

TEAM 013

IntelliHEAR



PART A - BASIC INFORMATION

組別編號 *Group No. 013*

組員資料 Details of group members

中文姓名 Name in Chinese / 英文姓名 Name in English

李穎澄 Noella Lee

張欣翹 Ella Cheung

黃穎心 Belle Wong

謝汝寧 Eunice Tse

帶隊導師資料 Details of Team advisor

學校/機構名稱 School / Organization Name:

Good Hope School 德望學校

中文姓名. Name in Chinese:

李至彧

英文姓名. Name in English:

Mabel Lee

啟蒙導師資料 Details of mentors

英文姓名 Name in English:

Mollie Lau

PART B – BUSINESS PROPOSAL

SECTION I: BASIC INFORMATION OF BUSINESS

(I) NAME OF BUSINESS

IntelliHEAR

(II) TYPE OF PRODUCTS/SERVICES

Health and fitness - a small device to make a big difference for people with hearing impairments

(III) EXECUTIVE SUMMARY

Countries and cities all around the world have always strived and taken pride in being an inclusive community to those disabled and the marginalised groups in society. However, with the ongoing covid pandemic, it has spiked up questions as to whether our society truly takes on great efforts to ensure this **inclusivity applies to all people**. One of the main aspects that need improvement is the **assistance for people with hearing impairments or disabilities**.

In this covid pandemic, it is necessary for all of us to wear face masks whenever we leave the comfort of our own home and that causes a lot of additional struggle for the hearing impaired. The first and most significant issue would be the masks **preventing those with hearing disabilities to read lips** and understanding what other people are saying. This poses a serious barrier to their day-to-day socialising and interactions with other people face to face. Another main issue is the **muffled audio** that is caused by wearing masks. These surgical masks that we wear distort and muffle a person's speech, causing people with hearing disabilities unable to hear clearly through their hearing aids.

These impacts are negatively affecting a lot of people around the world. Focusing on our local community, an estimation of more than 150,000 people are suffering from hearing difficulties, When we look at the issue from a broader & global perspective, it is estimated that there are 14.3% of Americans aged 12 or above suffer from hearing

PART B – BUSINESS PROPOSAL

(III) EXECUTIVE SUMMARY [CONT.]

loss in both ears to a certain degree and approximately 15% of the world's adult population has some degree of hearing loss. Whilst the other 75% per cent of the population can have normal interactions and socialise with each other despite the harsh pandemic, these hearing impaired does not get the privilege that we can have, and thus our team proposes to lend a helping and to those with hearing impairments

Our team would gladly like to propose to you all '**IntelliHEAR**', our idea to make the local and global society truly more inclusive to the hearing impaired community. Our device will mainly aim at tackling the 2 major problems seen.

The first way would be to convert the sentences spoken by the person the hearing impaired is communicating with, into **sign language display** on the device or **voice to text translation** display. In today's society, a lot of people do not know sign language and when the situation where lip reading is not an option on the table, it will cause people with hearing disabilities to be unable in interacting with other people, Users will be able to choose the translation displayed in the form of sign language or text according to their own preference.

The second way would be to **produce clear audio** by processing the muffled receiving audio caused by masks. Our team proposes to have a programme set up that collects the receiving audio, automatically sense the external surrounding and adjust accordingly, finally producing clean audio without muffling instantly and playing it back to the user through the hearing aid.

Our society as a whole all strives for inclusivity amongst all members of the community and our team truly hopes that our proposal will be able to grasp this opportunity and create something for the public and improve the living standards of people with hearing disabilities, offering a helping hand with the privilege we have.

PART B – BUSINESS PROPOSAL

SECTION II: SOCIAL IMPACT

(I) SOCIAL NEEDS

As a growing number of people are suffering from hearing disabilities, both in Hong Kong and worldwide, more and more people would live difficult lives as being hearing impaired might make it harder for them to fit in the society. Furthermore, Hong Kong's 100,000 deaf people are suffering from an acute shortage of hand-sign translators.

Not only that, especially **during the pandemic**, the **mandatory mask-wearing** policy has **caused a lot of struggle** for people with hearing loss, especially those using hearing aids. They become a lot **harder to communicate** with others and hence becomes a large problem to them in their daily life. We believe that everyone should have the opportunity to speak and listen to themselves, and as many users claimed that the existing hearing aids may not provide the best solution in solving these problems. Therefore, in order to **improve the livelihoods of the hearing impaired**, we would like to **develop products** with our advanced technology, especially during the current pandemic, along with some difficult situations that might arise in the future. Living in difficult times or not, we believe the growing community still needs help in order to live their lives with fewer struggles.



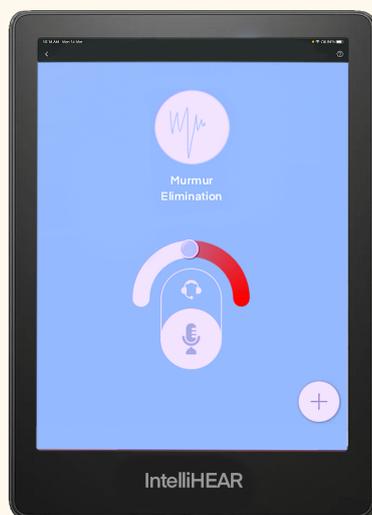
PART B – BUSINESS PROPOSAL

(II) HOW CAN YOUR BUSINESS ADDRESS THE ABOVE SOCIAL NEEDS AND GENERATE POSITIVE SOCIAL IMPACTS

With the IntelliHEAR device, as well as our supporting app, we aim to allow the hearing impaired to have a clearer, smoother and more suitable hearing experience in their daily lives, and can fit into society well even with a disability. Functions such as murmur elimination and voice detection can eliminate problems such as not being able to hear when voices are muffled, and the other party not being able to communicate with the user due to the lack of sign language knowledge.

In order to focus on the issue of **hearing impairment**, we would focus on the **murmur elimination function** in our device, specially designed to make audio much clearer in order to mitigate the current issue. In order to be sustainable, the function could also be carried out as a transparency mode in the future when there is no pandemic, for example, to filter different noises from the street to ensure the quality of sound one listens to is clear and comfortable.

Besides, Each person is unique, as is their history of hearing loss. Therefore, many hearing-impaired won't be able to use the hearing aid 100% out of the box and our hearing ability changes from time to time. Our IntelliHEAR app and device allow people to keep track of their hearing health regularly, summarise data and create a personalised hearing aid setting to enable people with hearing loss to use the device to its fullest and fit in the current society more easily.



PART B - BUSINESS PROPOSAL

SECTION III: DETAILS OF BUSINESS

(I) INTRODUCTION OF PRODUCT / SERVICE

IntelliHEAR is our proposed technology that **automatically accommodates specific features of your hearing condition** and **evaluates your hearing health regularly**. Not only is it designed for individuals who suffer from hearing loss but it also allows the opportunity to educate the public and raise awareness for the struggles that people with hearing disabilities face.

Our business is mainly selling the IntelliHear device to the public, however, we also offer a compatible mobile app for those people who prefers controlling the device conveniently - through their smartphones. Although it is still necessary to bring the device along with the user, it allows them to not have to hand-hold two devices at once (IntelliHEAR and smartphone). The device can be connected to the device through Bluetooth, which is equipped with many smart hearing aids on the market nowadays. However, considering the perspective for the elderly, they might not have a smartphone and thus the app will not be applicable for them. Thus, the additional app can be further subscribed through the Apps store or Google Play for HKD\$30 per month.

THE INTELLIHEAR DEVICE



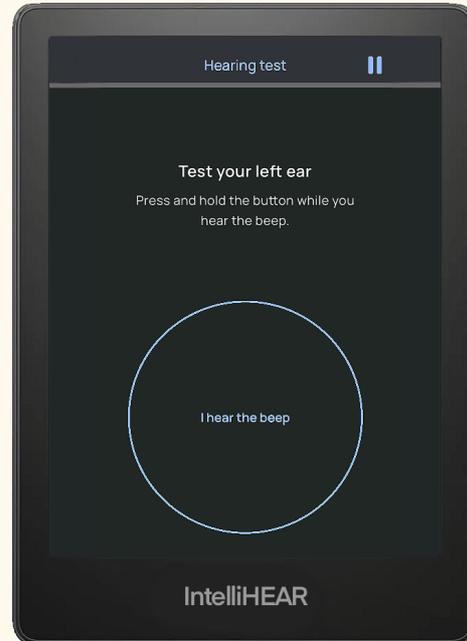
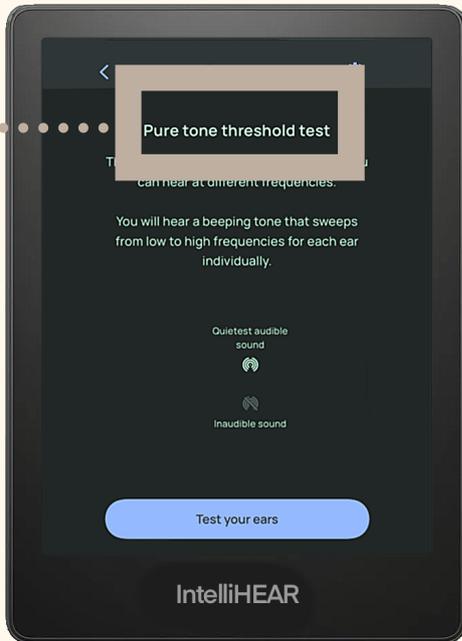
The hand-held device sizes around 160x113x8.5mm.

THE INTELLIHEAR APP



PART B - BUSINESS PROPOSAL

• CARRY OUR HEARING TEST



The test offers a remote hearing screening and provides the users with **individualised results about their hearing** to alert the user of possible hearing issues or to offer further educational material. The device programming will also **automatically customise your hearing aid features according to your hearing abilities**, and allow users to **further fine-tune** if anything is not accurate without the hassle of visiting their ENT doctors or audiologists.

• Pure tone threshold (PTT) audiometry

Our device will feature the hearing test with the most common clinical measure of hearing ability.

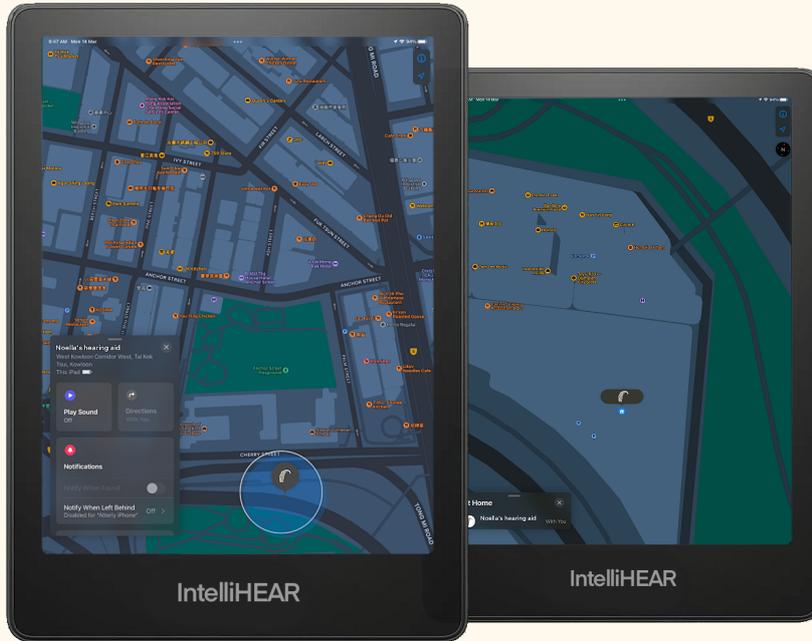
Customize hearing aid settings based on the user's unique hearing profile

Based on results from the PTT, the device settings can be personalised.



PART B - BUSINESS PROPOSAL

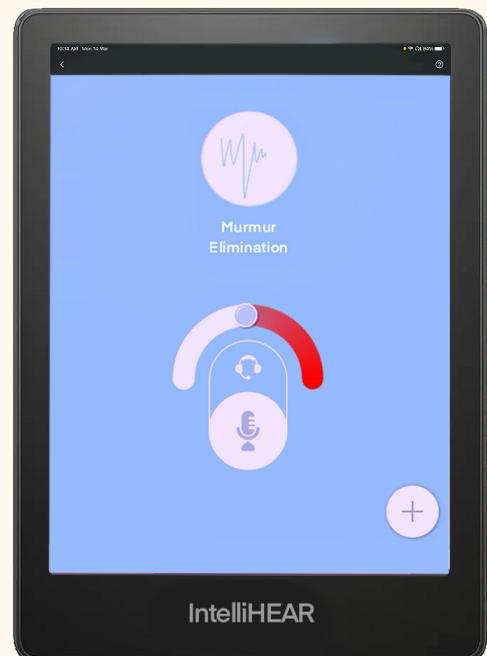
- FIND MY (SATELLITE TRACKING)



Users can **track the approximate location and route of their lost hearing aid**. When users enable the send last location option in Settings, your device's last known location before it was switched off will be sent to the IntelliHEAR device or app, helping you to track its last location. Our team hopes this will effectively assist those people (especially the elderly with memory loss) to locate their hearing aids easily.

- MURMUR ELIMINATION

This function **targets the issue of muffled voices** due to wearing masks. We will be using **Adobe Audition to program this function** and save it as a preset to be built into our device. This programme will produce clean and clear audios to be played to the users through the hearing aids. It can be done by using parametric equalisers in Adobe Audition to increase clarity on voice, and notching frequencies alongside removing them. This function can be activated easily with a touch of a button.



PART B – BUSINESS PROPOSAL

- VOICE DETECTION



1. SIGN LANGUAGE TRANSLATION

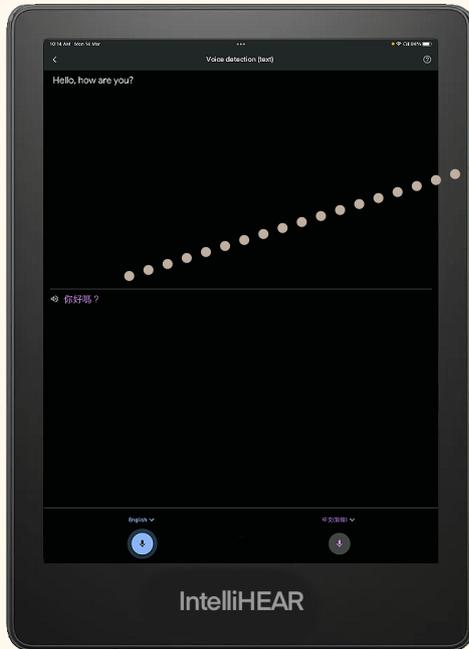
Automatically translates the **receiving audio** into **Sign Language** through your avatar. **Both the “Voice to text” and the “Sign language translation”** function are specially designed for tackling the issue of the hearing impaired being **unable to lip read**. This function can both serve those hearing impaired that wears hearing aids and those who are deaf.

CUSTOMISABLE AVATARS

They can mirror your physical traits, or reflect how you want to be perceived. You can even choose the type of hearing aid that you are wearing.



PART B – BUSINESS PROPOSAL



2. VOICE TO TEXT

The device uses ASR technology to offer **real-time transcription of speech into text**. The words spoken will appear on the phone of the person who has the app or our IntelliHEAR device. The technology works for 70 different languages. This function can both serve those hearing impaired that wear hearing aids and those who are deaf.

- **FINE TUNE**

The IntelliHEAR device and app allow you to control your hearing aids directly from your devices. You can change programs, and make simple or more advanced sound adjustments such as adjusting the volume settings on your hearing aid, muting your hearing aid, changing the manual and streamer programs, adjusting the speech focus as well as noise and wind-noise levels etc

- **HEART RATE MONITOR**

The backside of the IntelliHEAR device is equipped with a heart rate sensor that measures heart rate in beats per minute by using an optical LED light source and an LED light sensor. To measure users' heart rate, they simply have to place their fingers on the sensor and press lightly. This simple process is very beneficial in tracking the elderly's health condition and alerting them if there are any abnormalities.

PART B – BUSINESS PROPOSAL

(II) CHARACTERISTICS OF PRODUCT/SERVICE

IMPROVE THE SOUND QUALITY OF HEARING AIDS

OUTPUT THROUGH ADVANCED TECHNOLOGY



Our developed programme will revolutionarily change the standards of hearing aids audio quality, muffled sounds will be effectively eliminated and produce crisp audio for the users to hear.

USER-ORIENTED AND ACCURATE



Our device can be highly personalised and customised to fit different hearing conditions and degrees of hearing loss according to each individual through our automatic modification after the hearing test

USER-FRIENDLY



The device we are proposing comes with the ability to auto adjust the brightness and colour tone according to the external brightness and time of day respectively. Users are also allowed to adjust the font size according to their own preferences in order to better accommodate the needs of the elderly. In addition, we will set up a help hotline for users to seek assistance on the operation of the device

RAISE AWARENESS, REMOVE STIGMATISM AND ELIMINATE DISCRIMINATION



Our product aims to be able to assist people with hearing impairment and allow them to function and socialise without struggles in society. This will allow a reduced amount of hatred and attack towards this marginalised group of people and allow them to interact with members of society without facing discrimination

PART B – BUSINESS PROPOSAL

(III) BUSINESS GOALS

SHORT TERM:

We aim to **boost our sales** in the first three years of our business. To do so, we would focus on promoting our products in order to **increase the credibility** of our brand, as well as being **recognised in the local market**. We also aim to **attract different investors and get bank loans** in order to gather enough funds to develop our product lines and further services, to keep our business sustainable. With that in mind, we hope to be able to run on a **self-financing basis within 5 years**

Our goal is to build a **good reputation** among customers through having both **online and physical shops**, and building good communication with users, so as to keep the **quality of our products and services high** and **gain loyalty** among our target audiences, as well as gaining more potential customers through word of mouth.

LONG TERM:

We aim to raise awareness of the struggles that those with hearing impairments face. The main objective of our business is to **create solutions** to assist those hearing impaired and to **improve the living standards of those in the hearing loss community**. Seeing how the issue of hearing impairment is affecting more and more people, many are still neglected and living their lives in great trouble and struggle even though the technology is advancing strides. Although our business cannot serve the entire general public, we believe this not only benefits the hearing loss community but also allows the public to be aware of the inclusivity lack in the society and encourages all to come up with more and more **solutions to help the marginalised groups**, not just the hearing impaired community, in order to achieve the level of inclusiveness we deserve to take pride over. We sincerely hope that our advanced technology can **make a social impact and mitigate the problems faced by these people and allow them to fit in the society**, as well as improve their lives, even amidst the current pandemic situation.

PART B – BUSINESS PROPOSAL

We aim to have:

- 70% of hearing aids users using our product
- 45% of deaf people use our device to improve their living quality

We aim to **collaborate with existing hearing aid companies** in the future, in order to reach out to more hearing-impaired people. Hence, we would like to expand our target customer group to **the international market**.

To make our business sustainable and allow it to be able to serve the community in the future, in order to focus on the issue of hearing impairment, other than focusing on the murmur function in our device, we would also **add different functions**, for example, to filtrate different noises from the street to ensure the quality of sound played is clear and comfortable. We would keep **upgrading our designs** so as to attract buyers from the younger generations and elderly, adults who usually enjoy simplicity in the usage of a technological device.



PART B – BUSINESS PROPOSAL

SECTION IV: SALES & MARKETING STRATEGY

(I) MARKET POSITIONING

We have a creative, high-tech and professionally specialised brand whilst friendly image.

Our product aims at **increasing one’s understanding of their hearing health and improving the hearing and speech comprehension of people who have hearing disabilities** by our newly invented and exclusive technology. These technologies are developed by our employed specialised researchers who have in-depth understanding and knowledge towards technology, artificial intelligence and hearing health. We create innovative ideas by using technology to track changes in one’s hearing and deliver a personalised listening experience.

It can be easy to overlook the health of your hearing, especially if you are not experiencing any troubling symptoms. In Hong Kong, children often receive hearing check-ups every few months as they develop, while many adults think that hearing loss is a problem that occurs way in the future. However, the truth is that hearing problems begin earlier than middle age, affecting many patients as early as teenager years. Therefore, it’s necessary to take hearing tests regularly and understand one’s hearing ability.

Thus, intelliHEAR strives to provide trustworthy hearing tests and track one's hearing health over time to prevent further damage and identify potential problems, with the aim of improving the public's hearing conditions and making sure it is affordable and accessible for the middle-income class.

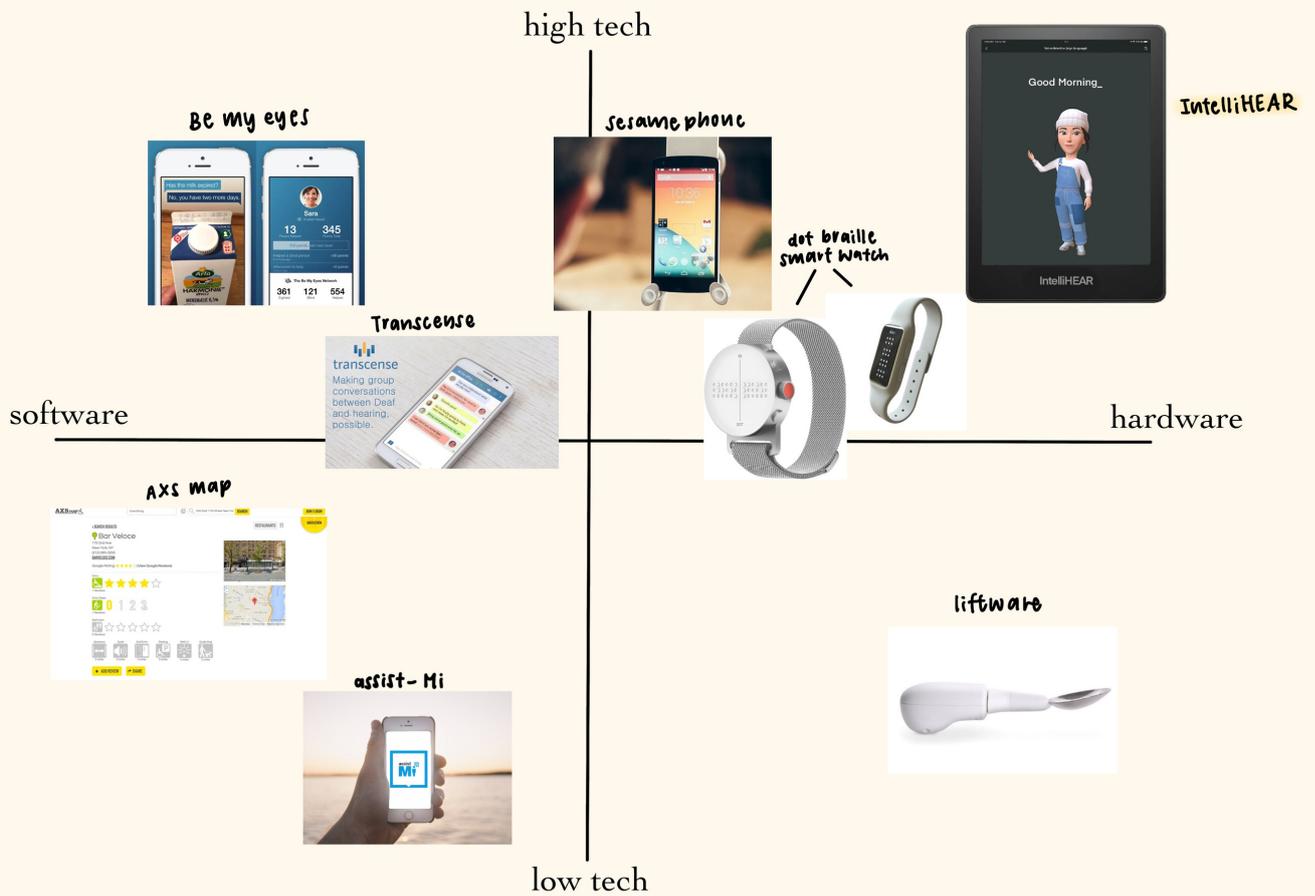
We hope to be perceived as a user-friendly brand assisting the hearing impaired community in navigating daily challenges caused by disabilities. We hope to rely on valuable feedback on the users' satisfaction and requests when using our product to deliver an even better result. IntelliHEAR hopes to build a close customer relationship and have consumers put faith in our products to improve living standards and help those in need.

Our company is positioned to be profitable and prioritize social responsibility to address social needs while earning a profit. Our products aim to provide a much-advanced product for users.

PART B – BUSINESS PROPOSAL

(I) MARKET POSITIONING

Positioning map of our brand amongst other devices designed for people with disabilities



PART B – BUSINESS PROPOSAL

(II) TARGET CUSTOMERS

Due to the pandemic situation, the **hearing loss community has been facing even more difficulties** due to the mandatory mask-wearing policy, as they are not able to read the lips of people's mouths and **cannot hear voices as clear as they might be muffled due to face masks.**

We hope to **target users in the hearing loss community**, in order to **mitigate the problems faced in their daily lives, during the pandemic and even after.** The hearing loss community also includes people of all age groups, ethnicity and social status, we would try to make our product as **inclusive** as possible. We would incorporate some stylish and trendy designs into our products so as to attract the **younger customers**, and base the device on convenience in order to attract customers in the **older age group.**

We acknowledge the fact that the elderly take up a big amount in the community, so we would try our best to make our device **easier technically for users to use.** We are aware of the trend that a lot of devices used by the elderly are bought by their children or younger generations due to the fact that we have more knowledge on this type of technology. Thus, we hope to reach the adults with elderly parents with our product and have them purchase it for their parents in order to improve their living conveniences.

Overall, our target audience would be **teens/adults with elderly parents (25-49), as well as people with hearing disabilities (all age groups).**



PART B – BUSINESS PROPOSAL

(III) SWOT ANALYSIS

Strengths:

- IntelliHEAR adopts **high-end technology** to mitigate the struggles faced by the hearing impaired.
- IntelliHEAR offers accurate automatic **personalisation and customisation** to be done at the comfort of the user's home
- We **work with professional programmers** to develop advanced technology for our products and app and keep up with the latest technological possibilities
- Build **valuable customer relationships** through actively receiving reviews and comments, as well as offering maintenance services and assistance hotline

Weaknesses:

- There may **already be existing functions or apps** in society. However, due to different reviews of users, it is shown that the look of the devices with this function is not working smoothly, and the technology is not fully functional.
- Due to our advanced technology, it might **not be one of the cheapest options** in the market. This would narrow the target customer group as the cost might discourage some people from purchasing our device.
- Our high technology might **not be favoured by some traditional-minded customers**
- Initially, our business will need to **rely on outsourced manufacturers** to produce the Device or IT programmers to develop the App for us.

PART B – BUSINESS PROPOSAL

(III) SWOT ANALYSIS (CONT.)

Opportunities:

- According to a new study, the number of adults in the United States aged 20 years or older with hearing loss is expected to nearly double in the coming decades, which means the percentage of adults who have hearing loss will rise from 15 per cent to 22 per cent. As the hearing loss community is growing, we believe the **demand for hearing aid related products will increase as well**, meaning that our business would be able to serve, help and benefit **more people** in the future, as more business opportunities will be created for our business and would continue to try our best to produce various products to improve their livelihoods.
- The **market size is huge**. More than 155,000 people in Hong Kong suffer from hearing loss. Internationally, there are over 20 million deaf people in China alone. In the US, one in eight people (13 per cent, or 30 million) aged 12 years or older has hearing loss in both ears. This shows devices like ours are **heavily demanded among the hearing loss community and we have lots of potential customers**.
- Receive benefits and privileges of first-mover advantage. There are currently close to no add on devices compatible with hearing aids that supports such high-end technology.

Threats:

- Our technology might be **copied by others** when other companies and brands develop similar products and put them on the market, thus causing the **market competition to be more intense**
- The hearing loss community might not be interested in choosing our device after the pandemic. Users, especially the elderly, might **stick back to cheaper and more traditional options**.
- IntelliHEAR will need to **rely on outsourced manufacturers** to produce the Device or IT programmers to develop the App for us.

PART B – BUSINESS PROPOSAL

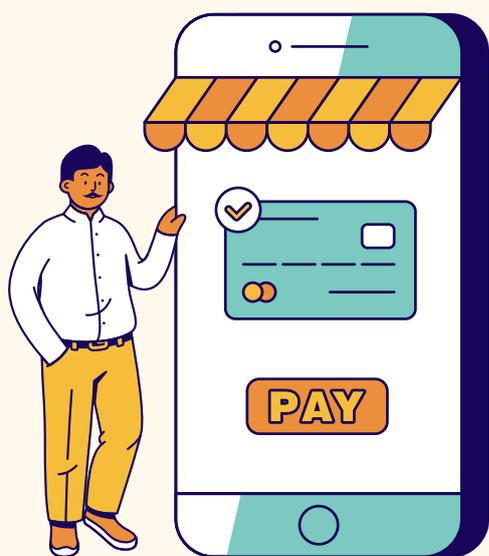
(IV) SALES CHANNELS

Online store:

Our sales channels would **mainly be online**. There will be an online platform for buyers to learn about our products through descriptions, pictures, videos and reviews from different customers in order to encourage them to purchase it. After purchasing, we will deliver our products through various delivery companies and **deliver them to our customers**, in order to allow easier access to international audiences. For the app developed, Apple users will be able to **subscribe to our app** through the **App Store** and Android users will be able to subscribe to our app through **Google Play**.

Pop up store:

To provide a **physical shopping experience** for our customers, with staff on duty and products on display, we believe it would attract more customers to purchase our products. Especially for the **senior audience**, technology might be difficult for them to use and therefore would **not be able to shop online**. It also serves the purpose of **estimating inventory management**.



PART B – BUSINESS PROPOSAL



(V) PROMOTIONAL METHODS

Social media:

Our main approach would be **online advertising**. (Social media advertising) We will make use of different **social media platforms**, such as Facebook and Instagram to advertise our app. For Instagram, the app allows business accounts to boost any post or stories to turn them into ads or use Ads Manager for more advanced multi-platform campaigns. It creates ads across Instagram, Facebook and more. The platform would offer our business a significant opportunity to communicate with leads interested in our products or services. We hope to **reach even more leads and grow our business by using Instagram Ads**, as well as Ads manager. Instagram Ads cost depends on your bidding models, such as cost-per-click or cost-per-impression. Typically companies on average pay USD\$0.50 to USD\$1 per click. In highly competitive industries, the cost will be higher. The cost of Instagram ads may go up to USD\$3.00 per click.

We will also recruit some **social media influencers ambassadors**, specifically in the **hearing loss community** so as to reach out to more people in this community. These ambassadors would be able to introduce to our targeted audience about our device, as well as share the benefits of using it. We believe we can **attract even more buyers** in this way, both **locally and globally**. For the first year, we would try to recruit local influencers, which would cost us about \$100-\$500. For the second and third years, we would try to recruit international influencers so that we can attract more buyers globally. This would cost us about \$500-\$5k

Newspaper /magazines:

In order to **increase exposure to senior audiences** who might not actively use social media, we would also advertise our products in **different newspapers and magazines**, which would include product descriptions and pictures, as well as **invite experts to share their professional opinions** on our products to increase the **credibility** of our devices, and **encourage** more customers to **purchase** them. This would cost us about \$40k.

PART B – BUSINESS PROPOSAL

(VI) SALES PROJECTION (FIRST 3 YEARS)

Throughout the three years, our device hopes to **reach users globally**.

In the **first** year, our device would **target local i.e. Hong Kong users**, and the predicted App market coverage is estimated to be 6000 in the first year. We would also focus on building the credibility of our brand through advertisements, like our business, IntelliHEAR might be too new and may not be well accepted by the public. Therefore, we would **focus on promotion**.

In the **second** year, our device would aim to **spread the market of our device to other areas in the country**, mainly **Asian** countries or cities, and the market coverage is estimated to be 12,000. Since it would be longer since the establishment of our business, it would be more trusted and well known by customers and we expect our **sales to increase**, as well as earning **more profits and positive reviews from customers**.

Towards the **third** year, we hope to **reach out to America, England and some other countries such as those in the EU** (eg. Germany or France). The market coverage is hoped to be able to reach 24,000 users. More unique elements, such as brand colour, logo and technology would be created to allow customers to **differentiate us from other competitors in the market**. IntelliHEAR would continue to expand and grow as a business and reach out to more customers, as well as helping more hearing impaired in improving their livelihoods, no matter where and who they are.

	2022	2023	2024
Device Sales Volume	6000	12000	24000
App subscription %	20%	30%	50%
Device Sales	\$2,400k	\$4,872k	\$10,036k
App Subscription	\$432k	\$1,315k	\$4,516k
Production Costs of Device	\$480k	\$974k	\$2,007k

PART B – BUSINESS PROPOSAL

SECTION V: FINANCE

(I) STARTUP COST

	NOTE	\$
Company Setup Costs	1	3300
Hardwares & Research development costs	2	500000
Assets	3	300000
Total		<u>803300</u>

(II) EXPECTED MONTHLY EXPENDITURE

	NOTE	\$
Online Platform Setup & Recurring costs	4	5500
Salaries & Payroll related expense	5	160000
Co-work Office Rent	6	10000
Sales & Marketing Expense	7	20000
Corporation Expenses	8	1042
Miscellaneous Costs	9	10000
Total		<u>206542</u>

PART B – BUSINESS PROPOSAL

(III) EXPECTED INCOME (PER ANNUM)

	NOTE	\$
App subscription.	10	432000
Sales income (device)	11	2400000
Total		<u>2832000</u>

(IV) FUNDING SOURCES

	NOTE	\$
Cyberport Creative Micro Fund	12	100000
Angel Fund	13	800000
Founder's Capital	14	100000
Total		1000000

NOTE

- 1 Comprised Business Registration Fee, Company Registration Fee, company formation costs, statutory book, share certificates, company seal/chop, apple store fee, google play market fee, etc.
- 2 Comprised software and applications, and device hardware and programming development costs
- 3 Comprised company computers & software licence costs, servers, other basic equipments and working capital.

PART B – BUSINESS PROPOSAL

NOTE

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- 4 Comprised online platform setup, joining, annual fees, and domain name registration
-
- 5 Comprised salaries, MPF and payroll related expenses. Assuming to be 2 IT engineers and 2 admin employees in 2022, and double very years in line with sales growth.
-
- 6 Comprised rental for a small co-working space for admin and IT support purposes.
-
- 7 Comprised advertising (through instagram, and physical pop up store), sales, marketing and promotion related expenses
-
- 8 Comprised audit & company secretarial fees, annual return filing, etc.
-
- 9 Comprised miscellaneous administration costs, costs of consumables, carriage outwards, etc.
-
- 10 Assumed HK\$30 per month.
-
- 11 Assumed HK\$400 per device.
-
- 12 Cyberbort Creative Micro Fund - grant to support innovative ideas and early-stage start-ups development over a 6-month project period to become venture and move forward to incubation.
-
- 13 Angel Fund from Chow Tai Fook Enterprise of the Cheng's family, who are keen to support young creative brains to incubate start-ups development.
-
- 14 Capital from 5 student founders, HK\$20,000 each.

PART B – BUSINESS PROPOSAL

(V) FINANCIAL PROJECTION IN 3 YEARS

STATEMENT OF FINANCIAL POSITION

	31 Dec 2022	31 Dec 2023	31 Dec 2024
Assets			
Non current asset			
Equipment	\$270,000	\$442,500	\$541,875
	\$270,000	\$442,500	\$541,875
Current asset			
Inventories	\$24,000	\$48,720	\$100,363
Account recievables	-	-	-
Cash & cash equivalent	\$46,200	\$924,931	\$6,338,236
	\$70,200	\$973,651	\$6,438,600
Total Assets	\$340,200	\$1,416,151	\$6,980,475

PART B – BUSINESS PROPOSAL

STATEMENT OF FINANCIAL POSITION (CONT)

Equity & liabilities			
Equity			
Share Capital	\$900,000	\$900,000	\$900,000
Retained Earnings	(\$559,800)	\$516,151	\$6,080,475
	\$340,200	\$1,416,151	\$6,980,475
Non-current liabilities	-	-	-
Current liabilities			
Account payables	-	-	-
	-	-	-
Total Equity and Liabilities	\$340,200	\$1,416,151	\$6,980,475

PART B – BUSINESS PROPOSAL

STATEMENT OF COMPREHENSIVE INCOME

	2022	2023	2024
Revenue			
Sales of Devices	\$2,400,000	\$4,872,000	\$10,036,320
App Subscription	\$432,000	\$1,315,440	\$4,516,344
Cyberport Creative Micro Fund	\$100,000	-	-
	\$2,932,000	\$6,187,440	\$14,552,664
Expenses			
App Development Costs	(\$500,000)	-	-
Device Production Costs	(\$480,000)	(\$974,400)	(\$2,007,264)
Online Platform Setup & recurring costs	(\$66,000)	(\$66,990)	(\$69,000)
Salaries and Payroll Related Expenses	(\$1,920,000)	(\$3,410,400)	(\$5,269,068)
Co-work Office Rent & related costs	(\$120,000)	(\$182,700)	(\$282,272)
Sales and Marketing Expenses	(\$240,000)	(\$243,600)	(\$250,908)
Admin and Misc Expenses	(\$132,500)	(\$134,488)	(\$138,522)
Company Setup Costs	(\$3,300)	-	-
Depreciation	(\$30,000)	(\$52,500)	(\$69,375)
	(\$3,491,800)	(\$5,065,078)	(\$8,086,408)
Profit before tax	(\$559,800)	\$1,122,363	\$6,466,256
Income Tax	-	(\$46,411)	(\$901,932)
PROFIT FOR THE YEAR	(\$559,800)	\$1,075,951	\$5,564,323

PART B – BUSINESS PROPOSAL

SECTION VII : RISKS MANGEMENT

Risk for the possibility of errors:

Since our product involves technology, it may **encounter a crash or have a system error**. For the device, the Bluetooth connectivity might be interrupted by certain crashes

- Contingency plans:

We can **provide maintenance and repair services** for customers within two years of purchase, with some money we set aside for this. We would create a policy for our customers in order to avoid confusion and conflicts, as well as guidelines and training for our staff in order to assure the smooth running of our device.

Risk of increasing in competitors in the market:

More technologies might be developed to help the hearing impaired, especially during the pandemic when more problems are raised for companies to solve. This would create **more competition** for us in the market

- Contingency plans:

We would **focus on promoting our products** and increasing the credibility of our brand by inviting different **experts** and influencers to promote our products. We would also add and **upgrade different designs**, and new functions when releasing new products from time to time, preferably twice to thrice every year.

Risk to rely on out-sourcing:

Initially, IntelliHEAR will need to **rely on outsourced manufacturers** to produce the Device or IT programmers to develop the App for us.

- Contingency plans:

when our company grows bigger, we can **buy our own factory, or hire our own programmers** to mitigate the risk to rely on outsourcing.

Risk of unnecessary spending of investment on advanced technology:

When we encounter faults during the process of inventing or programming, the **budget we injected from the investment would be wasted**.

- contingency plans:

we can **work with professional programmers or seek assistance** from experts who specialise in the specific field in order to avoid errors and have better planning before, after and during the developing process.

THANK YOU

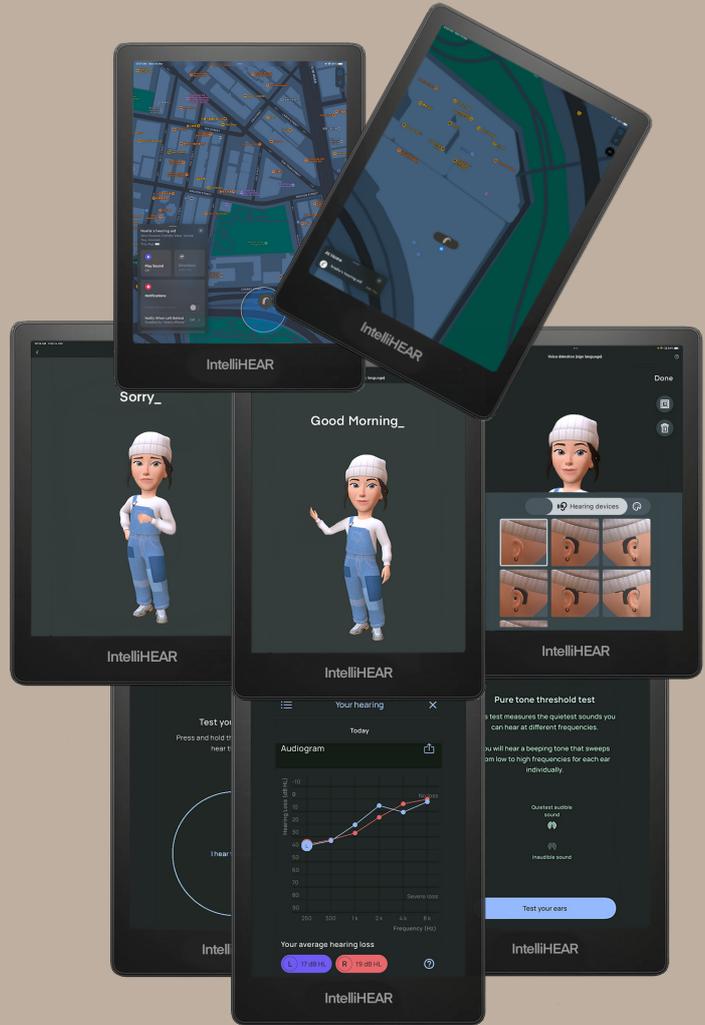
Team 013 Business Plan Proposal



APPENDIX



IntelliHEAR device



IntelliHEAR
Keep track of your hearing

[OPEN](#)

IntelliHEAR app

