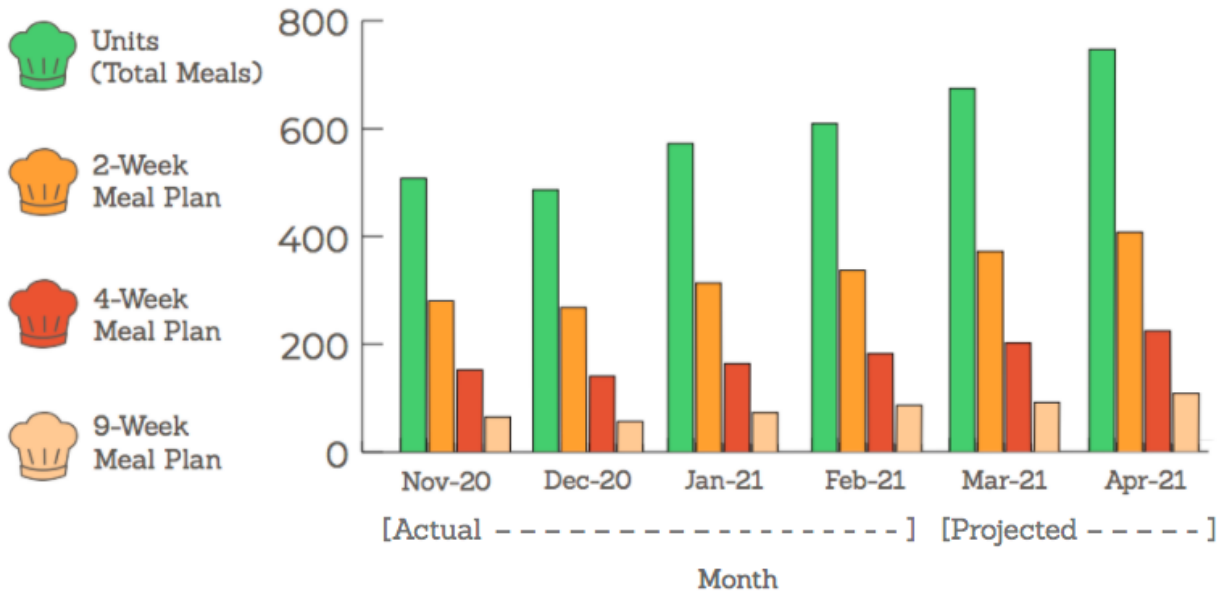
Break-even Point: 6,696 units

Sales: \$1,071,429

Our Break-even point is a reflection of calculations with our average product, a combination of our 2-week, 4-week, and 9-week subscriptions, priced at \$160 with a profit margin of 42%. Reflected on the chart above is our Break-even analysis with respect to the expenses of a year. MyMeals expects expenses to be nearly \$500,000 for a full year of operation. This is a sum of starting expenses, salaries, and other ongoing expenses for the period. To break even, MyMeals needs to sell an average of 550 of our average meal plan monthly, with out-of-network contracting covering a significant amount of these sales. In our first year of operation, MyMeals will receive \$750,007.78 in revenue from out-of-network contracting through a biannual contract of \$375,003.89 with Ultrasound Wondering Inc. To break even for the Virtual Enterprise season, MyMeals would need \$537,143 in revenue, which we do not anticipate receiving as of April due to difficulties of selling in the pandemic. With our current trajectory, MyMeals expects to cover monthly expenses through sales by April of 2021, have overall positive cash flow by August of 2021, and break-even in September of 2021.

SALES PROJECTIONS

Based on our sales as of January, we found that the ratio of sales between our 3 products between our 2-week 4-week, and 9-week plans was 4:2:1 and this is also the ratio used to partition our Out-of-network contract between products. Our firm expects to gain between a 5% and 10% increase in sales each month and projected sales also particularly increase if our firm is scheduled to advertise more frequently, participate in trade fairs, or any other activity planned in that month. The meal-kit industry is expected to grow at a rate of 12.8% annually from 2020 to 2027 which signifies an upwards momentum of the industry and strong starting years for our firm. Our firm expects an expedited sales growth in our first year due to the general conventions of the Virtual enterprise economy and the sales precedent set by January (569 units).



November | In-network sales for November only include revenue from a trade fair on November 17 and no further sales due to website construction and technical difficulties. Total revenue for November is the sum of 510 units, or \$66,826.39, significantly through Out-of-network contracting. Sales profits for November were nearly \$28,000. It should be noted that our products for the November trade fair were more expensive than the current line due to changes in pricing in December.

December | Due to technical difficulties surrounding our website, MyMeals received very few in-network sales for the period. We received 488 total units sold, only a few of which were within the virtual enterprise network. With the inclusion of out-of-network contracting, MyMeals lost about \$15,000 for December, with a sales profit of \$26,300, relative to expenses of \$40,514.80.

January | January marks extremely significant growth for MyMeals as sales increased substantially. With our website finalized and sales buttons completed, we gained \$10,484.87 in revenue within Virtual Enterprise. Out-of-network contracting sales remained consistent, granting the firm over \$30,000 in profit, with a loss of roughly \$10,000 in cash for the month. New sales acquisition is most significantly a result of advertising measures, with a new emphasis on social media as a means of marketing, translating to more sales from students. This increase also outlines our expected baseline in sales to derive our sales trajectory for future months. We will update our

website and meal plans consistently to increase customer retention and continue our upward sales trajectory.

February | February continued the growth of the previous month with a 7.5% increase in sales from January or 612 total unit sales. 518 of these are from out-of-network contracting with the remaining 94 units are from website sales. New social media efforts are to be expected and our current accounts should grow steadily, allowing for new customer acquisition. Sales revenue was \$73,853.88, and sales profit was \$30,894.60. This is a loss of under \$10,000 in cash for the period and sales in February exceeded projections.

March | March sales are projected to be a 7% increase from February and total 655 unit sales. In-network contract sales are expected to increase from 94 to 137 units for this period due to our participation in a March trade fair and an increase in sales based on our standard trajectory. We also expect to sell to other firms in Virtual Enterprise through March and April. Sales revenue is expected to be just over \$80,000 with sales profit at roughly \$36,000 for the month, a loss of under \$5,000.

April | April marks the final month of the virtual enterprise year and is expected to have the most sales by far, 711 units. With 193 in-network sales due to significant increases in activity and trade fair participation, MyMeals projects to gain \$84,905.65 in revenue and just over \$40,000 in sales profit. This would cover our expenses for April and mark the beginning of monthly profit, assuming the sales beyond April meet or exceed \$85,000. For the period from November through April, MyMeals expects to gain total revenue of \$437,250.82, with a net loss of roughly \$55,000.

PROFIT AND LOSS

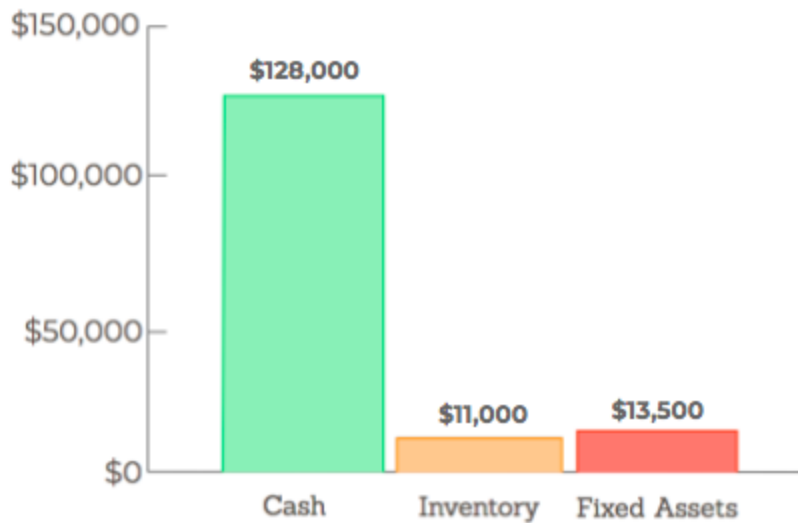
Fixed monthly expenses are a sum of payroll (\$30,600), payroll taxes (\$4,987.80), rent (\$2922), advertising (\$1,125), insurance (\$680), and utilities (\$200), totalling \$40,514.80. 75% of payroll taxes are to be covered by out-of-network contracting, so breaking even is a matter of covering the \$13,824 of additional expenses through in-network sales profit. As of February 28, MyMeals is operating at a net loss of \$37,815.19.

As of April 30, MyMeals projects total revenue of \$437,250.82, cost-of-goods-sold expenses of \$236,115.44, monthly expenses of \$243,088.80, and start-up expenses of \$13,500. This comes out to a net loss of \$55,453.42 between November and April. Our total profit margin is a loss of 12.6% for the virtual enterprise year. A loss is to be expected due to the challenges the pandemic presents. Under these estimations, MyMeals will have a cash balance of \$114,546.58 at April's end. Our ending cash balance may be significantly higher as we are currently unable to account for extra money awarded for competitions or unprojected inter-firm contracts.

Profit and Loss
November 2020 - February 2021

	TOTAL
▼ Income	
Sales	278,602.70
Shipping Income	90.24
Total Income	\$278,692.94
▼ Cost of Goods Sold	
Cost of Goods Sold	157,926.36
Total Cost of Goods Sold	\$157,926.36
GROSS PROFIT	\$120,766.58
▼ Expenses	
Advertising & Marketing	7,500.00
Insurance	2,720.00
Job Supplies	4,888.00
Office Supplies & Software	250.00
Other Business Expenses	-2,845.00
Rent & Lease	11,688.00
Salaries & Wages	119,700.00
Taxes & Licenses	13,911.89
Uncategorized Expense	48.88
Utilities	720.00
Total Expenses	\$158,581.77
NET OPERATING INCOME	\$ -37,815.19
NET INCOME	\$ -37,815.19

BALANCE SHEET



Our balance sheet summary is reflective of February 28, 2021. Our total assets of \$152,634.60 are a sum of several financial values of our firm. Our cash total is \$128,130, inventory is \$11,004.64, and fixed assets are \$13,500. MyMeals is financed by three angel investors, each with a \$50,000 investment. Our shareholders' equity is \$150,626.70, the only liability being an account payable to the California Department of Tax of \$2,007.90. Older inventory is donated to Feeding America, which is typically about 10% of consumable substances possessed by MyMeals and is accounted for each month.

EXIT STRATEGY

With only \$2,007.90 in liabilities as an account payable to the California Department of Tax and a quick ratio of 70.54, MyMeals is in an extremely capable position to liquidate its assets and exit the market if necessary. In the case of any emergency regarding our firm's finances or markets, we can very easily sell assets and pay liabilities, however, we do not anticipate employing this strategy at any point in the near future.

FINANCIAL WRITE-UP

Due to the difficulty of operating during the pandemic, MyMeals expects to have a challenging first year. In a typical year, our firm could expect to break-even by April, but this development is likely infeasible due to the difficulty of selling and less involvement in trade fairs. Sales projections have been significantly altered from their original predictions to be much more reasonable for our anticipated difficulties. The firm has

already exceeded its projections for January and February, however, as our modest initial projections were significantly exceeded. Sales projections were adjusted accordingly, allowing much more optimism for the duration of the virtual enterprise year.

Beyond the virtual enterprise year, MyMeals will need to surmount its losses of \$55,000 through sales after April. With our current expected trajectory, MyMeals expects to have monthly profits of \$10,000 to \$15,000, and we expect to have a net positive cash flow in August. A month later, in September, MyMeals will break-even. Out-of-network contracting plays a vital role in our sales and is a constant influx of \$62,500.64 monthly. For the first few months, these sales cover 75% of monthly income, and as we gain more traction, these sales will become 65% of monthly income, a percentage that allows for a net-positive monthly income. Minimal participation in trade fairs this year also means that MyMeals relies much more heavily on website sales. With January being our first truly viable month, with the website fully functioning, our in-network revenue of \$10,484.87 allows for a very strong position for sales in the future. In-network sales for February totaled \$15,432.57, and an increase is expected through the coming months, particularly due to trade fair involvement and interfirm contract.

Contact Information



mymeals.ca@veinternational.org



vei-mymeals.com



(818) 209-4622



@mymeals.vei



1401 Fremont Ave. South Pasadena, CA



@mymeals.vei

Appendix



1401 Fremont Ave, South Pasadena, CA 91030
(626)-441-5820
mymeals.ca@veinternational.org

MyMeals Business Contract

This agreement is effective as of 11/1/20, between Ultrasound Wondering Inc. and MyMeals from 11/1/20 - 5/30/21. The parties hereby agree to the following terms and conditions:

DESCRIPTION OF SUPPLIES:

Ultrasound Wondering Inc. hereby agrees to purchase the items below, supplied by MyMeals

Item 001	Quantity	Unit Price (\$)	Extended Price (\$)
<i>Meal Kits - 2 Week Plan</i>			
Protein Diet	348	71.99	25,052.52
Weight Loss Diet	348	71.99	25,052.52
Vegetarian Diet	348	71.99	25,052.52
Vegan Diet	348	71.99	25,052.52
Keto Diet	348	71.99	25,052.52
Item 002	Quantity	Unit Price (\$)	Extended Price (\$)
<i>Meal Kits - 4 Week Plan</i>			
Protein Diet	185	134.99	24,973.15
Weight Loss Diet	185	134.99	24,973.15
Vegetarian Diet	185	134.99	24,973.15
Vegan Diet	185	134.99	24,973.15
Keto Diet	185	134.99	24,973.15
Item 003	Quantity	Unit Price (\$)	Extended Price (\$)
<i>Meal Kits - 9 Week Plan</i>			
Protein Diet	89	279.99	24,919.11
Weight Loss Diet	89	279.99	24,919.11
Vegetarian Diet	89	279.99	24,919.11
Vegan Diet	89	279.99	24,919.11
Keto Diet	90	279.99	25,199.10
Total (Items 001-003)			\$ 375,003.89

TERMS AND CONDITIONS - This contract agreement may be cancelled with 90 days written notice. The period of this contract is one time purchase from the effective date unless modified in writing 90 days in advance on any agreed delivery dates stated in the agreement. Title and ownership of this agreement is non-transferable to any other party.



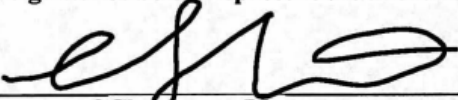
MyMeals guarantees delivery of the quantities and items stated above in accordance with the terms and conditions stated in this agreement. MyMeals hereby agrees to honor the firm-fixed prices stated above during the period of the contract agreement with no consideration for economic price adjustments.

CANCELLATION – The Contract may not be cancelled without the written agreement of both parties. Any party defaulting on the stated terms will incur the costs associated with recovery and all associated litigation fees.


RENEWABLE OPTIONS – During the final period of this agreement, either party may offer to negotiate optional years.

CORPORATE COMMITMENT – By signing this agreement, Ultrasound Wondering Inc., hereby agrees to offer the expertise of its officers as advisors to MyMeals. This mentoring will assist in the successful operations of MyMeals, thus protecting your valued investment in our product.

The signatures below represent the authority to fully execute this agreement.


 Signature of Changgeng Liu
 Changgeng Liu / CEO
 Printed Name / Title

2/10/2021
 Date
 (626) 775-4052
 Phone Number


 Signature of Aidan Bar-Cohen
 Aidan Bar-Cohen / CEO
 Printed Name / Title

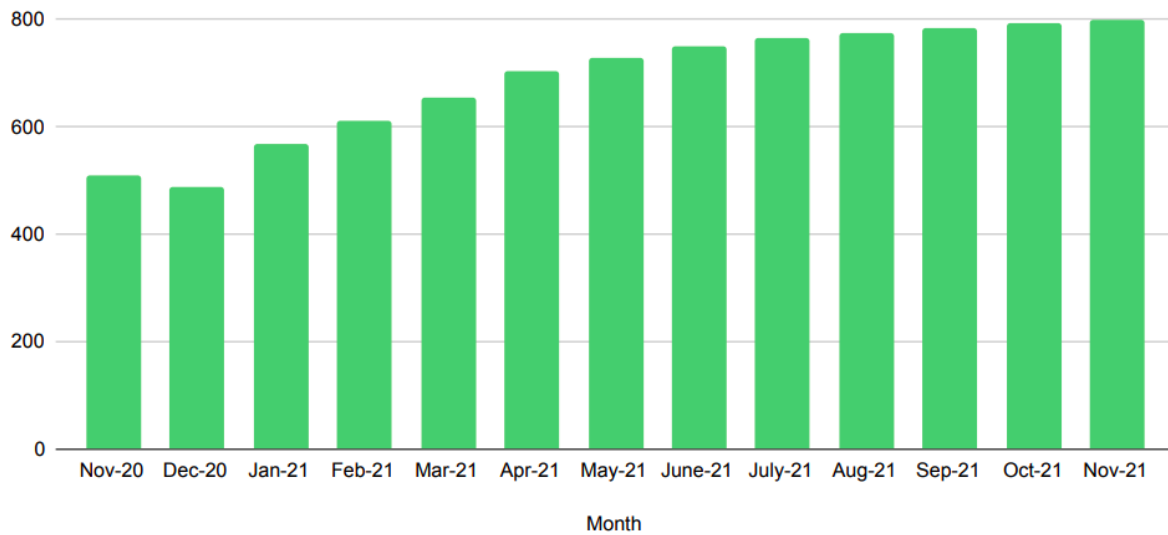
2/12/2021
 Date
 323-637-1055
 Phone Number

Bank Screenshot

US Network Bank				
Account details				
Account:	MyMeals (Budget Checking) - 630450331			Download account details (Excel)
Period:	from	03/14/2020	until	02/28/2021 Show
Date	Name/Description/Acct#	Ref#	Amount	Balance
Feb. 28, 2021	Ricky Luo.22120.22120 (US021804), South Pasadena, CA VE Checkout transaction #558174 02/28/2021 09:50 PM CT Acct #630847878	5483374	\$77.53	\$50,590.83
Feb. 28, 2021	Matthew Baer.3853.3853 (US021804), South Pasadena, CA VE Checkout transaction #558035 02/28/2021 04:52 PM CT Acct #630773696	5483098	\$77.53	\$50,513.30
Feb. 28, 2021	Quentin Holmes.22138.22138 (US012024), South Pasadena, CA Salary of Quentin Holmes Acct #630888027	5481334	-\$900.00	\$50,435.77
Feb. 28, 2021	VEI-WEST BUSINESS INSURANCE, Bakersfield, CA Business Insurance Acct #610119133	5481212	-\$80.00	\$51,335.77
Feb. 28, 2021	VEI-WEST WORKMANS COMP, Bakersfield, CA Workers Compensation Acct #610119141	5481210	-\$600.00	\$51,415.77
Feb. 28, 2021	Yohan Chun.22128.22128 (US012024), South Pasadena, CA Salary of Yohan Chun Acct #630882983	5481208	-\$900.00	\$52,015.77
Feb. 28, 2021	William Michels.3978.3978 (US012024), South Pasadena, CA Salary of William Michels Acct #630795894	5481206	-\$900.00	\$52,915.77
Feb. 28, 2021	William Masterman.22147.22147 (US012024), South Pasadena, CA Salary of William Masterman Acct #630883203	5481204	-\$900.00	\$53,815.77
Feb. 28, 2021	Stirling Cole.29969.29969 (US012024), South Pasadena, CA Salary of Cole Stirling Acct #630884889	5481202	-\$900.00	\$54,715.77
Feb. 28, 2021	Sophia Kim.3968.3968 (US012024), South Pasadena, CA Salary of Sophia Kim Acct #630802912	5481200	-\$900.00	\$55,615.77

* The Bank Screenshot does not include out-of-network-contracting sales (+\$250,002.60), inventory purchases for January and February (-\$156490.96), and additional monthly expenses (-\$15972.47). These transactions are not reflected for February as they were processed in the early days of March.

1-year Projections



Units
(Total Meals)

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