



FloraHeal

High-Level Feasibility Study

Submitted to:

The Ministry of Digital Economy and Entrepreneurship

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A National Entrepreneurship Policy Project



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Executive Summary

FloraHeal is a startup dedicated to producing essential oils and medicinal compounds from native Jordanian plants. Utilizing sustainable and advanced extraction methods, FloraHeal ensures its products are pure and potent, catering to the increasing global demand for natural health solutions. The company's approach supports environmental conservation and aligns with consumer preferences for organic and eco-friendly products.

FloraHeal's business model emphasizes scalability, beginning with local and regional markets, and planning for international expansion. The company engages in direct-to-consumer sales, B2B partnerships, and research and development services to establish a strong market presence. Collaborations with local farmers for sustainable sourcing and ongoing research into new plant-based compounds are integral to its operations.

Aiming to become a leader in the natural extracts industry, FloraHeal leverages Jordan's unique flora and sustainable practices. With a focus on research and development, the company seeks to advance natural product extraction, offering applications in health, cosmetics, and pharmaceuticals. FloraHeal is committed to promoting sustainability and health on a global scale, providing high-quality, ethically sourced natural products.

I. Introduction

FloraHeal is a startup dedicated to harnessing the rich biodiversity of Jordan to produce high-quality essential oils and medicinal compounds from native plants. The startup focuses on sustainable and advanced extraction methods to ensure the purity and efficacy of its products. This venture addresses the escalating global demand for natural and organic health products by tapping into Jordan's unique flora, which remains largely underutilized in the international market.

The importance of FloraHeal lies in its dual commitment to environmental conservation and health improvement. By promoting the use of natural extracts, the startup supports the shift towards more sustainable and less chemically-intensive health solutions. The extracted compounds have applications across various sectors, including health, cosmetics, and pharmaceuticals, making the business versatile and resilient to market changes.

The scalability of FloraHeal is a key aspect of its business model. Initially targeting local and regional markets, the startup plans to expand its product lines as new plants are researched and their benefits are validated. The use of advanced, scalable extraction technologies allows for efficient production increases without compromising product quality. This scalability extends to potential global markets, where the demand for unique, ethically sourced natural ingredients is on the rise.

FloraHeal aims to establish itself as a leader in the natural extracts industry by leveraging Jordan's biodiversity, employing sustainable practices, and maintaining a strong focus on

research and development. The company envisions creating a broad product portfolio that includes essential oils, medicinal extracts, and other therapeutic compounds, catering to a growing audience of health-conscious consumers, pharmaceutical companies, and cosmetic industries

2. Market Analysis

Jordan's economy, while diverse, faces several challenges including water scarcity, limited arable land, and economic dependence on imports. Agriculture, although a smaller part of the economy, is vital for rural livelihoods. The Jordanian government's Vision 2025 strategy emphasizes sustainable development and innovation, providing a supportive framework for agricultural tech startups like FloraHeal. The global market for essential oils was valued at approximately USD 7.03 billion in 2020 and is expected to grow at a CAGR of 8.6% from 2021 to 2028, driven by increasing consumer preference for natural products ^{1 2 3}.

Jordan's market for natural health products is growing, driven by increasing health awareness and demand for organic alternatives.

FloraHeal targets several market segments. Health-conscious consumers seek natural and organic health products, including essential oils and herbal remedies. Pharmaceutical companies are interested in natural compounds for developing new drugs and therapeutic products. Cosmetic industries look for organic ingredients to formulate natural beauty and skincare products.

Several global success stories illustrate the potential of the essential oils market. In India companies like Biolandes and AOS products have successfully commercialized essential oils and natural extracts by leveraging local biodiversity and sustainable practices. In Australia, firms such as doTERRA and Young Living have established strong international markets for their essential oils, focusing on purity, sustainability, and advanced extraction methods.

3. Business Model

FloraHeal business model capitalizes on the rich biodiversity of Jordan's native flora to create high-quality natural extracts, primarily targeting direct-to-consumer sales, business-to-business (B2B) partnerships, and research and development (R&D) services. The company will market essential oils and can extend to medicinal compounds directly to health-conscious consumers, establishing a robust online and retail presence. Simultaneously, it aims to build strong B2B relationships with Jordanian pharmaceutical and cosmetic companies, supplying bulk natural extracts that enhance product offerings in health and beauty sectors. FloraHeal will offer specialized R&D services, exploring new plant-based compounds for various

¹ World Bank. (2022). "Jordan Economic Monitor."

² Jordan Ministry of Planning and International Cooperation. (2015). "Jordan 2025: A National Vision and Strategy."

³ Grand View Research. (2021). "Essential Oils Market Size, Share & Trends Analysis Report."

applications. This approach ensures scalability and sustainability, allowing FloraHeal to expand its operations while maintaining high standards of quality and environmental responsibility. By integrating these components, FloraHeal positions itself to meet the growing global demand for natural, ethically sourced health products, driving innovation and ensuring a diversified revenue stream.

The services and products offered by FloraHeal are:

- **Essential Oils:** FloraHeal produces a range of essential oils derived from native Jordanian plants. These oils are marketed for their medicinal, therapeutic, and cosmetic applications. The initial product lineup includes oils like lavender, rosemary, and sage.
- **B2B Sales:** Establishing partnerships with pharmaceutical companies and cosmetic industries to supply bulk natural extracts. These partnerships leverage the purity and unique properties of Jordanian flora to develop new health and beauty products.
- **R&D Services:** Offering research and development services to other companies interested in exploring new plant-based compounds. This service includes customized extraction and testing to identify valuable bioactive compounds.

FloraHeal utilizes advanced extraction technologies such as steam distillation, cold pressing, and supercritical CO₂ extraction to ensure high purity and potency of essential oils and medicinal compounds. These methods are chosen for their efficiency in extracting active ingredients while preserving the natural properties of the plants. Sustainable practices are integral to FloraHeal's operations, minimizing environmental impact through solvent recycling and the use of renewable energy sources, aligning with global trends and consumer preferences for eco-friendly products.

The production process begins with the careful selection of native plants from Jordan's rich biodiversity. Collaboration with local farmers and conservationists ensures sustainable harvesting practices that protect and preserve local flora. The processing of plants occurs in state-of-the-art facilities equipped with modern extraction equipment, ensuring the highest quality essential oils and extracts. Rigorous quality control measures, including chemical analysis and purity testing, are implemented to meet international standards. Regular testing for contaminants and verification of active compound concentrations are part of this process. Packaging uses eco-friendly materials to appeal to environmentally conscious consumers, designed to preserve product integrity while minimizing waste.

Continuous innovation is supported through ongoing research and development (R&D), exploring new plant species and refining extraction methods. This includes studying the medicinal properties of various native plants and developing new products. Collaborations with universities and research institutions are essential, conducting scientific research on the efficacy and safety of the extracts. These partnerships help validate the health benefits of the products and support marketing efforts.

Scalability is a key feature of FloraHeal's production facilities, which are designed for modular expansion. Additional extraction units can be added as demand grows without disrupting

existing operations. The integration of digital tools for process automation and data management enhances operational efficiency and scalability.

Sustainability is a core commitment for FloraHeal, which engages in sustainable sourcing and production practices that protect local ecosystems. Efforts include reducing waste, conserving water, and minimizing energy consumption. Community engagement is also crucial, promoting sustainable harvesting practices and providing economic benefits through training programs for farmers and fair-trade agreements.

This comprehensive business model leverages the unique biodiversity of Jordan to produce high-quality, natural health products. With a focus on sustainability, continuous improvement, and scalability, FloraHeal is well-positioned to meet the growing global demand for natural extracts.

FloraHeal generates revenues from the following streams:

- **Product Sales:** Revenue from the direct sale of essential oils to consumers and businesses. This includes retail sales through an online store and partnerships with health and wellness shops.
- **B2B Partnerships:** Significant revenue from bulk sales to pharmaceutical and cosmetic companies. These partnerships are based on long-term contracts that ensure a steady revenue stream.
- **R&D Services:** Additional revenue from providing specialized research services to companies seeking to develop new products using natural extracts. This includes contract research and collaborative projects.

The revenue projections for FloraHeal indicate a steady growth in sales across all product lines over a five-year period. Essential oils sales are expected to increase from 500 units in Year 1 to 1,000 units in Year 5, with a consistent price of JOD 15 per unit. This results in revenue growth from JOD 7,500 to JOD 15,000. B2B sales are projected to start at 10 units in Year 1 and grow to 20 units by Year 5, with each unit priced at JOD 4,000, resulting in revenue growth from JOD 40,000 to JOD 80,000. R&D services are anticipated to begin in Year 3 with one project, growing to two by Year 5, priced at JOD 10,000 and JOD 15,000 respectively, contributing JOD 10,000 in Year 3 and JOD 30,000 by Year 5. Overall, total revenues are projected to increase from JOD 47,500 in Year 1 to JOD 125,000 in Year 5.

Table 1: Revenue Projection

Description / Year	1	2	3	4	5
Essential Oils Sales (unit)	500	600	700	800	1,000
Price / Unit Essential Oils Sales (JOD)	15	15	15	15	15
Sub-total Essential Oils Sales (JOD)	7,500	9,000	10,500	12,000	15,000
B2B Sales (unit)	10	10	15	15	20
Price / Unit B2B Sales (JOD)	4,000	4,000	4,000	4,000	4,000
Sub-total B2B Sales (JOD)	40,000	40,000	60,000	60,000	80,000
R&D Services (unit)	0	0	1	1	2
Price / Unit R&D Services (JOD)	0	0	10,000	15,000	15,000
Sub-total R&D Services (JOD)	-	-	10,000	15,000	30,000

Total Revenues (JOD)	47,500	49,000	80,500	87,000	125,000

In the initial years, B2B sales dominate the revenue contributions, accounting for 84.2% of total revenues in Year 1 and maintaining significant contributions through Year 5 despite other growing revenue streams. Essential oils sales contribute steadily, beginning at 15.8% in Year 1 and decreasing in percentage as other lines grow but still increasing in absolute value. R&D services, introduced in Year 3, progressively contribute more, reaching 24% of total revenues by Year 5. This diversified revenue mix underscores the company's strategy to balance between immediate high-value B2B sales and longer-term growth through essential oils and R&D services.

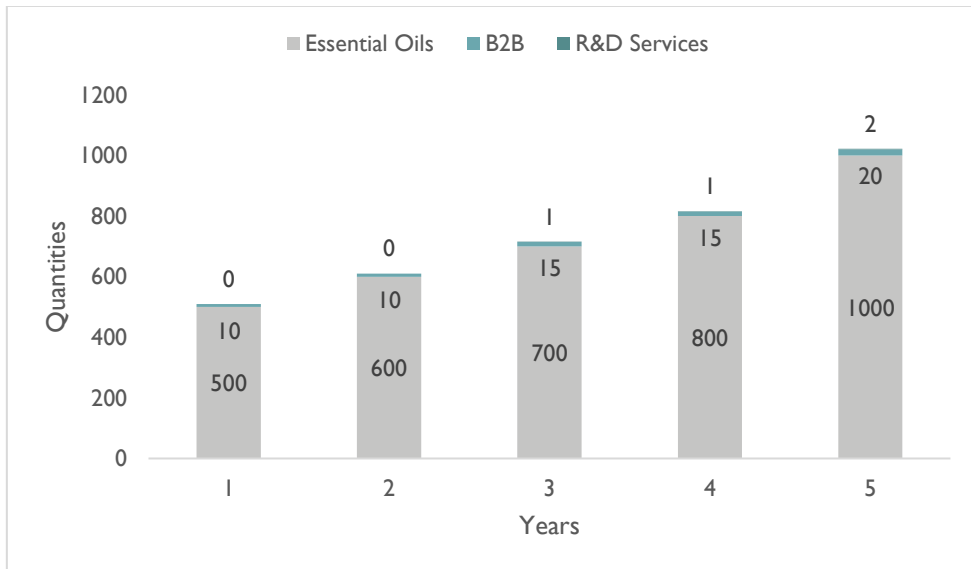


Figure 1: Product Mix by Quantity



Figure 2: Product Mix by Revenue

4. Technical Analysis

The Cost of Goods Sold (COGS) for FloraHeal Jordan is projected to increase over the five-year period as the business scales up its operations. The breakdown of COGS is as follows:

Costs for Essential Oils include raw materials, extraction processes, and packaging. Managed through sustainable sourcing and efficient production, the COGS per unit drops from JOD 5 to JOD 4 by Year 3, with total COGS rising from JOD 2,500 in Year 1 to JOD 4,000 in Year 5. Bulk production and quality maintenance of B2B sales result in a constant COGS of JOD 1,000 per unit. Total COGS increases from JOD 10,000 in Year 1 to JOD 20,000 in Year 5, reflecting higher demand. R&D Services costs cover labor and specialized equipment, with a COGS of JOD 5,000 per project from Year 3 onwards. Total COGS grows from JOD 5,000 in Year 3 to JOD 10,000 in Year 5.

The total COGS for FloraHeal Jordan reflects the anticipated growth in demand across all product lines. Starting at JOD 12,500 in Year 1, the total COGS increases steadily to JOD 34,000 by Year 5. This rise is driven by the scaling of essential oils production, the consistent demand in B2B sales, and the initiation and expansion of R&D services. The overall cost management strategies, including sustainable sourcing and efficient production techniques, are crucial in maintaining and improving profit margins as the company grows.

Table 2: Cost of Goods Sold – Five Year Projection

Description / Year	1	2	3	4	5
Projected Demand (Quantity) Essential Oils	500	600	700	800	1000
COGS / Unit Essential Oils (JOD)	5	5	4	4	4
Sub-total Essential Oils (JOD)	2,500	3,000	2,800	3,200	4,000
Projected Demand (Quantity) B2B	10	10	15	15	20
COGS / Unit B2B (JOD)	1000	1000	1000	1000	1000
Sub-total B2B (JOD)	10,000	10,000	15,000	15,000	20,000
Projected Demand (Quantity) R&D Services	0	0	1	1	2
COGS / Unit R&D Services (JOD)	0	0	5000	5000	5000
Sub-total R&D Services (JOD)	-	-	5,000	5,000	10,000
Total COGS (JOD)	12,500	13,000	22,800	23,200	34,000

The manpower recruitment plan for FloraHeal indicates a gradual increase in staffing to support the company's growth. The Founder/CEO and Extraction Process Engineer positions remain constant throughout the five years, ensuring stable leadership and technical expertise. The Botanist/Plant Scientist role expands from one position in the first three years to two positions in Years 4 and 5, reflecting an increased focus on research and sustainable sourcing. The addition of a Sales & Marketing Specialist in Year 2 underscores the emphasis on building market presence and customer relationships. The total cumulative HR grows from three employees in Year 1 to five employees by Year 5, aligning with the company's scaling operations and expanding market reach.

Table 3: Manpower recruitment plan – five-year projection

Title / Year	1	2	3	4	5
Founder/CEO	1	1	1	1	1
Botanist/Plant Scientist	1	1	1	2	2
Extraction Process Engineer	1	1	1	1	1
Sales & Marketing Specialist	0	1	1	1	1
Total Cumulative HR	3	4	4	5	5

The manpower costs for FloraHeal increase steadily over the five-year period, reflecting the planned expansion and additional staffing needs. Total HR salaries increase from JOD 26,400 in Year 1 to JOD 49,593 in Year 5. Including social security and health insurance costs, the total HR cost escalates from JOD 31,062 in Year 1 to JOD 58,160 in Year 5, indicating a comprehensive approach to employee compensation and benefits.

Table 4: Manpower total cost – five-year projection

Title / Year	1	2	3	4	5
Founder/CEO	12,000	12,600	13,230	13,892	14,586
Botanist/Plant Scientist	7,200	7,560	7,938	16,670	17,503
Extraction Process Engineer	7,200	7,560	7,938	8,335	8,752
Sales & Marketing Specialist	-	7,560	7,938	8,335	8,752
Total HR Salaries (JOD)	26,400	35,280	37,044	47,231	49,593
Social Security Cost (JOD)	3,762	5,027	5,279	6,730	7,067
Health Insurance Cost (JOD)	900	1,200	1,200	1,500	1,500
Total HR Cost (JOD)	31,062	41,507	43,523	55,462	58,160

Over five years, FloraHeal’s operational expenses, including salaries, increase from JOD 36,382 in the first year to JOD 64,680 by year five. Key costs like rent (JOD 3,000/year) and R&D (JOD 1,000– JOD 2,000/year) remain significant. Total annual OpEx grows from JOD 40,020 to JOD 71,148.

Table 5: Operational Expenditures – Five-year projection

Description / Year	1	2	3	4	5
Electricity	300	300	300	300	300
Water	30	30	30	30	30
Rent	3,000	3,000	3,000	3,000	3,000
Fuel	30	30	30	30	30
Maintenance	100	100	100	100	100
Telecommunication	100	100	100	100	100
Website Charges	10	10	10	10	10
Advertising	100	100	100	100	100
Cleaning Material & Consumables	50	50	50	50	50
Research & Development	1,000	1,000	1,000	2,000	2,000
Legal & Accounting Fees	600	600	600	800	800
Sub-total OpEx	36,382	46,827	48,843	61,982	64,680
Other Costs	3,638	4,683	4,884	6,198	6,468
Total OpEx	40,020	51,510	53,727	68,180	71,148

The capital expenditures (CapEx) for FloraHeal are allocated to support the establishment and scaling of the company's operations. The initial investment includes JOD 10,000 for lab preparation, setting up a facility for extraction and analysis. This is repeated in Year 5 to possibly upgrade or expand the lab. An additional JOD 10,000 is allocated in Year 0 and Year 3 for purchasing advanced extraction equipment, which can be scaled as production increases. This ensures that the company can meet growing demand without compromising on quality. A total of JOD 2,000 is designated for farm acquisition or lease in Year 0 and Year 2, securing land for sustainable sourcing of raw materials through either direct acquisition or lease agreements with local farmers.

Table 6: Capital Expenditures Cost – five-year projection

Description / Year	0	1	2	3	4	5
Lab Preparation	10,000					10,000
Extraction Equipment	10,000			10,000		
Farm Acquisition/Lease	2,000		2,000			
Total CapEx (JOD)	22,000		2,000	10,000		10,000

5. Financial Analysis

5.1 Financial Study Assumptions

The feasibility study is based on the following key assumptions:

Discount Rate: The study employs a conservative discount rate of 14%, reflecting a cautious approach to valuation.

Financing Structure: The project is entirely financed by equity. This conservative approach avoids the financial leverage and thus underestimates project value, given the lower cost of debt compared to equity.

Terminal Value: The project assumes a zero-terminal value at the end of year five, aligning with the study's conservative outlook.

Cash Flow Projection: Cash flows beyond year five are excluded from the analysis, focusing on the initial project phase.

Tax Rate: The assumed tax rate of 0% complies with Jordan's income tax law.

Depreciation Rate: Capital expenditure (CapEx) is depreciated at an annual rate of 20%. Any deviation from this rate may impact projected profitability but not project feasibility, as depreciation is a non-cash expense.

Working Capital Assumptions

Operational liquidity requirements are guided by the following assumptions:

- **Cash Reserves:** The project will maintain cash equivalent to 30 days of projected annual operational expenses, ensuring robust liquidity management.

- **Accounts Receivable (A/R) Collection Period:** The average collection period for receivables is 45 days, reflecting expected credit sales conversion into cash.
- **Accounts Payable (A/P) Payment Period:** The average payment period for payables is 0 days, indicating the timeframe for settling supplier obligations.
- **Inventory Management:** Inventory levels will be maintained to cover an average of two months of sales quantity, ensuring optimal stock levels to meet demand efficiently.

Capital expenditures expected to be incurred in the first year were included as part of the initial costs of the project.

Provisions were made within the initial cost to cover any potential negative net free cash flow that may arise during the first five years of operation, if needed.

5.2 Financial Study:

5.2.1 Projected Working Capital

This table shows that the net working capital needed for the project for the first year of operation is JOD 11,356, which has to increase steadily year over year to reach JOD 27,221 in the fifth year of operation. The steady increase in the working capital comes to cover the rapid increase in the project operations and mainly the increase in the projected revenues.

Table 7: Working capital projection (JOD)

Description/Year	1	2	3	4	5
Cash	3,335	4,293	4,477	5,682	5,929
Accounts Receivable (A/R)	5,938	6,125	10,063	10,875	15,625
Inventory	2,083	2,167	3,800	3,867	5,667
Accounts Payable (A/P)	-	-	-	-	-
Net Working Capital	11,356	12,584	18,340	20,423	27,221
Changing in Working Capital		1,228	5,756	2,084	6,797

5.2.2 Project Initial Cost

The project's initial cost is projected to be JOD 38,377, comprising JOD 22,000 as CapEx, JOD 5,021 as provisions for the first-year negative free cash flow and JOD 11,356 as net working capital.

Table 8: Initial Cost Summary (JOD)

Description/Year	JOD
CapEx	22,000
Provisions for the first year(s) negative free cash flow(s)	5,021
Net Working Capital	11,356
Total Initial Cost	38,377

5.2.3 Projected Income Statement

The projected income statement indicates that the project will experience a loss of JOD 9,420 in the first year of operation. However, the project is expected to generate a profit from the second year of operation, reaching JOD 67,865 in the fifth year.

Table 9: Projected Income Statement (JOD)

Description/Year	1	2	3	4	5
Total Revenues	47,500	77,500	85,000	127,500	157,500
COGS	12,500	14,250	15,600	14,800	19,000
Gross Profit	35,000	63,250	69,400	112,700	138,500
OpEx	40,020	38,819	41,441	58,420	61,835
Net Profit Before Tax and Depreciation	-5,020	24,431	27,959	54,280	76,665
Depreciation	4,400	4,800	6,800	6,800	8,800
Net Profit Before Tax	- 9,420	19,631	21,159	47,480	67,865
Tax Expense	-	-	-	-	-
Net Profit	- 9,420	19,631	21,159	47,480	67,865

The project is expected to generate a negative net profit margin in the first year of operation of -19.8%. However, from the second year onwards, the net profit margin will be positive and grow over the course of the study. In the fifth year of operations, the net profit margin is expected to reach 43.1%.

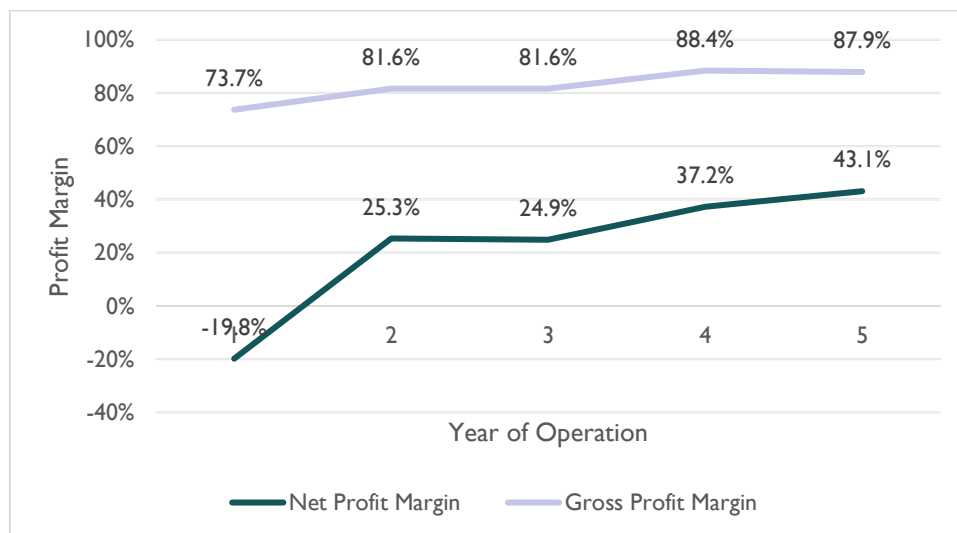


Figure 3: Gross vs Net Profit Margin

On the asset management side, the study shows that the return on investment will increase steadily from -28.2% in the first year of operation to 122.6% in the fifth year.

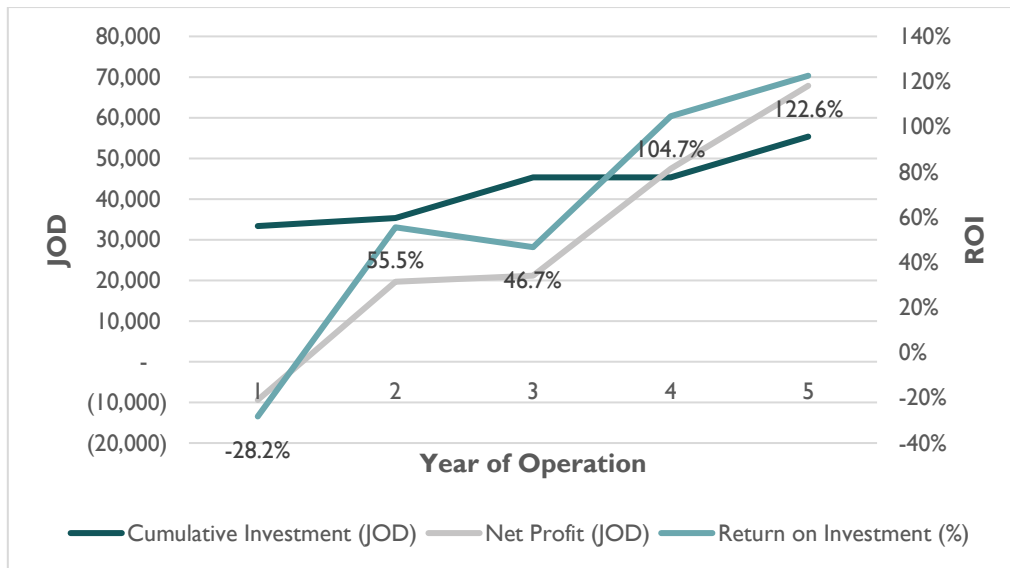


Figure 4: Return on Investment

5.2.4 Projected Free Cash Flow Statement

The table below demonstrates that the project will generate a negative free cash flow from the first year of operation, JOD 5,020. However, due to the projected expansion in business operations, the project is expected to generate a steady positive net free cash flow growth in the following years. By the end of your five, the projected free cash flow will reach JOD 59,868.

Table 10: Free Cash Flow (FCF) Projection (JOD)

Description Year	0	1	2	3	4	5
Cash-in Flow						
Net Profit		- 9,420	19,631	21,159	47,480	67,865
Depreciation		4,400	4,800	6,800	6,800	8,800
Injected Capital	38,377					
Total Cash-in Flow	38,377	-5,020	24,431	27,959	54,280	76,665
Cash-out Flow						
Initial Cost	33,356		2,000	10,000	-	10,000
Changes in Working Capital			1,228	5,756	2,084	6,797
Total Cash-out Flow	33,356	-	3,228	15,756	2,084	16,797
Free Cash Flow	5,021	-5,020	21,203	12,203	52,196	59,868

Based on these results, the project's feasibility indicators demonstrate its viability, with a net present value of JOD 48,789.9 and a profitability index of 2.46. Moreover, the project's internal rate of return (IRR) is expected to be 38.11%.

Feasibility Indicators	
Net Present Value (NPV)	48,790
Profitability Index (PI)	2.46
Internal Rate of Return (IRR)	38.1%

5.3 Sensitivity Analysis

To assess the project's sensitivity to market conditions, a sensitivity analysis was conducted involving six unfavourable scenarios:

- Decrease projected revenues by 5% while keeping other variables constant.
- Decrease projected revenues by 10% while keeping other variables constant.
- Increase operational expenditure by 5% while keeping other variables constant.
- Increase operational expenditure by 10% while keeping other variables constant.
- Increase initial costs by 5% while keeping other variables constant.
- Increase initial costs by 10% while keeping other variables constant.

Table 11: Sensitivity analysis outcomes

Sensitivity Scenario	Net Present Value (NPV)	Profitability Index (PI)	Internal Rate of Return (IRR)
Original case	48,790	2.46	38.11%
Drop in revenues by 5%	32,992	1.99	28.03%
Drop in revenues by 10%	17,193	1.52	18.08%
Increase in OpEx by 5%	39,853	2.19	31.48%
Increase in OpEx by 10%	31,651	1.94	25.75%
Increase in initial cost by 5%	47,122	2.35	36.61%
Increase in initial cost by 10%	40,434	1.97	35.19%

The sensitivity analysis shows that the project is feasible and not sensitive to unfavourable market conditions. Under all the above-mentioned sensitivity scenarios, the project feasibility indicators show it is feasible and viable. The drop in revenues has a more dramatic impact on the project viability than the increase in the OpEx or initial cost by the same magnitude. It is recommended that investors check and further study the market to ensure that the projected revenues are achievable within the thresholds of the proposed initial cost and operational expenditures.

6. Integration with Other Sectors

FloraHeal’s products and services have significant potential for integration with various sectors, enhancing sustainability and innovation:

Healthcare and Pharmaceuticals: By supplying natural extracts with proven medicinal benefits, FloraHeal can collaborate with pharmaceutical companies to develop new drugs and health supplements. This integration supports the global shift towards natural and holistic healthcare solutions.

Cosmetic Industry: Natural extracts and essential oils are highly valued in the cosmetic industry for their purity and efficacy. Partnerships with cosmetic companies can lead to the creation of organic skincare and beauty products, meeting the growing consumer demand for natural ingredients.

Agricultural Sector: Collaborating with local farmers for sustainable sourcing promotes environmental conservation and provides economic benefits to rural communities. This partnership can enhance agricultural practices and ensure a steady supply of raw materials.

Academic and Research Institutions: Working with universities and research centers on phytotherapy and sustainable extraction methods can drive innovation and validate the health benefits of native plants. These collaborations can also support biodiversity conservation efforts.

7. Entrepreneur Persona

The ideal entrepreneur to lead FloraHeal should possess a strong background in botany, chemistry, and sustainable agriculture. This individual should be knowledgeable about phytotherapy and the extraction of natural compounds, with a deep understanding of Jordan's native plant biodiversity. Key skills include strategic planning, project management, and the ability to navigate regulatory frameworks for natural health products.

An entrepreneurial spirit combined with a passion for environmental conservation and sustainable practices is essential. The leader should have experience in business development, particularly in the health and wellness sector, and the ability to forge partnerships with pharmaceutical and cosmetic companies. Effective communication skills are crucial for educating stakeholders and building trust in the brand.

The ideal entrepreneur should also be adept at fostering innovation, driving research and development efforts, and scaling the business sustainably. A commitment to ethical sourcing and community engagement will further enhance the startup's impact and reputation.

8. Stakeholders

Engaging a diverse group of stakeholders is crucial for the success of FloraHeal:

- 1. Farmers and Agricultural Cooperatives:** Local farmers are essential partners in sustainably sourcing native plants. By providing training and fair compensation, FloraHeal can ensure a reliable supply of high-quality raw materials while supporting local communities.
- 2. Pharmaceutical and Cosmetic Companies:** These B2B clients are key to scaling the business. Partnerships with these companies can lead to bulk sales and collaborative product development, expanding the market reach of FloraHeal's natural extracts.
- 3. Government and Regulatory Bodies:** Working with government agencies to ensure compliance with local and international regulations is crucial. Support from these bodies can also facilitate access to grants and incentives for sustainable business practices.

- 4. Research Institutions and Universities:** Collaborations with academic and research institutions can drive innovation and validate the health benefits of the extracts. These partnerships can also enhance the scientific credibility of FloraHeal's products.

9. Risk Assessment and Mitigation

Successfully deploying FloraHeal involves managing several key risks:

Risk	Impact	Likelihood	Risk Mitigation Technique
Regulatory Approvals	High	Moderate	Engage with regulatory bodies early to understand and comply with local and international regulations. Hire experts in regulatory affairs to navigate approvals efficiently.
Sustainable Sourcing and Biodiversity	High	Moderate	Implement sustainable harvesting practices and work closely with conservationists. Establish long-term agreements with local farmers to ensure consistent and ethical sourcing.
Market Acceptance and Competition	Moderate	High	Differentiate products through quality, sustainability, and unique properties of Jordanian flora. Invest in robust marketing and education campaigns to build brand recognition and consumer trust.

Addressing these risks proactively with strategic planning and continuous monitoring will be essential for the smooth operation and long-term success of FloraHeal.

To ensure the successful deployment and operation of FloraHeal Jordan, it is crucial to engage proactively with regulatory bodies. Establishing strong relationships with local and international regulatory authorities will ensure compliance with necessary standards and expedite the approval process for new products. This proactive engagement will facilitate smoother market entry and build consumer trust. Additionally, sustainable sourcing practices should be continuously implemented and improved to protect biodiversity. Collaborating with local farmers and conservationists will ensure ethical sourcing and maintain the ecological balance, mitigating risks related to sustainable sourcing and biodiversity.

Developing comprehensive marketing and education campaigns is essential for raising awareness about the benefits of natural extracts and the unique properties of Jordanian flora. These campaigns can help build consumer trust and differentiate the brand from competitors. Furthermore, forging partnerships with pharmaceutical and cosmetic companies will expand FloraHeal's market reach. Collaborating with research institutions will drive innovation and validate the health benefits of the extracts. These strategies collectively address potential market acceptance and competition risks, ensuring the company's long-term viability and growth.

10. Conclusion

FloraHeal presents a promising business opportunity in the phytotherapy and natural extracts sector by leveraging Jordan's unique biodiversity. The startup is well-positioned to meet the growing global demand for natural and organic health products. By focusing on sustainable and innovative extraction methods, FloraHeal can provide high-quality essential oils and medicinal compounds for health, cosmetic, and pharmaceutical applications. The business model's scalability and minimal physical infrastructure requirements make it feasible for rapid expansion.

In conclusion, the project demonstrates promising feasibility indicators based on the assumptions formed during the development of this study. Nonetheless, entrepreneurs are advised to conduct additional analysis on projected demand, initial costs, and operational expenses to mitigate potential risks associated with adverse market conditions that could jeopardize its validity.

Disclaimer

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Founders and investors considering this project are advised to conduct further analysis on projected adoption rates, development costs, and ongoing operational expenses. This additional scrutiny will help mitigate potential risks related to technology challenges, changes in regulations, market penetration, and competitive pressures.

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