COVER PAGE AND DECLARATION

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Introduction.

Taiba is an Arab company based in the Kingdom of Jordan that specializes in the production of high-quality meat products. Since its establishment in 2006, Taiba has grown from a limited liability company to a joint stock company, focusing on the production and marketing of various meats, including chicken and beef, under its renowned brand, Taiba Meat Productions. The company's ultimate goal is to become the leading and most affordable option for consumers across the Middle East and the global market.

With a strong emphasis on continuous improvement, Taiba has enhanced its financial position and steadily increased its market value, earning a reputation as a formidable player in the industry. A key aspect of the company's strategy is to expand its market share, ensuring resilience against tough competition and fostering ongoing improvement in dealing with rivals.

Thanks to the loyalty of its customers and its commitment to delivering naturally raised beef, Taiba has gained a substantial customer base. The company prides itself on sourcing its meat from family farms in Brazil and Eastern Europe, with internationally recognized certifications and a long shelf life. Taiba supplies premium beef products to supermarkets, hotels, restaurants, and various other establishments.

Furthermore, Taiba has established global strategic partnerships as part of its vision to become a prominent global meat products company. These partnerships enable the company to capitalize on investment opportunities worldwide, leading to increased profitability. Recently, Taiba unveiled an ambitious expansion investment plan worth 3 billion Dinars, which it plans to finance across different levels. The company's financial performance is impressive, ranking fourth in terms of profitability, capturing 30% (1,331 Dinars) of the sector's total profits of 3,709 million Dinars. It also ranks fifth in terms of the number of shareholders, with property rights valued at 6,448 million Dinars.

To gain a deeper understanding of Taiba's financial policies and performance, a comprehensive financial analysis is required. The analysis will involve studying periodic financial statements, which provide essential information for evaluating the company's financial condition and growth strategies.

the balance sheet, the income statement, the statement of ownership and cash follow.

In addition to the aforementioned financial statements, the following concepts and initiatives have been discussed regarding Taiba Company:

- Equity Multiplier: The equity multiplier is a financial ratio that measures the company's use of debt to finance its assets. It indicates the amount of assets supported by each unit of equity. A higher equity multiplier suggests that the company relies more on debt financing.
- Time-limited Measures: Time-limited measures refer to specific financial indicators or benchmarks that have a fixed time frame for evaluation. These measures help assess the company's performance and progress within a specific period, such as quarterly or annual financial targets.

During the four-year period from 2018 to 2021, Taiba Company faced challenges with account holders while experiencing growth and expanding its business operations. Despite these difficulties, the company has made significant efforts to support the agriculture and livestock sector, aiming to achieve a high level of self-reliance. Taiba has also expressed its intention to expand its investments in other countries, particularly in Africa and East Asia. By doing so, the company aligns itself with the goals of the Kingdom of Jordan in this sector.

With a strategic policy focused on expansion and diversification in the food industry and feed extraction, Taiba has positioned itself as a pioneering company in serving the objectives of Jordan's agricultural sector. These initiatives demonstrate the company's commitment to continuous growth and its aspirations to expand its presence both domestically and internationally.

To support its expansion and diversification efforts, Taiba Company has implemented various strategies and initiatives. It has established strong partnerships with local and international stakeholders, including farmers, suppliers, and distributors. These partnerships enable Taiba to secure a sustainable supply chain and ensure the availability of high-quality meat products. Furthermore, the company invests in research and development to enhance its production processes, improve product quality, and introduce innovative offerings to the market. Taiba also places a strong emphasis on sustainable practices, such as responsible farming methods and environmental conservation, to align with global trends and meet the growing demand for ethically produced food

Performance Appraisal.

Profitability.

The decline in profitability of Taiba Company over the past four years has been a concerning trend that requires careful analysis. Various key indicators highlight the challenges faced by the company in maintaining its profitability.

The gross margin, which measures the profitability of each unit of product or service sold, has experienced a significant decrease of 20.20% from 2018 to 2021. This decline indicates that Taiba has struggled to control its costs effectively, leading to lower profitability.

Furthermore, the operating margin, which reflects the company's ability to generate profits from its core operations, has also witnessed a substantial decline of 29.8% over the same period. This indicates that Taiba's operating costs have outweighed its revenue growth, resulting in reduced profitability.

Moreover, the net profit margin, which represents the company's bottom line profitability, has decreased by 21.50%. This decline signifies that Taiba is earning less profit for each dollar of sales revenue, highlighting potential inefficiencies in its cost structure.

In addition, the return on assets and return on investment ratios have declined by 35% and 36.10% respectively, indicating that Taiba's capital investments have yielded lower returns compared to previous years. This may be due to increased investment or lower profit generation.

Furthermore, the return on equity, which measures the profitability for shareholders, has decreased by 27%. This suggests that Taiba has faced difficulties in expanding its shareholder value, raising concerns for investors and managers alike.

Overall, the analysis of these figures clearly demonstrates the decline in profitability for Taiba Company. Understanding the reasons behind this decline and implementing effective strategies to address the challenges is crucial for the company's financial sustainability and long-term success.

Efficiency.

The Asset Turnover Ratio is a measure of how efficiently a company utilizes its assets to generate sales. It is calculated by dividing sales by total assets. For Taiba Company, the Asset Turnover Ratio underwent changes over a four-year period. In 2018, it stood at 0.8948, while in 2021, it decreased slightly to 0.8237. This indicates a decrease of 4.4% in the asset turnover ratio, suggesting that the company is generating fewer sales in relation to its total assets. However, it is important to note that a higher asset turnover ratio generally indicates better efficiency in utilizing assets to generate revenue.

Moving on to the Trade Payables Turnover Ratio, it is calculated by dividing purchases by the average payables. The turnover period for Taiba Company's payables was 68.80 days in 2018 and increased to 96.88 days in 2021. This indicates a progression of 47.22% in the average payable turnover, suggesting that the company is taking longer to settle its outstanding payables. The increase in the payable turnover period implies that Taiba Company is extending its payable period and managing its commitments effectively. It is a positive sign as it provides the company with more time to utilize cash resources efficiently.

Next, the Accounts Receivable Turnover Rate measures how quickly a company collects payments from its customers. It is calculated by dividing revenue by average accounts receivable. For Taiba Company, the accounts receivable turnover rate decreased from 6.0090 days in 2018 to 4.1092 days in 2021, indicating a decline of 31.5%. A lower turnover rate suggests that the company is taking longer to collect payments from its customers. However, the continuous improvement in the days sales outstanding is beneficial for the company as it indicates a more efficient management of accounts receivable and a reduced risk of bad debts.

The Inventory Turnover Ratio calculates how many times a company sells its inventory during a specific period. It is determined by dividing the cost of goods sold by average inventory. In 2018, Taiba Company had an inventory turnover ratio of 11.77, which increased slightly to 11.83 in 2021, representing a 0.5% increase over the four-year period. This indicates that the company has improved its ability to sell its inventory throughout the year, suggesting better inventory management and potentially avoiding obsolescence or holding excess inventory.

Overall, the analysis of Taiba Company's competencies reveals that it is operating successfully. While there have been fluctuations in some financial ratios, such as the asset turnover ratio and accounts receivable turnover rate, the company has demonstrated improvements in other areas, such as trade payables turnover ratio and inventory turnover ratio. These findings suggest that Taiba Company is effectively managing its resources, optimizing its financial performance, and continuously striving for improvement in various aspects of its operations.

Short-term Solvency

- Short-term ratio:

Current Ratio = Current assets / Current liabilities
The current ratio for Taiba
0.7835 it was in 2018.
0.7721 it was in 2021.
The analysis shows that the current rollover has increased by 1.26% in the last four years, indicating that there is more desperation or failure for the company needs more day to pay its daily expenses in 2018 than 2021, which means that a temporary solvency company is scary at

any point seen from the auditor's perspective, Taiba company determines the times need to stay and pay for its daily expenses in case of bad things happens by the ratio of scales interval.

Long-term Solvency

Debt-to-capital ratio:

Debt to capital ratio = Long-term debt / capital.

Taiba's debt to capital ratio is,

In 2018, it was 0.415.

In 2021, it was 0.4780.

This means that it has increased by 9.48%, which indicates that Taiba Company is financially vulnerable and its impact is quickly becoming a risk for the organization.

- Debt Equity Ratio:

Debt Equity Ratio = Total Liabilities / Equity.

The debt equity ratio for Taiba Company is

In 2018, it was 1.62

In 2021 it was 2.12

This means that the debt equity ratio has increased by 27.8%, which indicates that Taiba company is increasing its financing by raising money.

The analysis shows that the long-term solvency has a risk of default.

Market-Based Ratio

The calculation of book value per share is derived by dividing the book value of a company by the number of outstanding shares. In the case of Taiba Company, the book value per share experienced a notable change over the span of four years. In 2018, it stood at 28.25, while in 2021, it rose to 31.7151. This signifies a substantial increase of 11.5% in the book value per share, indicating that Taiba Company's shares have gained more liquidity compared to the previous four years.

Expanding further, this rise in book value per share implies that the company's assets have grown in value relative to the number of outstanding shares. It can be seen as a positive indicator of the company's financial health, as it suggests an increase in the intrinsic value of each share.

Moving on to free cash flow per share, this metric is calculated by dividing the free cash flow generated by the company by the number of outstanding shares. For Taiba Company, the free cash flow per share underwent a significant transformation. In 2018, it displayed a negative value of -4.30, while in 2021, it showed a positive value of 2.00, representing an impressive increase of 43.95%.

This surge in free cash flow per share signifies that Taiba Company has been able to generate more cash from its operations in relation to the number of shares outstanding. It indicates the company's efforts to improve its financial position and capitalize on growth opportunities. This increase in free cash flow per share demonstrates the company's ability to generate surplus cash after covering its operational expenses and capital expenditures. Consequently, it suggests that Taiba Company is making strides towards enhancing its overall financial performance and non-financial impacts.

Recommendations for company improvement based on the report generated by the company.

1. **Gross Profit Margin:**

- Emphasize value over price in order to avoid engaging in price competition.
- Analyze and assess profit margins regularly to identify areas for improvement.

- Implement an efficient inventory management system to minimize inventory holding costs and reduce wastage.
- Consider offering discounts strategically to stimulate sales and attract customers.

2. **Operating Margin:**

- Consider increasing prices to enhance the operating margin, ensuring it aligns with market demand and value proposition.
- Focus on increasing the average order value by offering bundled packages or upselling additional products or services.
- Inspire and motivate staff members to excel in their roles and contribute to the company's profitability.
- Identify and eliminate any sources of waste or inefficiencies in business processes.
- Aim for consistent operations and explore opportunities to lower production costs.
- Enhance the perceived value of products or services through branding, marketing, and customer experience.

3. **Net Profit Margin:**

- Implement cost reduction strategies, such as negotiating better deals with suppliers or optimizing operational processes.
- Explore avenues for revenue growth, such as expanding into new markets, launching new products, or improving customer retention and acquisition.

4. **Return on Equity:**

- Improve the sales of assets to generate higher returns.
- Evaluate and consider financial leverage options to optimize the capital structure.
- Minimize tax obligations through legal tax planning strategies.
- Avoid holding excessive idle cash and distribute surplus cash through dividends or strategic investments.

5. Return on Assets:

- Focus on improving current assets management, including efficient inventory control, accounts receivable collection, and cash flow management.
- Optimize the utilization of fixed assets to maximize returns.
- Consider reducing total assets by disposing of non-performing or underutilized assets to improve return on investment.
- Continuously monitor and improve productivity to ensure efficient utilization of resources and cost-effectiveness.

6. Return on Investment:

- Foster a culture of innovation within the organization to generate new revenue streams and stay ahead of competitors.
- Emphasize hygiene and cleanliness, especially in sectors where it is a key factor for customer satisfaction and loyalty.
- Explore compound interest investments to generate passive income and maximize returns on investments.

- Thoroughly plan and assess the terms and requirements for business proposals, ensuring they align with profitability goals.
- Conduct a detailed investigation of business expenses to identify cost-saving opportunities and streamline expenditures.

By implementing these recommendations, Taiba Company can enhance its profitability and financial performance, leading to sustainable growth and success in the market

Strengthen Short-term Solvency:

To improve the current ratio, Taiba Company's organization should focus on a different strategy, including its short-term obligations and assets that are not settled on time and should be monitored throughout the year. To improve short-term solvency, follow the recommendations:

- Bank accounts should be cleaned up.
- Sell the non-productive assets.
- Convert loans or receivables more quickly.
- Pay off short-term liabilities.

Ensure Long-term Solvency:

The recommendations should be followed and focus on maintaining long-term solvency, improving competitiveness, improving asset management, and debt consolidation. The steps to improve long-term solvency in Taiba Company:
- Management of inventories.
- Debt restructuring.

Improve Cash Flow Per Share:

The Taiba Company should focus and working on Improving Cash Flow Per Share, the negative Cash Flow Per Share is due to many factories and its happening that the client do not pay or budget correctly for their purchase and for improving the Cash Flow Per Share in the Taiba company should follow the recommendations:

- Work with lenders and creditors.
- Generate more sales.
- Analyze financial Statement.
- Modify terms and conditions of payment.

New project Investment Analysis.

The investment analysis for the new project in Doha, Qatar presents an opportunity to capitalize on the economic and architectural development happening in the region. With the recent growth in Qatar's economy and the anticipated boost in tourism after the World Cup in 2022, expanding in Gulf countries seems favorable. Qatar is known for its successful projects and has attracted a large number of investors and tourists in recent times, making it an emerging hub in the Middle East.

The project has been studied, and the initial investment is determined to be 1,831,200.00 Qatari Riyal. The Weighted Average Cost of Capital (WACC) has been set at 10%, which is used to calculate the present value of the investment.

With the strong economic, social, and international standing of Qatar, the project holds promising potential. By conducting a comprehensive investment analysis, considering factors such as market demand, competitive landscape, potential risks, and financial projections, a thorough evaluation of the project's viability can be achieved.

Initial investment		1831200.00 Qatari Rial	
year	CF	PVIF	PV of CF
1	183120.00Qatari Rial	0.909090907	166472.56
2	183120.00Qatari Rial	0.826446283	151338.79
3	1464960.00Qatari Rial	0.751314801	1100646.42
4	366240.00Qatari Rial	0.683013451	250145.68
5	366240.00Qatari Rial	0.620921323	227406.38
			1896009.83
NPV=	64809.83Qatari Rial		

Based on the positive Net Present Value (NPV) of 64,809.83 Qatari Riyal and a WACC of 10%, it is recommended that Taiba Company should invest in the project in the capital city of Doha, State of Qatar. The positive NPV indicates that the project's expected cash inflows outweigh the initial investment and future cash outflows, providing a potential return on investment.

By expanding into Doha, Taiba Company can establish another branch and tap into the growing market, leveraging the economic development and increasing demand for meat and foodstuffs in the region. This expansion can lead to successful cash flow generation and contribute to the company's overall growth.

Additionally, investing in Qatar can enhance Taiba Company's reputation as a reputable and successful business, particularly in the Gulf countries. As Taiba Company is known for producing meat and foodstuffs, the investment in Doha opens up opportunities for further expansion throughout the Gulf region, capitalizing on the favourable market conditions and the company's expertise.

Overall, investing in the project in the State of Qatar, specifically in Doha, holds the potential for Taiba Company to achieve financial success, establish a stronger presence in the market, and expand its operations across the Gulf countries.

Advantage of the Net Present Value Method.

The main characteristic of net present value is that the cash flow of future years is limited to the present value, so that shareholders can see that the project adds to its value. The calculation of net present value includes the company is discount rate is the cost of capital, which is the standard return on the contribution to Taiba company from shareholders, the net present value is a set of characteristics worth considering when considering the financial position of a new project or investment, and the net present value will be included in the investment risk analysis. Cost of capital and risk factors are considered, we must be aware that the net present value can determine the performance, because it also takes into account all the cash flows from the project, and we must determine the programs and pool the money, if the expenses are to earn interest, the net present value refers to it, and for the average investor, the net present ratio is simple.

The net present value method is a common method used by the finance department to evaluate the profitability of various enterprises. It is based on the theory that (EGP) earnings in the future are currently lower than (EGP) within the bank.

Capital

Since Taiba Company is available, the share capital is greater than the retained earnings, i.e. 502616.79Qatari rial, which is 40%,201046.72Qatari Rial, that is still more than retained earnings, i.e. 98372.06Qatari Rial, so Taiba Company should use its capital instead of the retained earnings.

Capital of company = 502616.79Qatari rial

40% of Capital = 201046.72Qatari Rial

Retained Earnings = 98372.06Qatari Rial

Determine whether or not the company should pay Return Earnings.

Companies do not usually report dividends because they become more financially intelligent when they reinvest cash in a development stage investment.

Dividends include corporate dividends that companies pass on to shareholders. These can be cash distributions of stock or other asset payments. Dividends are paid on different schedules and in different amounts. Well-established companies typically reinvest their earnings to fund new initiatives, acquire other businesses, or pay down debt. All of these activities tend to increase the stock price, as an analysis and look at Taiba's statistics shows: Profits paid out in 2021 amounted to 72497.50EGP. So, the company Taiba should not distribute profits to shareholders, but invest in projects to increase its profits, such as the previously proposed projects and the ability to operate efficiently.

As can be seen from the metrics, there is a lot of room for improvement, that mean the company needs to invest in these activities so that it can address problems to improve its performance, which will lead to an increase. If old and new investors invest in Taiba company, Taiba company will make more profits and as a result, shareholders' profits within the company will also increase.

Conclusion

The principles of financial management explain that Taiba's performance is guided by efforts to gain market share and increase its competitiveness, and that financial analysis is one of the most important tools for all types of companies aimed at achieving a number of objectives, such as determining the financial position of the company and comparing the financial position of the company with that of companies operating in the same sector, and participating in decisions related to money by achieving the highest returns and the lowest cost, and using the proposed financial position of Taiba companies to help individual investors to participate in investment in all areas investment, as well as tracking the financial risks that Taiba companies may be exposed to due to financial analysis is that we know the success rate of the institution in achieving its goals and profits.

In the 4 years from 2018 to 2021, Taiba company faced challenges on account principles in the process of expansion and job creation, based on the cash flow and sales also, Taiba company estimates its financial performance and will seek a mechanism to address the shortcomings, and this increases its profitability as well as its ability to meet needs. Depending on the previous analysis, Taiba company should pay dividends and short and long term debt obligations. By and large, the analysis of Taiba Company's financial ratios shows that there is a lot of room for improvement in the company. The analysis is not very favorable, as the revenue is decreasing and the ability to pay the debt is low.

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