

Detailed Business Plan covering Market Overview, Market Size, Strategic Analysis, Different Revenue Streams, Market Segmentation, and Financial Forecasting

DXB Interact Business Plan

Including Financial Projections

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INTRODUCTION

1. Introduction

DXB Interact is a real estate platform providing smart and advanced real estate solutions and the part of the Dubai Land Department – DLD signed memoranda of understanding. The company provides Dubai’s real estate market with the best solutions that rely on data and interactive reports, which contributes to enhancing digital transformation trends witnessed by Dubai’s real estate sector as well as supports DLD’s vision of positioning Dubai as the premier real estate destination of the world and byword for innovation, trust, and happiness. Moving one step further, DXB Interact aims to develop a subscription based and NFT marketplace in the real-estate sector.

The reason behind being a subscription based and NFT marketplace is that this cutting-edge blockchain technology is a major part and one of the reasons for virtualization. People nowadays are converting their property assets into NFT because of its interoperability and transparency along with the consensus. Land NFT is not only becoming a physical world service but also integrating virtuality as several services are running on the blockchain platform which provides people with the virtualized aspect of real-life experience where people can buy virtual plots in form of NFT and use it as a virtual office, shop, school, university and even a mall for promotional events or new products or anything that happen in real-world can be fabricated here.

1.1. Objectives

The purpose of this plan is to provide investors or financial institutions with the information necessary to evaluate the scope and future growth of the Company in the marketplace. In addition to serving as a roadmap for management, the plan will show that:



MARKET OVERVIEW

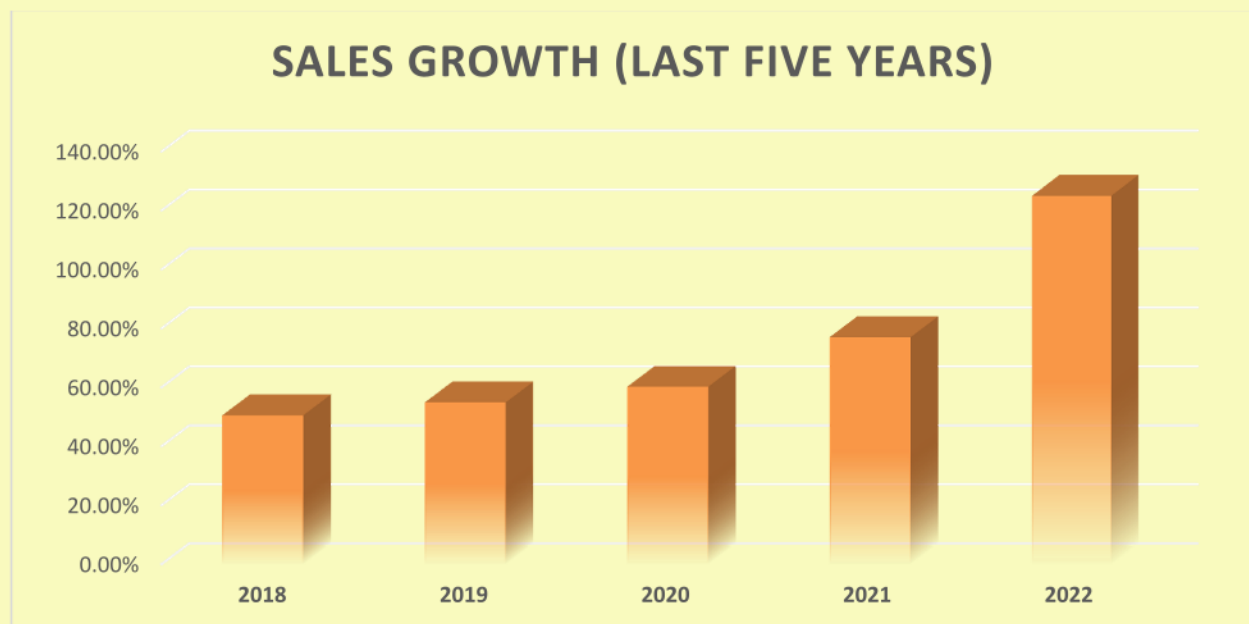


2. Market Size

The real estate industry is an important pillar of the United Arab Emirates' economic diversification. The government UAE is focusing on expanding the country's economy to reduce its financial dependency on oil and gas revenue. Real estate activities generate around 5.5 percent of the UAE's overall gross domestic product.

The United Arab Emirates' real estate industry has become an important global player over the past decade. As of 2019, the collective brand value of real estate companies in the UAE amounted to 2.7 billion U.S. dollars, placing it right behind China and the United States. The Abu Dhabi Investment Authority (ADIA), a real estate investor from the United Arab Emirates, is a leading global investor in the industry with assets worth over 43.4 billion U.S. dollars.

The UAE commercial real estate market is expected to record a CAGR of approximately 6% during the forecast period (2022-2027). The UAE economy has experienced uncertainty within its main drivers in the non-oil industry. The COVID-19 pandemic significantly impacted the travel, hospitality, retail, and real estate sectors. Major real estate groups already announced relief packages in 2020 across their business segments, including rent reliefs, deferred payment plans, and waivers of administrative charges, to support their customers and business partners. Major public and private developers are currently focused on ensuring a faster execution of the ongoing projects to deliver the best quality product to investors.



2.1. Real Estate in Dubai

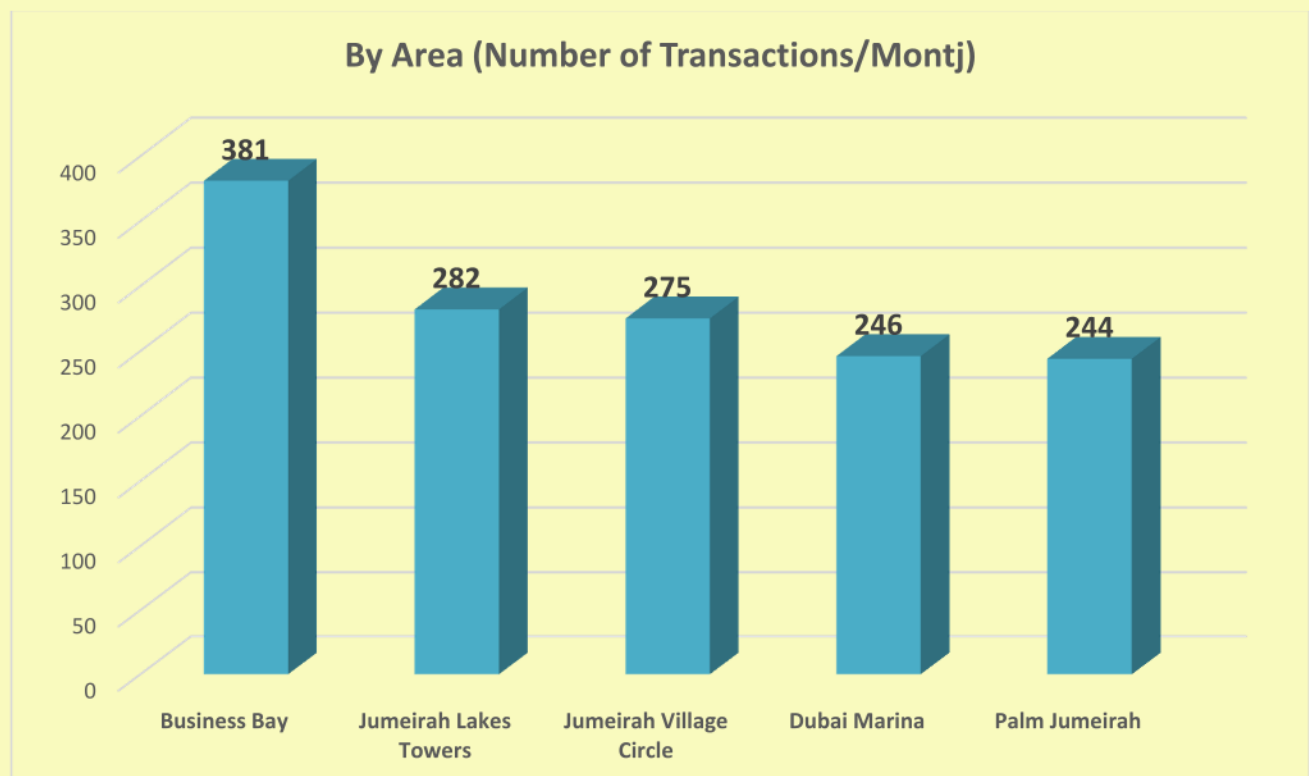
The real estate industry in the emirate of Dubai accounts for 8.2 percent of its gross domestic product. It is also a leading employment sector for its foreign workforce. With its focus on becoming a high-end tourism destination, the emirate of Dubai has become attractive to real estate investors. The majority of urban buildings in the emirate are investment villas at almost 72 thousand, followed by private villas at around 40.6 thousand buildings. The global COVID-19 pandemic has affected the luxury real estate market of Dubai immensely. In 2021, luxury real estate prices were forecast to decrease by two percent in Dubai.

2.2. Real Estate in Abu Dhabi

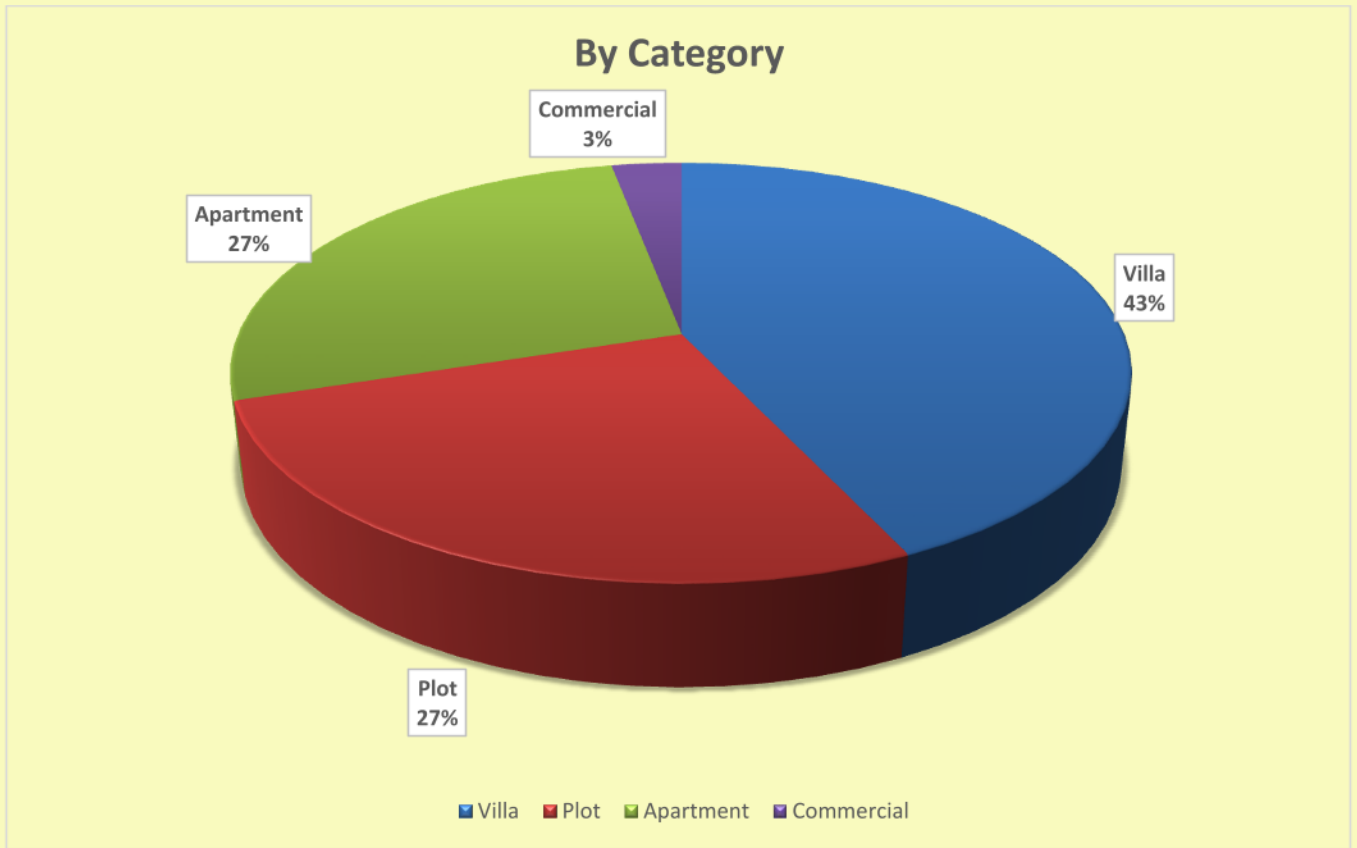
The emirate of Abu Dhabi has used the real estate sector as an important driver for its economic diversification. It generated around 38.4 billion United Arab Emirates Dirhams towards its gross domestic product. The market in Abu Dhabi has experienced challenges as well in the real estate industry due to the global coronavirus pandemic. Residential rent income decreased by 8.8 percent, with sales prices also declining for residential property.

3. Market Segmentation

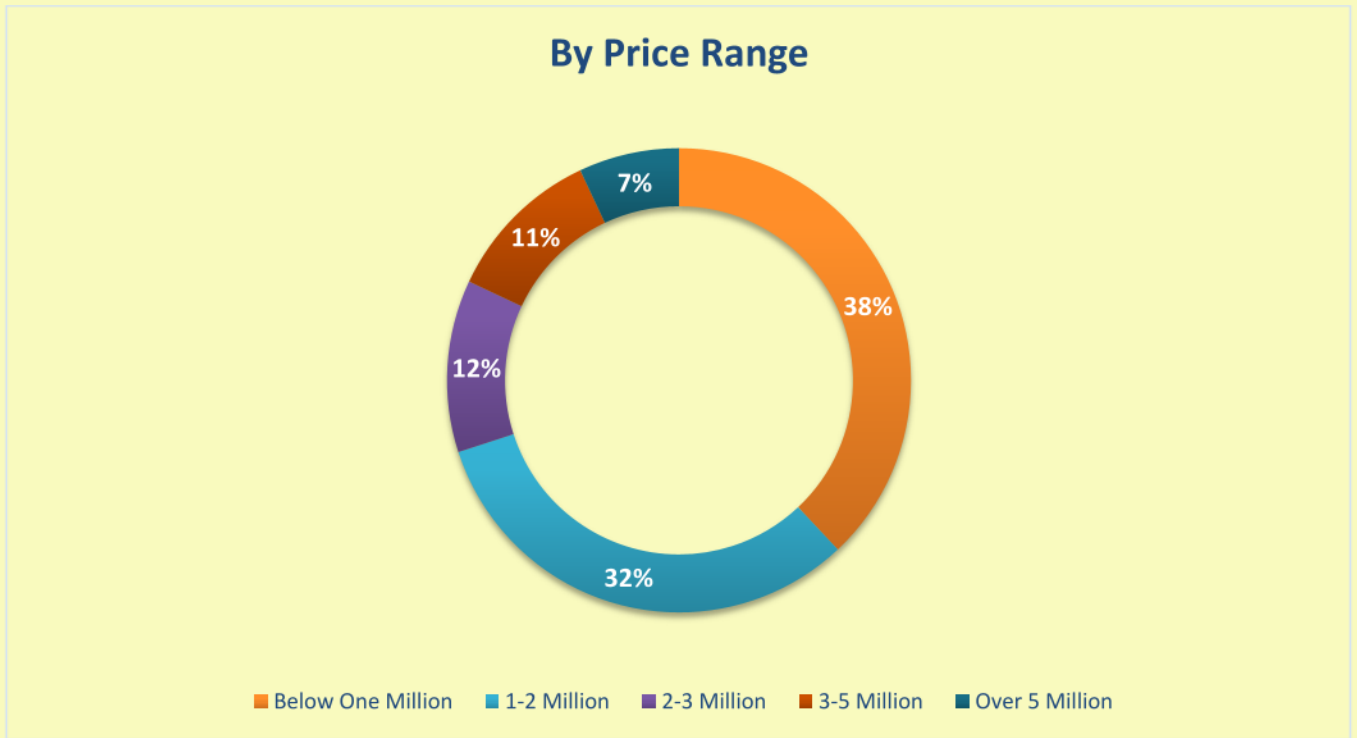
3.1. By Area



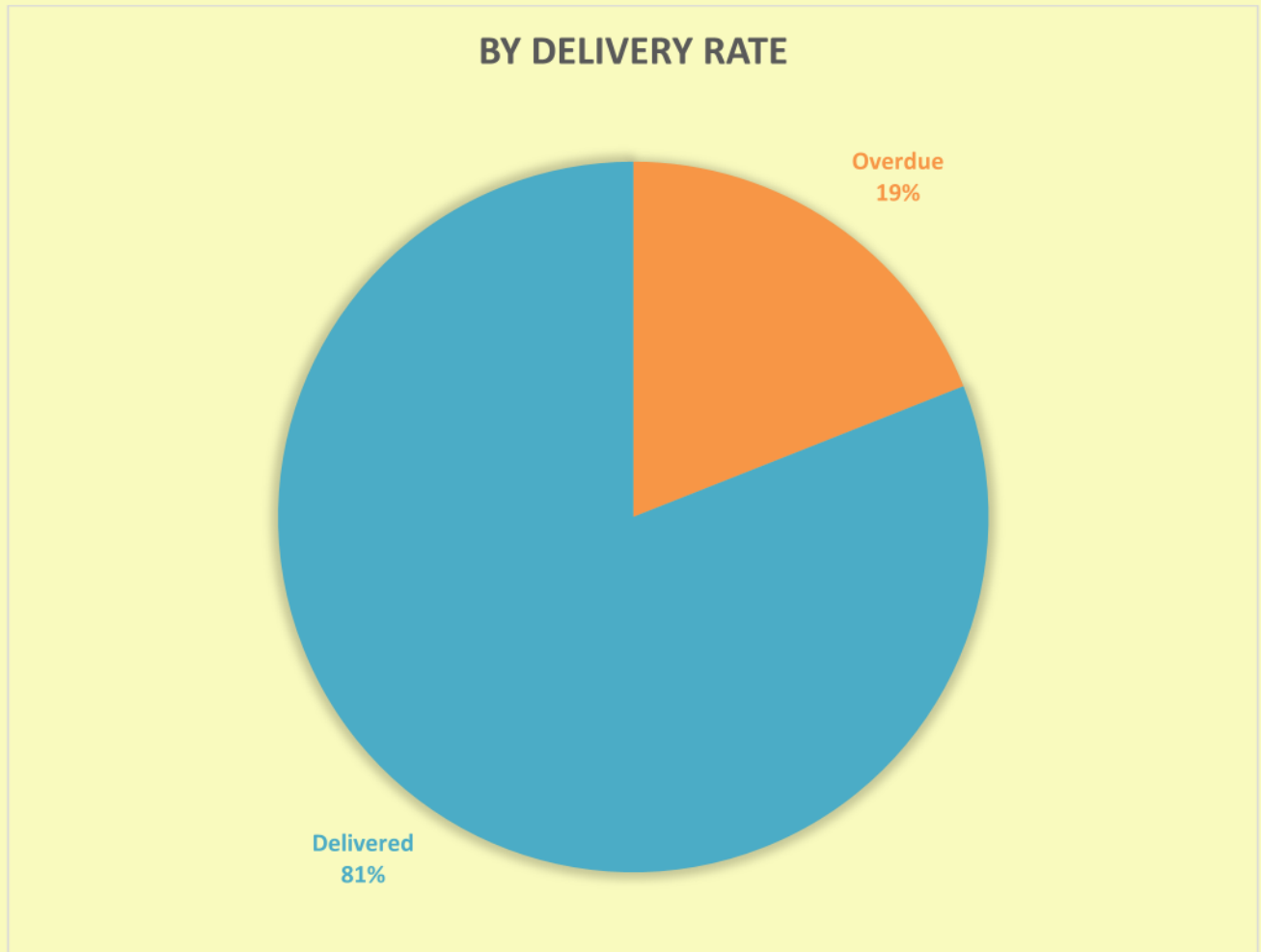
3.2. By Category



3.3. By Price Range



3.4. By Delivery Rates





REVENUE MODELS

4. Revenue Streams

4.1. Primary Revenue Streams

- **Subscription fees** – The revenue model of DXB Interact website will be channeled through brokers. Most websites provide a subscription model to the broker who wants to list their property on the portal. This model allows the broker to list as many properties they want under a certain package which also gives an extra advantage to the website owner as they get a comprehensive list of properties.
- **Featured Listing** – Another easy way to add revenue is by providing feature listing option to brokers as well as individuals. Those sellers who wish to make a quick sale can brand their property on the homepage of the website. Brokers, as well as individuals, will get attracted to this revenue model as listing your property on the homepage of the website can attract a lot of buyers on the property and drive sales.

Subscription Fees

Channeled through Brokers
Subscription Model for Brokers
Property Listing

Featured Listing

Featured Listing for both Individuals and Brokers
Homepage Listing Option
Different Packages for Using Website Services

4.2. Secondary Revenue Streams

- **Listing fees** – DXB Interact NFT marketplace will act as a hub for thousands of crypto-collectibles developed by content creators. We will categorize each NFT into different types and display them appropriately. The categories can be divided based on price, demand from investors, and recently added.
- **Transaction processing charges** – Peer-to-peer transactions are executed while buying and selling digital collectibles on the DXB Interact NFT marketplace. The investors will generally pay through the leading cryptocurrencies, stablecoins, and social tokens. DXB Interact will impose a transaction fee for each payment processed by the crypto investors. The transaction charges are imposed to pay off the gas charges for maintaining the functioning of the blockchain network.
- **Initial setup fees** – This is imposed on content creators planning to list their first crypto collectible on the DXB Interact NFT marketplace. Every NFT selling platform is backed

up with a predefined protocol and NFT developers need to pay a specific fee to move their digital collectible to the platform and list it for commercial sale.

- **Private sale** – The NFT creator can finalize his/her sale as private and enter the details of the wallet address that is eligible to purchase the crypto collectible. The other cryptocurrency investors can view the details of the NFT but cannot buy it as the purchasing rights are restricted only to a specific investor. Since it takes some time for an NFT seller to find a prospective buyer, the NFT marketplace charges a fee for conducting a private sale of the digital collectible.
- **Selling multiple NFTs simultaneously** – The seller can opt to sell numerous crypto-collectibles at the same time to several investors through a single auction. Whenever a new NFT is added for sale in the auction, the creator will have to incur fees for on-chain transactions and gas. In other cases, the DXB Interact NFT marketplace will charge a flat percentage on the final bidding price.
- **Bidding charges** – Interested NFT buyers have to pay a specific fee for bidding successfully for the property sold on the NFT marketplace. They have to place their offer before the deadline after including details of the lowest price and highest price.
- **Affiliate Program** – It is an exclusive program for partners of the DXB Interact NFT marketplace. The DXB Interact NFT selling platform charges a specific fee for offering various incentives like real-time sharing of statistics on the demand of specific property.

These revenue models can bring maximum benefits and can be used for different type of users

- Individuals
- Agent or Brokers
- Builders



5. Startup Cost

5.1. Cost for NFT Development

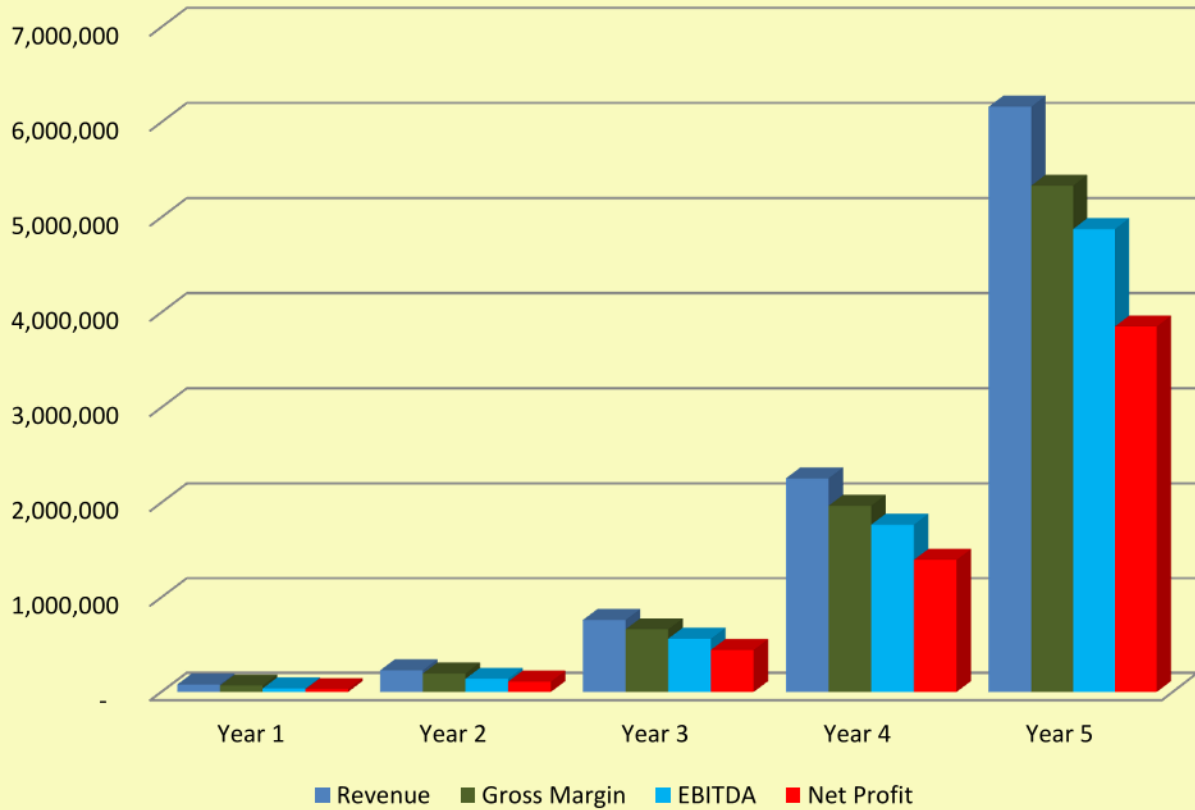
Functions	Time, Hours	Average Cost (USD 60/Hour)
UX/UI Development	40	2,400
Authorization and Security	70	4,200
User Profiles	40	2,400
Home Page	80	4,800
Search, Categories and Filters	95	5,700
Product Page	40	2,400
Reviews and Ratings	45	2,700
Buyer's Shopping Cart	45	2,700
Payments	40	2,400
Notifications	32	1,920
Subscription & NFT Integration	90	5,400
NFT Management	90	5,400
Inventory Management	40	2,400
Buyer's Panel	64	3,840
Seller's Panel	130	7,800
Admin Panel	85	5,100
Total	1,026	61,560

5.2. Financial Plan

The following table and graphs illustrate the financial goals of the Company during the next five years. The financials are explained in detail throughout the plan.

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	79,490	229,100	761,370	2,254,410	6,162,320
Gross Margin	67,730	195,090	662,040	1,965,970	5,332,720
Operating Expenses	29,990	56,110	98,410	198,600	456,360
EBITDA	37,740	138,980	563,630	1,767,370	4,876,360
Net Profit	29,810	109,790	445,270	1,396,230	3,852,320
Gross Margin/Revenue	85%	85%	87%	87%	87%
EBITDA/Revenue	47%	61%	74%	78%	79%
Net Profit/Revenue	38%	48%	58%	62%	63%
Net Cash Flow	83,320	210,860	593,520	1,281,440	3,695,410
Cash Balance Ending	83,320	294,180	887,700	2,169,140	5,864,550

Projected Operating by Year in US\$



6. Branding and Marketing

The company will strive to meet the following objectives as it accomplishes specific keys to success:



6.1. Key to Success

- DXB Interact is entering an extremely fragmented marketplace that isn't oriented toward B2C consumer models. Its legacy competitors often have cumbersome and difficult to user interfaces that are built on legacy technologies and legacy financial systems
- DXB Interact will need to brand itself so that all potential customers can understand what it does, and create a reliable image that can be trusted as it develops and grows

6.2. Marketing Campaign

6.2.1. Networking

- Networking with the furniture industry and design professionals
- Promotional connections with similar businesses including real estate marketplaces and/or businesses

6.2.2. Endorsement

- A financial industry or celebrity endorser (for Bitcoin and NFTs) can potentially help DXB Interact reach a wider target audience.

6.2.3. Referral Bonuses

A major growth strategy that proved effective for Pay Pal during its first year of operation was the use of referral bonuses and incentives for current customers to sign up new customers. No-commission stock trading platforms and to offer sign-up bonuses of free stock and additional free stock allocated randomly for people who successfully use sign-up links for family and friends.

6.2.4. Digital Media

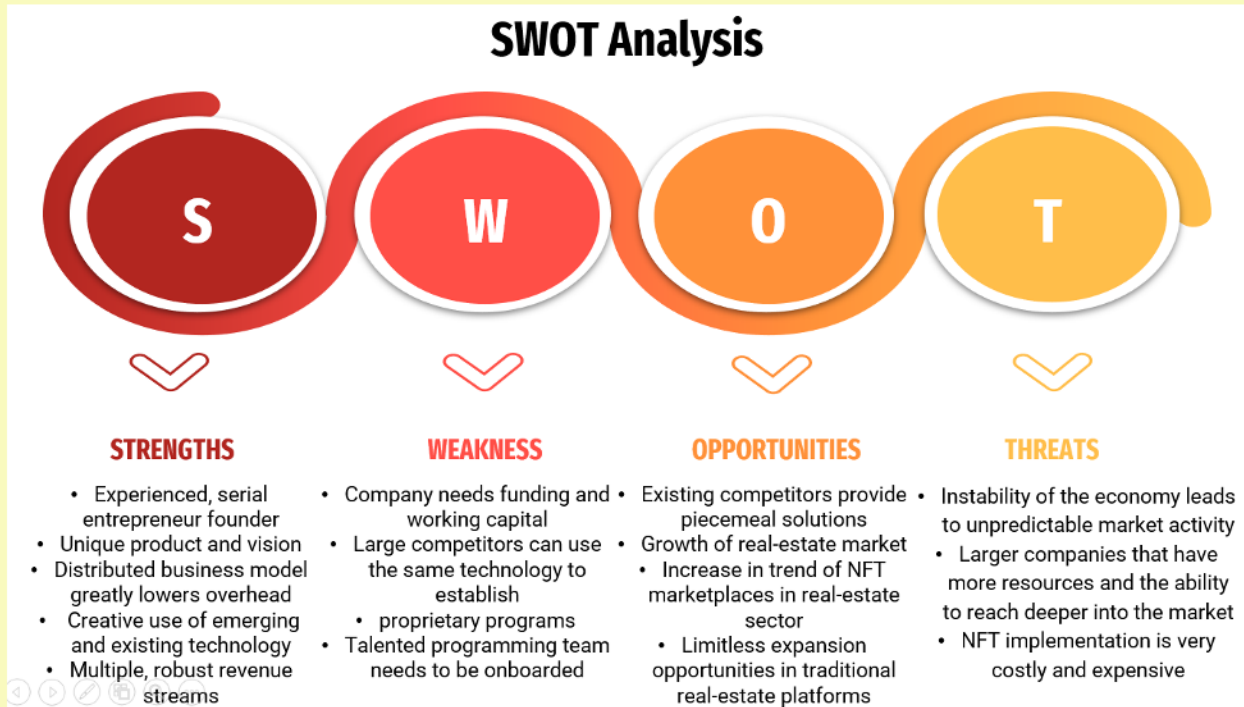
- DXB Interact will be using a distributed, decentralized platform and development model. It already has its official website and apps for Android and iOS devices.
- DXB Interact will promote its services using established social media that is a good match, including Instagram and Pinterest.
- About 40% of real estate customers arrive at different websites through a web search. DXB Interact will use smart search engine optimization strategies to achieve first place status in mobile device and voice-enabled searches.
- DXB Interact is a great match for a video channel and/or podcast which will accelerate the process of reaching targeted customers.
- The business also has had a strategy to reach out to old and new social media influencers to encourage user engagement



7. Strategic Analysis

7.1. SWOT Analysis

The following is a listing of the key strengths and weaknesses of the Company, as well as the opportunities and threats that exist within the marketplace.



7.2. Risk Analysis

The risks involved with Company will be moderate. The technology exists to make the platform work, and it is entering the marketplace at the ideal time. The Company stands as a viable business opportunity that has the potential to deliver significant returns to any investor or lending institution.

The image features a teal horizontal banner across the center with the word "FINANCIALS" in bold black text. The background is a blurred blue-toned image of financial documents, including a line graph and a table with numbers. A pen is visible in the bottom right corner.

FINANCIALS



8. Financial Forecast

8.1. Revenue Forecast

	Year 1	Year 2	Year 3	Year 4	Year 5
Total					
Advanced Tool Paid Memberships	1,505	3,763	9,406	28,219	84,656
NFT Sales Revenue	13,250	39,750	119,250	357,750	1,073,250
Subscriptions Revenue	265,000	795,000	2,385,000	7,155,000	21,465,000
Business Integrations	12	30	60	120	240
Price					
Advanced Tool Paid Memberships	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
NFT Sales Revenue	\$ 108.42	\$ 108.42	\$ 108.42	\$ 108.42	\$ 108.42
Subscriptions Revenue	\$ 17.50	\$ 17.50	\$ 17.50	\$ 17.50	\$ 17.50
Business Integrations	\$ 150,000	\$ 150,000	\$ 350,000	\$ 500,000	\$ 500,000
Revenue					
Advanced Tool Paid Memberships	\$ 75,250	\$ 188,125	\$ 470,313	\$ 1,410,938	\$ 4,232,813
NFT Sales Revenue	\$ 1,436,565	\$ 4,309,695	\$ 12,929,085	\$ 38,787,255	\$ 116,361,765
Subscriptions Revenue	\$ 4,637,500	\$ 13,912,500	\$ 41,737,500	\$ 125,212,500	\$ 375,637,500
Business Integrations	\$ 1,800,000	\$ 4,500,000	\$ 21,000,000	\$ 60,000,000	\$ 120,000,000
Total Revenue	\$ 7,949,315	\$ 22,910,320	\$ 76,136,898	\$ 225,410,693	\$ 616,232,078
Direct Cost					
Advanced Tool Paid Memberships	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
NFT Sales Revenue	\$ 21.68	\$ 21.68	\$ 21.68	\$ 21.68	\$ 21.68

Subscriptions Revenue	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Business Integrations	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Direct Cost of Revenue					
Advanced Tool Paid Memberships	\$ 22,575	\$ 56,438	\$ 141,094	\$ 423,281	\$ 1,269,844
NFT Sales Revenue	\$ 287,313	\$ 861,939	\$ 2,585,817	\$ 7,757,451	\$ 23,272,353
Subscriptions Revenue	\$ 463,750	\$ 1,391,250	\$ 4,173,750	\$ 12,521,250	\$ 37,563,750
Business Integrations	\$ 180,000	\$ 450,000	\$ 900,000	\$ 1,800,000	\$ 3,600,000
Subtotal Cost of Revenue	\$ 953,638	\$ 2,759,627	\$ 7,800,661	\$ 22,501,982	\$ 65,705,947

8.2. Break Even Analysis

The following break-even analysis shows the revenue necessary to break even in the first year of operation. Break-even is where revenue equals expenses. As shown below, the Company is expected to incur average monthly fixed costs of \$249,944 in Year 1. To cover fixed costs and variable costs, which rise and fall with revenue, the Company must, on average, achieve revenue of \$332,222 per month to break even.

Year 1 Break-Even Analysis	
Monthly Revenue Break-Even	\$ 332,222
Assumptions	
Average Monthly Revenue	\$ 662,443
Average Monthly Variable Cost	\$ 164,059
Estimated Monthly Fixed Cost	\$ 249,944

8.3. Income Statement

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$7,949,315	\$22,910,320	\$76,136,898	\$225,410,693	\$616,232,078

Subtotal Cost of Revenue	\$953,638	\$2,759,627	\$7,800,661	\$22,501,982	\$65,705,947
Merchant Credit Card Fees	\$222,581	\$641,489	\$2,131,833	\$6,311,499	\$65,705,947
Total Cost of Revenue	\$1,176,219	\$3,401,115	\$9,932,494	\$28,813,482	\$82,960,445
Gross Margin	\$6,773,096	\$19,509,205	\$66,204,404	\$196,597,211	\$533,271,633
Gross Margin/Revenue	85.20%	85.15%	86.95%	87.22%	86.54%
Expenses					
Digital Workspace	\$25,000	\$37,500	\$56,250	\$84,375	\$126,563
General Insurance Liability	\$5,000	\$6,250	\$7,813	\$9,766	\$12,207
Business License/Permits	\$600	\$615	\$630	\$646	\$662
Telephone/Internet	\$12,000	\$18,000	\$27,000	\$40,500	\$60,750
Dedicated Server Costs	\$94,433	\$141,649	\$212,474	\$318,711	\$446,195
Marketing & Advertising	\$300,000	\$450,000	\$675,000	\$1,012,500	\$1,518,750
App Development/Maintenance	\$48,000	\$52,800	\$66,000	\$82,500	\$103,125
User Churn	\$265,000	\$463,750	\$811,563	\$1,420,234	\$2,485,410
User Acquisition	\$662,500	\$1,325,000	\$3,975,000	\$11,925,000	\$35,775,000
Travel & Entertainment	\$48,000	\$49,200	\$50,430	\$51,691	\$52,983
Startup Cost	\$164,000	\$0	\$0	\$0	\$0
Legal and Compliance	\$300,000	\$307,500	\$315,188	\$323,067	\$331,144
Repair & Maintenance	\$0	\$0	\$0	\$0	\$0
Miscellaneous Expenses	\$12,000	\$12,120	\$12,241	\$12,364	\$12,487
Depreciation	\$1,500	\$16,500	\$166,500	\$166,500	\$166,500
Payroll Taxes	\$0	\$0	\$0	\$0	\$0
Total Personnel	\$1,061,300	\$2,730,504	\$3,465,085	\$4,411,748	\$4,544,101
Total Operating Expenses	\$2,999,333	\$5,611,388	\$9,841,173	\$19,859,602	\$45,635,877

Profit Before Interest and Taxes	\$3,773,763	\$13,897,816	\$56,363,231	\$176,737,609	\$487,635,756
EBITDA	\$3,775,263	\$13,914,316	\$56,529,731	\$176,904,109	\$487,802,256
Interest Expense	\$0	\$0	\$0	\$0	\$0
Taxes Incurred	\$792,490	\$2,918,541	\$11,836,278	\$37,114,898	\$102,403,509
Net Profit	\$2,981,273	\$10,979,275	\$44,526,952	\$139,622,711	\$385,232,247
Net Profit/Revenue	37.50%	47.92%	58.48%	61.94%	62.51%

8.4. Sensitivity Analysis

The sensitivity analysis below assumes that revenues are 10% higher or 10% lower than the figures projected earlier in this business plan.

Best Case Scenario (Revenue Increases by 10%)

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$8,744,247	\$25,201,352	\$83,750,587	\$247,951,762	\$677,855,285
Cost of Goods	\$1,293,841	\$3,741,227	\$10,925,743	\$31,694,830	\$91,256,489
Gross Margin	\$7,450,406	\$21,460,125	\$72,824,844	\$216,256,932	\$586,598,796
Gross Margin/Revenue	85.20%	85.15%	86.95%	87.22%	86.54%
Operating Expenses	\$2,999,333	\$5,611,388	\$9,841,173	\$19,859,602	\$45,635,877
Net Profit	\$3,333,053	\$12,520,502	\$49,757,100	\$155,153,891	\$427,360,706
Cash Flow	\$8,683,350	\$22,627,346	\$64,582,479	\$143,674,696	\$411,669,202
Cash Balance	\$8,683,350	\$31,310,696	\$95,893,175	\$239,567,872	\$651,237,073
Net Profit/Revenue	38.12%	49.68%	59.41%	62.57%	63.05%
Best Case	1.1				

Worst Case Scenario (Revenue Decreases by 10%)

	Year 1	Year 2	Year 3	Year 4	Year 5
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Revenue	\$7,154,384	\$20,619,288	\$68,523,208	\$202,869,623	\$554,608,870
Cost of Goods	\$1,058,597	\$3,061,004	\$8,939,244	\$25,932,133	\$74,664,400
Gross Margin	\$6,095,787	\$17,558,284	\$59,583,963	\$176,937,490	\$479,944,469
Gross Margin/Revenue	85.20%	85.15%	86.95%	87.22%	86.54%
Operating Expenses	\$2,999,333	\$5,611,388	\$9,841,173	\$19,859,602	\$45,635,877
Net Profit	\$2,254,551	\$9,438,048	\$39,296,805	\$124,091,532	\$343,103,788
Cash Flow	\$7,604,848	\$19,544,892	\$54,122,183	\$112,612,337	\$327,412,284
Cash Balance	\$7,604,848	\$27,149,740	\$81,271,923	\$193,884,260	\$521,296,544
Net Profit/Revenue	31.51%	45.77%	57.35%	61.17%	61.86%
Worst case	0.9				