

Business Plan & Valuation Presentation



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OUR VISION & MISSION

Our Mission

MetroCar Rentals is dedicated to providing a convenient, reliable, and diverse selection of rental vehicles to meet the needs of business and leisure travelers. We aim to deliver exceptional customer service, maintain our fleet to the highest standards of safety and performance, and offer a seamless booking experience. Our commitment to competitive pricing, flexible rental options, and personalized service ensures that every customer enjoys a hassle-free rental experience, whether exploring the city or embarking on a road trip.

Our Vision

MetroCar Rentals envisions becoming the foremost vehicle rental service known for its unparalleled customer satisfaction and innovation. In the next twenty years, we aspire to expand our global presence, continually enhancing our fleet with the latest vehicle technologies and sustainable options. Our goal is to be the trusted partner for all transportation needs, setting the benchmark in the industry for reliability, convenience, and excellence in service, all while contributing to a more connected and mobile world.



Summary Financials Dashboard

Key performance indicators
(Base Scenario Y3)

\$ 287k

Revenue

\$ 90k

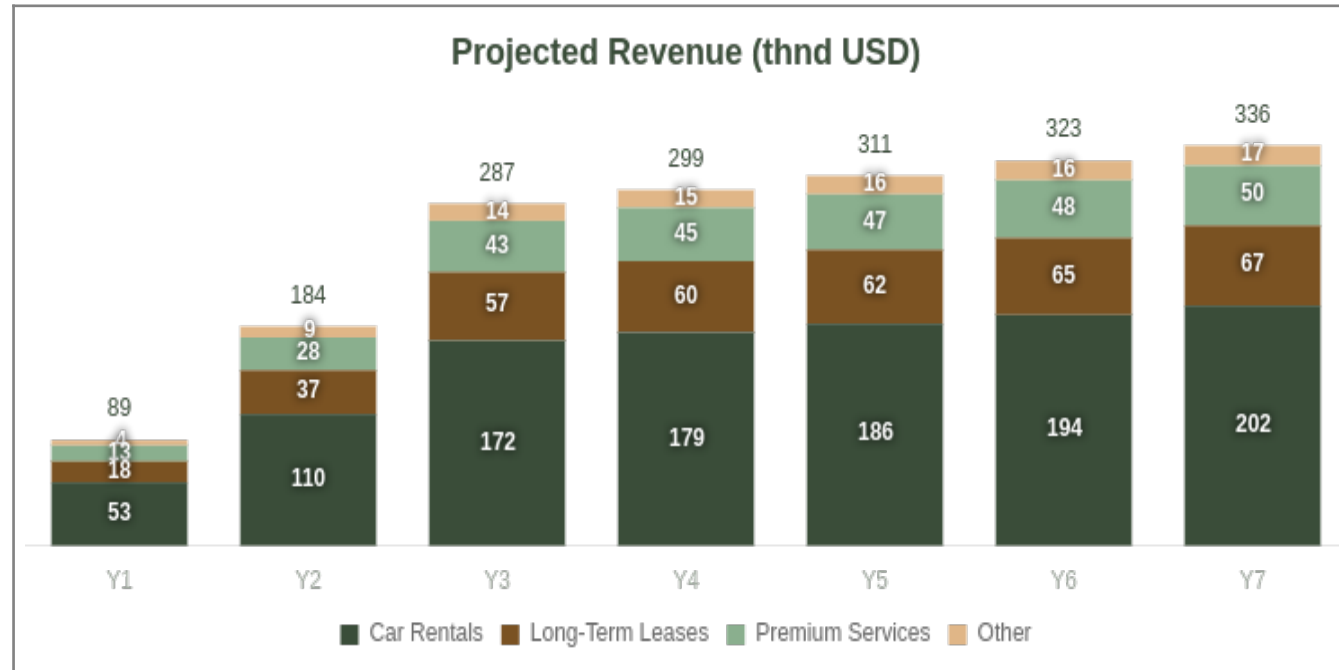
Gross Profit

\$ 8k

EBITDA

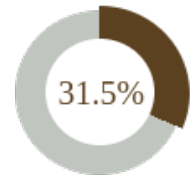
0.03%

Target Market Share

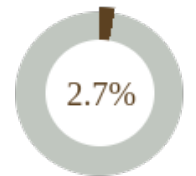


Margins
(Stabilized by Y3)

GP Margin



EBITDA Margin



PbT Margin



Project Phases



Funding round is aimed to accelerate the development of Phases and create core infrastructure for operations.

Investment will be used to finance CAPEX, WC buffers, etc.

Investment \$ 350k

Y1 CAPEX \$ 510k

WC \$ 15k



About the Company: General Overview



MetroCar Rentals is a premier vehicle rental service dedicated to providing a convenient, reliable, and diverse selection of cars to meet the needs of both business and leisure travelers. The company operates in the Renting and Leasing of Motor Vehicles industries and falls under the Administrative and Support Service Activities sector. MetroCar Rentals boasts a fleet that includes everything from economical compact cars to luxury SUVs, all maintained to the highest standards of safety and performance. At MetroCar Rentals, the emphasis is on exceptional customer service, with a focus on delivering a seamless and hassle-free rental experience. Their user-friendly booking system, flexible rental options, and commitment to competitive pricing ensure that every customer receives personalized service and value. Whether exploring the city or embarking on a road trip, MetroCar Rentals stands as a trusted partner for all transportation needs.



The Main Phases: Projects & Impacts

01 Foundation

Phase I.

MetroCar Rentals establishes its core offering, focusing on a reliable, well-maintained fleet and exceptional customer service to create a seamless rental experience for customers.

Diversification 03

Phase III.

MetroCar Rentals explores new profit streams, such as introducing specialized vehicle rentals for events or partnering with businesses for corporate leasing programs to increase revenue.

02 Expansion

Phase II.

MetroCar Rentals enhances its service by broadening the vehicle fleet, improving the booking system, and targeting a wider customer base to solidify market presence and drive growth.

Innovation 04

Phase IV.

MetroCar Rentals embraces high-risk opportunities, like investing in electric and autonomous vehicles, and exploring future mobility solutions to stay ahead in the transportation industry.



Product Impact on Core Stakeholders

Main Stakeholder	Product Benefits
Customers	<ol style="list-style-type: none"> 1. Access to a broad selection of reliable and well-maintained vehicles. 2. Seamless and user-friendly booking system for a hassle-free rental experience. 3. Competitive pricing and flexible rental options for tailored transportation solutions.
Employees	<ol style="list-style-type: none"> 1. Opportunities for career growth as the company expands and diversifies. 2. A supportive work environment with a focus on exceptional customer service. 3. Training and development programs to enhance skills and performance.
Investors	<ol style="list-style-type: none"> 1. Strong potential for growth and revenue through market expansion and diversification. 2. Innovation in future mobility solutions, including electric and autonomous vehicles, ensuring long-term sustainability. 3. A solid business model rooted in customer satisfaction and reliable service.
Local Communities	<ol style="list-style-type: none"> 1. Increased local employment opportunities as the company grows. 2. Partnerships with local businesses for event rentals and corporate leasing. 3. Commitment to sustainable practices, including the adoption of electric vehicles.
Business Partners	<ol style="list-style-type: none"> 1. Collaboration opportunities for corporate leasing and event-specific vehicle rentals. 2. Mutual benefits from shared customer bases through strategic alliances. 3. Enhanced service offerings for both parties through combined resources and expertise.
Regulatory Authorities	<ol style="list-style-type: none"> 1. Adherence to industry standards and regulations ensuring safe and accountable operations. 2. Contributions to local and federal tax revenues through business activities. 3. Innovations in areas like electric vehicles support public policy objectives for sustainability.
Technology Providers	<ol style="list-style-type: none"> 1. Opportunities to deploy and test new technologies, particularly in autonomous and electric vehicles. 2. Potential for long-term partnerships in developing future mobility solutions. 3. Shared success through the integration of cutting-edge booking and fleet management systems.



Key Performance Components

Competitive Advantage

Diverse Fleet

MetroCar Rentals offers a wide range of vehicles, from economical compact cars to luxury SUVs, ensuring customers find the perfect match for their needs.

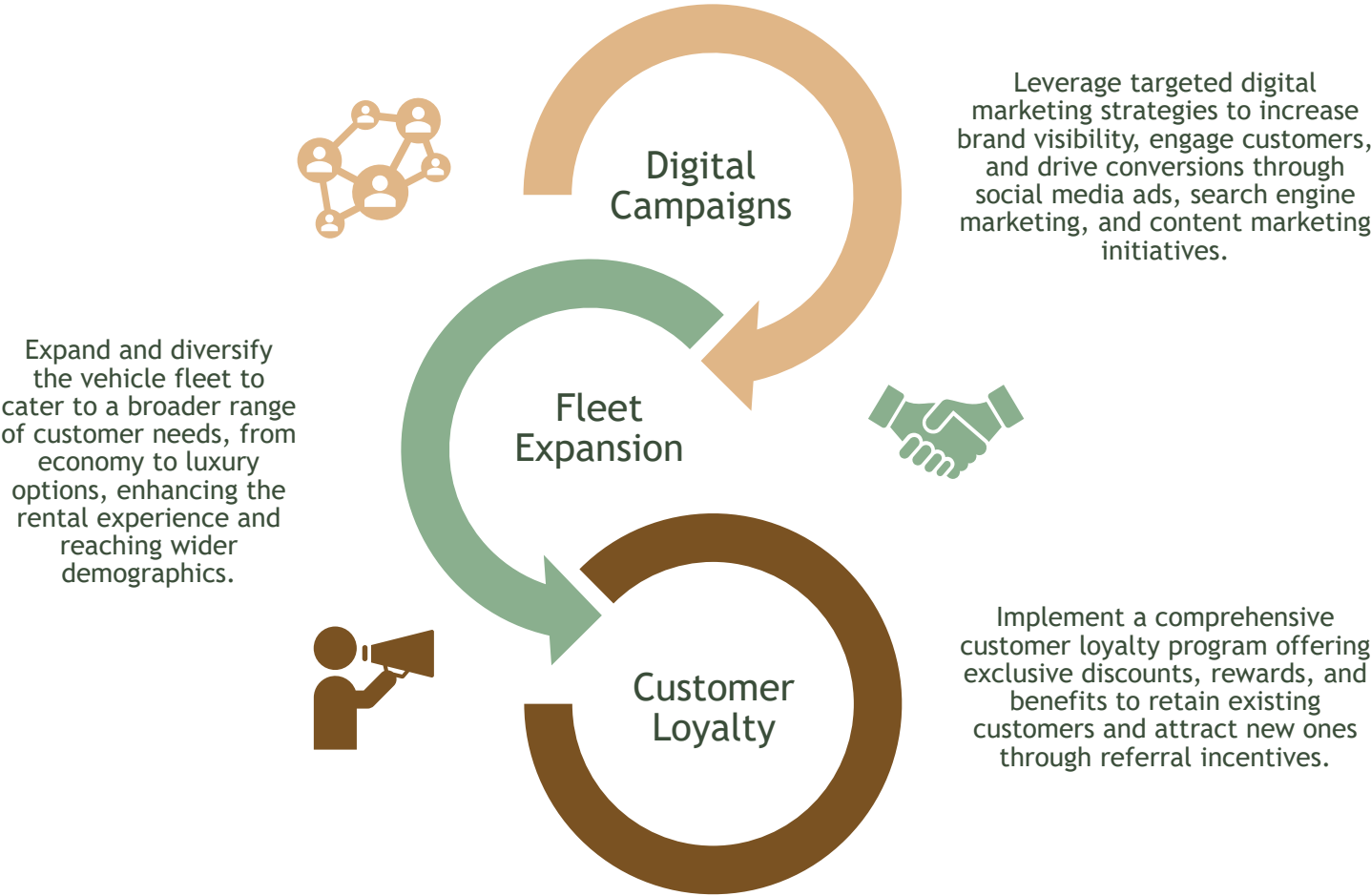
Exceptional Service

Dedicated to delivering a seamless rental experience, MetroCar Rentals emphasizes exceptional customer service with a user-friendly booking system and flexible rental options.








Competitive Pricing

MetroCar Rentals commits to offering competitive pricing, ensuring every customer receives value without compromising on the quality and performance of their rental vehicle.

Marketing and Growth Strategy

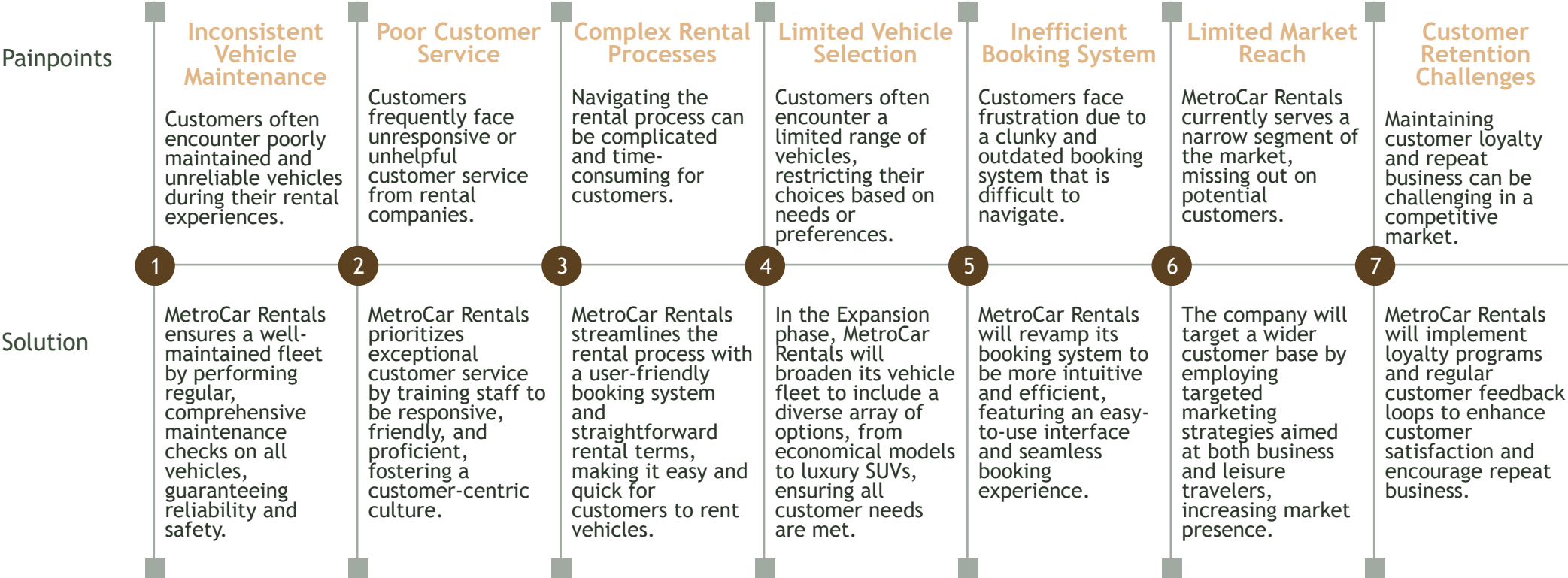


Target Groups

Industries		Description
I	 Business Travelers	Corporate individuals who require reliable transportation for meetings, conferences, and business trips.
II	 Tourists and Leisure Travelers	Vacationers and tourists in need of convenient transportation options for city exploration and road trips.
III	 Event Organizers	Planners and coordinators renting specialized vehicles for weddings, parties, and corporate events.
IV	 Families	Families seeking spacious and comfortable vehicles for trips, vacations, and everyday transportation.
V	 Local Residents	Local individuals needing temporary vehicles for personal use, such as car repairs or short-term travel.
VI	 Corporate Clients	Businesses looking for corporate leasing programs to provide company cars for employees and executives.
VII	 Eco-conscious Drivers	Environmentally aware individuals interested in renting electric or hybrid vehicles to reduce carbon footprint.




Solution from Phase I to Phase IV




Strategic Analysis: SWOT

Strength




Diverse fleet catering to a wide range of customer needs. Exceptional customer service focused on a seamless rental experience. High standards of vehicle safety and performance. User-friendly booking system enhancing customer convenience. Competitive pricing ensuring good value for customers.

Weaknesses




High operational costs of maintaining a large vehicle fleet. Dependency on economic conditions affecting customer demand. Risk of vehicle damage or theft impacting profitability. Need for continuous technology upgrades to stay competitive. Limited geographical presence restricts market reach.

Opportunities



Expanding into new geographical markets to increase customer base. Collaborating with travel agencies and businesses for corporate deals. Investing in eco-friendly vehicles appealing to environmentally conscious customers. Enhancing digital platforms for improved customer engagement. Developing loyalty programs to retain customers.

Threats



Intense competition from other rental companies and ride-sharing services. Fluctuating fuel prices affecting operational costs. Regulatory changes impacting the rental industry. Seasonal demand variations leading to underutilization of fleet. Economic downturns reducing travel and rental activities.



History & Roadmap



Current Status.

MetroCar Rentals has outlined a comprehensive development roadmap to enhance its service offerings. Key steps include the launch of a website in March 2024, fleet expansion by July 2024, and geographic expansion by October 2024. January 2025 will see the introduction of a customer loyalty program, followed by strategic partnerships with hotels and airlines by May 2025. Finally, by September 2025, MetroCar Rentals plans to implement AI-driven customer support chatbots. This roadmap aims to elevate customer experience, expand service reach, and establish MetroCar Rentals as a leader in the vehicle rental industry.



Organizational and Marketing Tasks

#	Check List Item	Status	Priority	Area	ETA
General Planning and Organization					
1	Draft Business Plan	●	Not Started	High	CEO 1 month
2	Secure Initial Funding	●	Not Started	High	CFO 2 months
3	Legal Structure and Registration	●	Not Started	High	COO 1 month
4	Develop Mission and Vision Statements	●	Not Started	Medium	CPO 2 weeks
5	Human Resources Planning	●	Not Started	High	COO 2 months
6	Set Up Office Space	●	Not Started	Medium	COO 1 month
7	Establish Core Values and Culture	●	Not Started	Medium	CEO 1 month
8	IT Systems and Infrastructure Setup	●	Not Started	High	CTO 2 months
Marketing					
1	Develop Brand Identity	●	Not Started	High	CMO 2 weeks
2	Create Website and Online Booking System	●	Not Started	High	CTO 1 month
3	Establish Social Media Presence	●	Not Started	Medium	CMO 1 month
4	Design and Implement SEO Strategy	●	Not Started	High	CBO 1.5 months
5	Launch Paid Advertising Campaigns	●	Not Started	Medium	CRO 2 months
6	Develop Customer Loyalty Program	●	Not Started	Medium	CPO 3 months
7	Create Promotional Partnerships	●	Not Started	Low	CSO 4 months
8	Conduct Market Research and Surveys	●	Not Started	High	COO 2 months



Overview of Phases

#	Check List Item	Status	Priority	Area	ETA	
Phase 1 & Technical Set Up for next Phases						
1	Establish legal framework and register business	●	Not Started	High	CEO	2 weeks
2	Secure initial funding and capital investment	●	Not Started	High	CFO	1 month
3	Procure initial fleet of vehicles	●	Not Started	High	COO	2 months
4	Set up maintenance and servicing agreements	●	Not Started	Medium	COO	1 month
5	Develop user-friendly booking system	●	Not Started	High	CTO	3 months
6	Define and establish customer service protocols	●	Not Started	Medium	CPO	1 month
7	Set up physical rental locations	●	Not Started	Medium	COO	2 months
8	Draft and implement customer feedback mechanism	●	Not Started	Low	CSO	2 months
Phase 2						
1	Broaden vehicle fleet with diverse options	●	Not Started	High	COO	3 months
2	Enhance online booking system functionality	●	Not Started	High	CTO	2 months
3	Launch targeted marketing campaigns for new customer segments	●	Not Started	Medium	CMO	2 months
4	Establish partnerships with travel agencies and corporate clients	●	Not Started	High	CRO	4 months
5	Improve customer service training programs	●	Not Started	Medium	COO	3 months
6	Implement dynamic pricing strategies	●	Not Started	Medium	CFO	1 month
7	Expand geographic locations for new rental outlets	●	Not Started	High	CEO	6 months
8	Upgrade fleet maintenance and tracking systems	●	Not Started	Medium	CTO	4 months



Overview of Phases

#	Check List Item	Status	Priority	Area	ETA	
Phase 3						
1	Introduce a Corporate Leasing Program	●	Not Started	High	COO	3 months
2	Launch Specialized Vehicle Rentals for Events	●	Not Started	High	CMO	2 months
3	Develop Partnerships with Local Businesses	●	Not Started	Medium	CRO	4 months
4	Create a Loyalty Program for Repeat Customers	●	Not Started	Medium	CPO	3 months
5	Expand Marketing to Target Event Planners	●	Not Started	Medium	CMO	2 months
6	Assess Market Demand for Specialty Vehicles	●	Not Started	High	CSO	1 month
7	Negotiate Insurance and Liability Packages for Specialty Rentals	●	Not Started	High	CFO	3 months
8	Implement Specialized Training for Staff on Corporate Rentals	●	Not Started	Low	COO	4 months
Phase 4						
1	Research electric vehicle market	●	Not Started	High	CTO	2 months
2	Initiate partnerships with electric vehicle manufacturers	●	Not Started	High	CEO	3 months
3	Develop infrastructure for electric vehicle charging stations	●	Not Started	High	COO	6 months
4	Pilot autonomous vehicle program	●	Not Started	High	CIO	1 year
5	Integrate advanced AI for enhanced customer service	●	Not Started	Medium	CTO	4 months
6	Conduct feasibility study for electric and autonomous vehicles	●	Not Started	Medium	CSO	3 months
7	Explore government grants and subsidies for electric fleet	●	Not Started	Medium	CFO	2 months
8	Launch marketing campaign for new innovative offerings	●	Not Started	Low	CMO	5 months



Core Risks & Migration Strategies

1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	Vehicle Breakdown	COO	Implement regular maintenance schedules and real-time vehicle monitoring systems to ensure fleet reliability and minimize unexpected breakdowns.
2	Fleet Utilization Management	COO	Adopt advanced fleet management software to optimize vehicle allocation and ensure high utilization rates while avoiding overbooking or underutilization.
3	Customer Service Issues	CPO	Continuously train staff on customer service excellence and implement a quick-response system for handling customer complaints and feedback.
4	Maintenance Costs	CFO	Negotiate long-term contracts with trusted service providers and perform regular cost-benefit analyses to keep maintenance costs in check.
5	Accidents and Damage	CRO	Enforce strict safety protocols and driver guidelines, and ensure comprehensive insurance coverage for all vehicles within the fleet.

2. Regulatory and legal risks

#	Risk Type	Area	Mitigation Strategy
1	Compliance with rental industry regulations	CRO	Stay updated with industry regulations and ensure regular audits to maintain compliance.
2	Vehicle safety and emissions standards	COO	Implement rigorous maintenance schedules and regularly update the fleet to meet safety and emissions regulations.
3	Data protection and privacy laws	CIO	Adopt robust cybersecurity measures and ensure compliance with data protection regulations like GDPR.
4	Intellectual property infringement	CLO	Conduct thorough IP due diligence and ensure that all technologies and processes are legally protected and free from infringement.
5	Liability from customer accidents	CFO	Ensure adequate insurance coverage and implement policies for incident reporting and risk management.



3. Strategic/Market Risk

#	Risk Type	Area	Mitigation Strategy
1	Market competition	CEO	Continuously monitor competitors and innovate on customer service and pricing strategies to maintain competitive advantage.
2	Changing customer preferences	CMO	Conduct regular market research and customer surveys to adapt to evolving customer needs and preferences in a timely manner.
3	Economic downturns	CFO	Diversify revenue streams and maintain a flexible cost structure to withstand economic fluctuations.
4	Technology disruption	CTO	Invest in emerging technologies and maintain an agile approach to integrate new systems and platforms efficiently.
5	Brand reputation damage	CSO	Implement a comprehensive crisis management plan and actively engage with customers on social media to promptly address any issues.

4. Finance risk

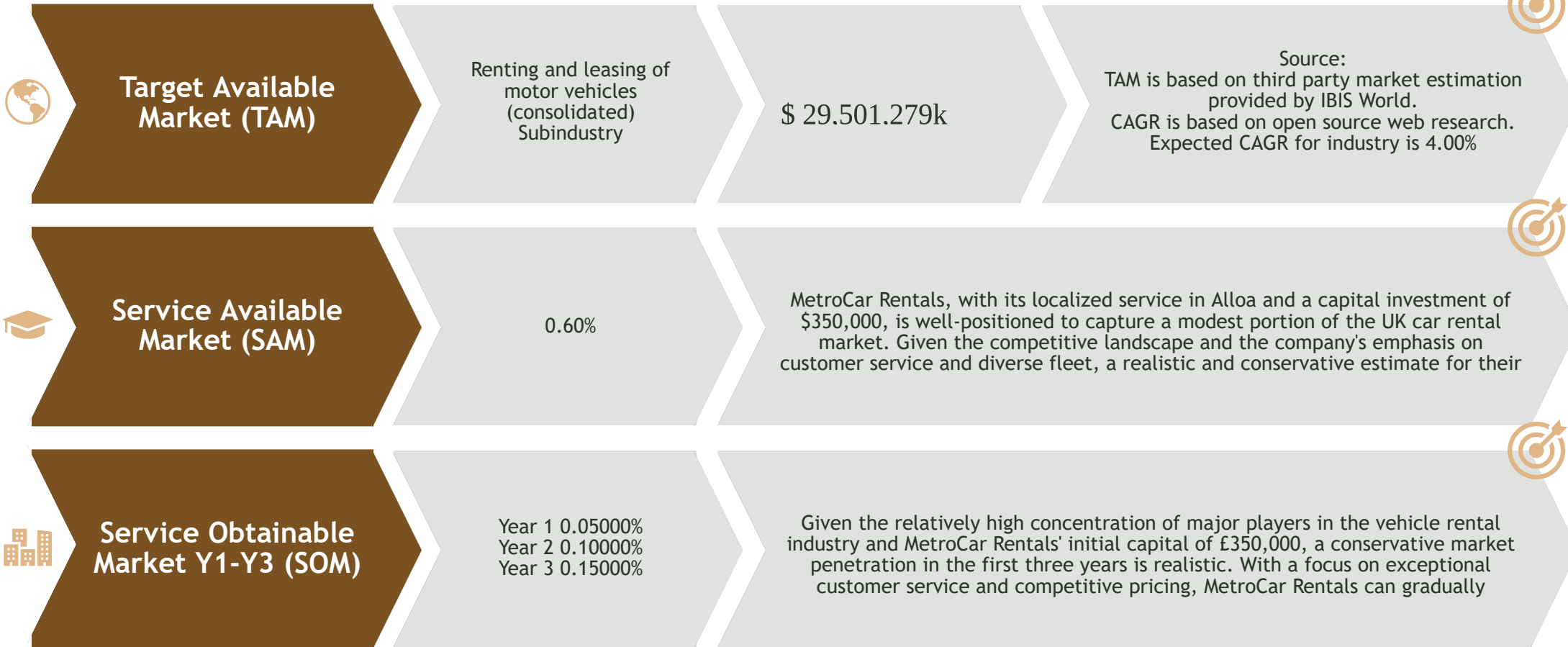
#	Risk Type	Area	Mitigation Strategy
1	Cash Flow Shortages	CFO	Maintain a robust cash flow management system to monitor and adjust for variances, securing short-term credit lines as a backup.
2	High Capital Expenditure	CFO	Perform thorough financial forecasting and budget planning, prioritizing investments that yield the highest returns with regular reviews of capital expenses.
3	Interest Rate Fluctuations	CFO	Utilize interest rate hedging instruments and proactive debt management strategies to manage exposure to variable interest rates.
4	Credit Risk from Customers	CRO	Implement stringent credit assessments and flexible payment options for customers while maintaining a clear policy on overdue accounts.
5	Inadequate Insurance Coverage	CRO	Regularly review and update insurance policies to ensure full coverage of all assets and potential liabilities.

5. Other general risk

#	Risk Type	Area	Mitigation Strategy
1	Customer Satisfaction Issues	CPO	Implement regular customer feedback mechanisms and promptly address any issues to continuously improve the customer experience.
2	Market Competition	CMO	Develop a unique value proposition and competitive pricing strategy to differentiate MetroCar Rentals from other players in the market.
3	Brand Reputation	CSO	Engage in proactive public relations and social media strategies to manage the brand's online presence and reputation.
4	Data Security	CIO	Invest in advanced cybersecurity measures and create a protocol for regular security audits to protect customer data and maintain trust.
5	Economic Downturns	CFO	Maintain a diversified financial portfolio and establish a reserve fund to cushion against economic fluctuations impacting customer demand.



Market Overview (TAM, SAM and SOM)

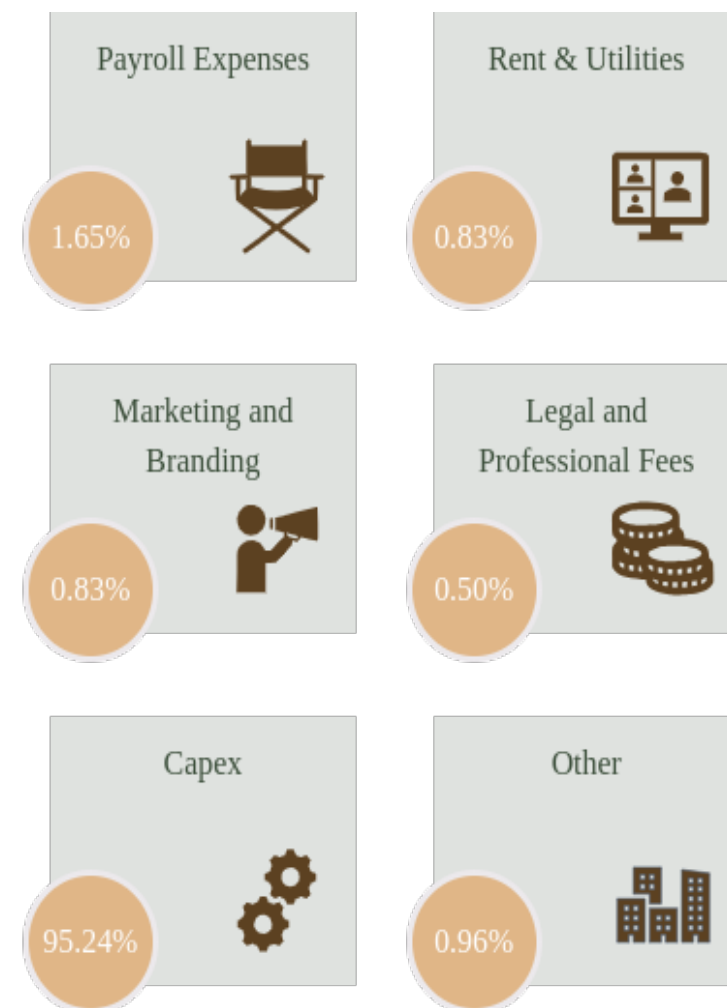


Funding Allocation

The funding will be used to finance the CAPEX and cash deficit from Year 1 operations, aiming to expedite the development process. In subsequent years the company plans to sustain operations without requiring major additional capital injection. Table below presents the overview of expected inflows and outflows.

The total investment required is \$ 508k

Y1 Cash Flow Stream(thnd USD)	Inflows	Outflows
Gross Profit	28	
Payroll Expenses		9
Rent & Utilities		4
Marketing and Branding		4
Legal and Professional Fees		3
Capex		510
Communication Expenses		2
Office supplies		1
Representation and Entert.		1
Training and Development		1
Other Miscellaneous		1
CAPEX & WC shortage Y1		508
Buffer		0
Total Required Investment(thnd USD)		508



Y3 PL formation and Margins

Revenue



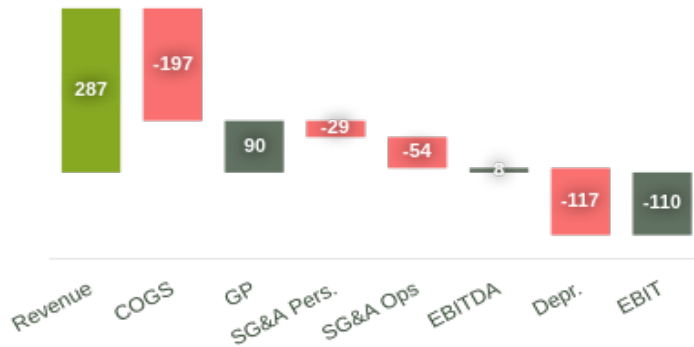
Projected Revenue

- GP 31.5%
- EBITDA 2.7%

Y3

Y3

PnL Formation (Y3 thnd USD)

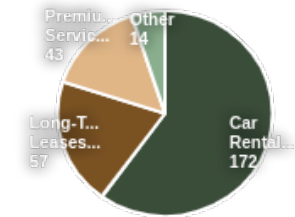
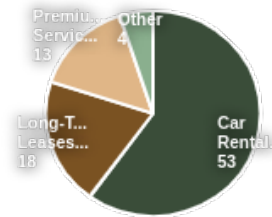


Business Line Breakdown (thnd USD)

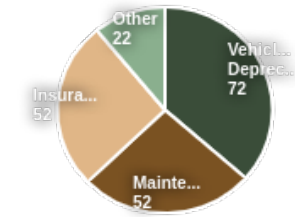
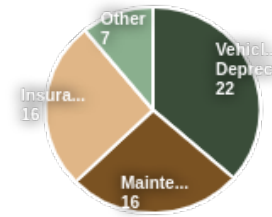
Y1

Y2

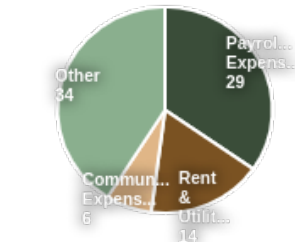
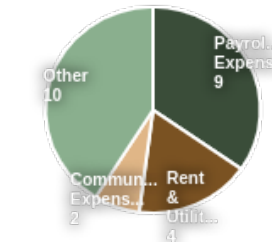
Revenue



COGS



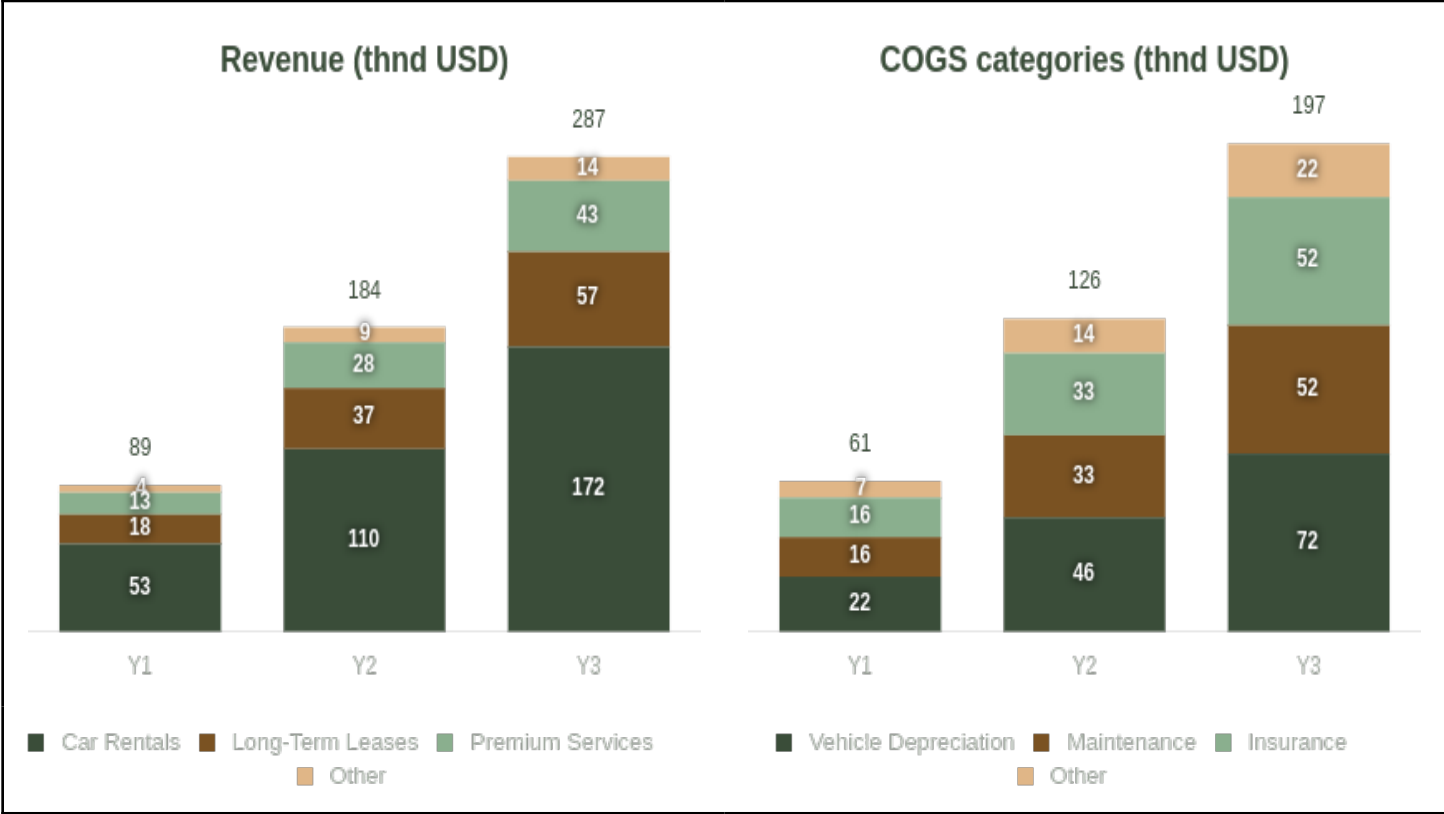
Admin



Revenue Formation Narrative

MetroCar Rentals, operating within the Renting and leasing of motor vehicles industry, is poised to make significant strides in the UK car rental market. Our Total Addressable Market (TAM) is 29,501,278.87k USD, reflecting the vast potential in our sector. Through a strategic localized service approach in Alloa, paired with a capital investment of 350k USD, MetroCar Rentals aims to capture a Serviceable Available Market (SAM) of 0.6% of the TAM. This estimation considers the competitive landscape and emphasizes our dedication to exceptional customer service and a diverse vehicle fleet. This means our SAM amounts to approximately 177,007.673k USD. Given our targeted and customer-focused approach, we project a Serviceable Obtainable Market (SOM) penetration of 0.05000% in Year 1, 0.10000% in Year 2, and 0.15000% in Year 3. This conservative and phased market entry strategy accounts for initial industry barriers and allows for steady, sustainable growth. Consequently, MetroCar Rentals anticipates total revenues of 88.504k USD in Year 1, 184.088k USD in Year 2, and 287.177k USD in Year 3. These revenue figures are driven by our four main lines of business: Car Rentals (60.00% of total revenue), Long-Term Leases (20.00%), Premium Services (15.00%), and Other (5.00%). This diversified revenue model ensures a balanced contribution from each service stream, supporting our overall financial stability and robust growth trajectory.

\$ 287k Y3 Projected Revenue **0.03%** Market share



Revenue Calculation Details

Revenue Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Car Rentals	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
Long-Term Leases	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Premium Services	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Other	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %

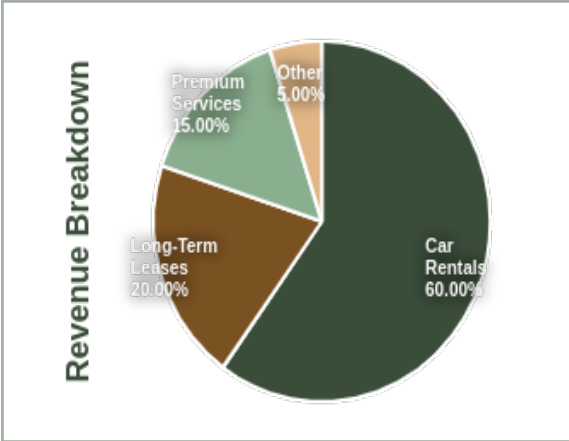
Car Rentals	3	3	3	4	4	4	5	5	5	6	6	6	53	110	172
Long-Term Leases	1	1	1	1	1	1	2	2	2	2	2	2	18	37	57
Premium Services	1	1	1	1	1	1	1	1	1	1	1	1	13	28	43
Other	0	0	0	0	0	0	0	0	0	0	0	0	4	9	14
Total Revenue (thnd USD)	6	6	6	7	7	7	8	8	8	9	9	9	89	184	287

Total revenue is expected to reach \$ 287k by year 3.

Main revenue driver are:

- Car Rentals which generates \$ 172k by Year 3
- Long-Term Leases which generates \$ 57k by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 80.13 %



COGS Calculation Details

COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Vehicle Depreciation	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
Maintenance	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%
Insurance	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%
Other	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%

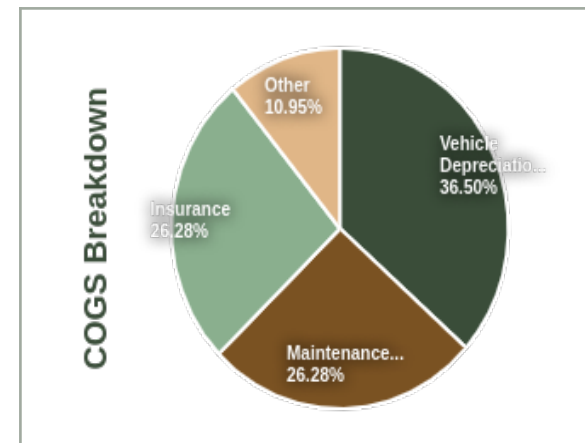
Vehicle Depreciation	1	1	1	2	2	2	2	2	2	2	2	2	22	46	72
Maintenance	1	1	1	1	1	1	1	1	1	2	2	2	16	33	52
Insurance	1	1	1	1	1	1	1	1	1	2	2	2	16	33	52
Other	0	0	0	0	0	0	1	1	1	1	1	1	7	14	22
Total COGS (thnd USD)	4	4	4	5	5	5	6	6	6	6	6	6	61	126	197

Total COGS is expected to reach \$ 197k by year 3.

Main revenue driver are:

- Vehicle Depreciation which generates \$ 72k by Year 3
- Maintenance which generates \$ 52k by Year 3

Expected CAGR for total COGS in Y1-Y3 is 80.13 %



SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Payroll Expenses	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Rent & Utilities	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Communication Expenses	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Office supplies	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Legal and Professional Fees	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Marketing and Branding	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Representation and Entertainment	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Training and Development	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Other Miscellaneous	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%

Payroll Expenses	1	1	1	1	1	1	1	1	1	1	1	1	9	18	29
Rent & Utilities	0	0	0	0	0	0	0	0	0	0	0	0	4	9	14
Communication Expenses	0	0	0	0	0	0	0	0	0	0	0	0	2	4	6
Office supplies	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
Legal and Professional Fees	0	0	0	0	0	0	0	0	0	0	0	0	3	6	9
Marketing and Branding	0	0	0	0	0	0	0	0	0	0	0	0	4	9	14
Representation and Entertainment	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
Training and Development	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
Other Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	1	2	2
Total SG&A (thnd USD)	2	2	2	2	2	2	2	2	2	3	3	3	26	53	83



PaT Expectations

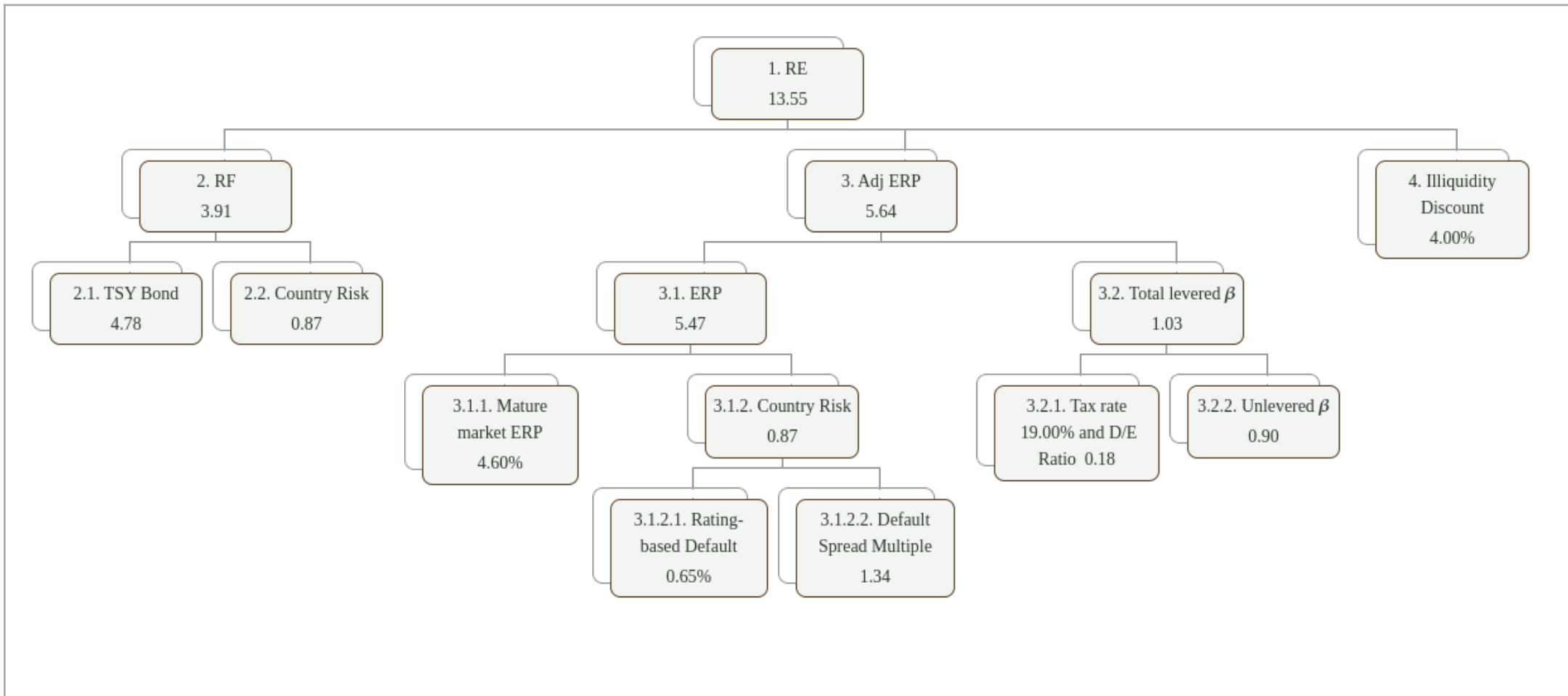
1 2 3 4 5 6 7

Financial Projection

Income Statement (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Revenue	6	6	6	7	7	7	8	8	8	9	9	9	89	184	287
Car Rentals	3	3	3	4	4	4	5	5	5	6	6	6	53	110	172
Long-Term Leases	1	1	1	1	1	1	2	2	2	2	2	2	18	37	57
Premium Services	1	1	1	1	1	1	1	1	1	1	1	1	13	28	43
Other	0	0	0	0	0	0	0	0	0	0	0	0	4	9	14
COGS	-4	-4	-4	-5	-5	-5	-6	-6	-6	-6	-6	-6	-61	-126	-197
Vehicle Depreciation	-1	-1	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-22	-46	-72
Maintenance	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-2	-2	-16	-33	-52
Insurance	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-2	-2	-16	-33	-52
Other	-0	-0	-0	-0	-0	-0	-1	-1	-1	-1	-1	-1	-7	-14	-22
Gross Profit	2	2	2	2	2	2	3	3	3	3	3	3	28	58	90
SG&A Personal Expenses	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-9	-18	-29
SG&A Operating Expenses	-1	-1	-1	-1	-1	-1	-2	-2	-2	-2	-2	-2	-17	-35	-54
EBITDA	0	0	0	0	0	0	0	0	0	0	0	0	2	5	8
Depreciation	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-117	-117	-117
EBIT	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-115	-112	-110
Interest Expense	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-21	-21	-21
Profit before Tax	-11	-11	-11	-11	-11	-11	-11	-11	-11	-11	-11	-11	-136	-133	-131
Tax	2	2	2	2	2	2	2	2	2	2	2	2	26	25	25
Profit after Tax (thnd USD)	-9	-9	-9	-9	-9	-9	-9	-9	-9	-9	-9	-9	-110	-108	-106



Required Return on Equity Derivation



Methodology

Weighted Average Cost of Capital is calculated using Capital Asset Pricing Model (CAPM). Since the company is purely equity funded the WACC is equal to its Required Return on Equity R(E). The main research inputs used in calculations are based on studies published by professor at Stern School of Business Aswath Damodaran. Return on Equity R(E) is $R(E)=R(F)+\beta * (ERP)$, where: R(F) is Risk Free Rate. The basis for calculation of R(F) is the average of the yield of USD 30 Year TSY Bond. The horizon. ERP is Mature Market Equity Risk Premium. It incorporates market estimates for Rating-Based Default Spread and Default Spread Multiple (β) is average equity betas of corresponding industries. Despite the company has no debt, the unlevered beta was levered with industry average figures to reflect the long-term D/E ration in the capital structure. Additionally, Illiquidity Risk Premium of 4% is added to the estimated Return on Equity to reflect risk associated with firm being Privately Held vs Publicly Traded Companies.

Additional Assumptions

To calculate the companies Firm Value, its future Free Cash Flow to Equity (FCFE) is discounted using estimated Required Return on Equity.

The 3rd-year projected cash flow is used as a representation of the long-term Free Cash Flow to the Equity (FCFE). This approach may understate the valuation because cash flows are expected to grow more aggressively in the first 10 years, and the growth from years 4 to 10 is not reflected in this calculation. Long-term growth rate of 5% is applied.

After discounting the cashflows and measuring the Firm Value it is adjusted to historical estimate of Start-up firm's survival rate. The allows to incorporate risk of start-ups fails.

Survival of new establishments founded in 1998

	Proportion of firms that were started in 1998 that survived through						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Natural resources	82.33%	69.54%	59.41%	49.56%	43.43%	39.96%	36.68%
Construction	80.69%	65.73%	53.56%	42.59%	36.96%	33.36%	29.96%
Manufacturing	84.19%	68.67%	56.98%	47.41%	40.88%	37.03%	33.91%
Transportation	82.58%	66.82%	54.70%	44.68%	38.21%	34.12%	31.02%
Information	80.75%	62.85%	49.49%	37.70%	31.24%	28.29%	24.78%
Financial activities	84.09%	69.57%	58.56%	49.24%	43.93%	40.34%	36.90%
Business services	82.32%	66.82%	55.13%	44.28%	38.11%	34.46%	31.08%
Health services	85.59%	72.83%	63.73%	55.37%	50.09%	46.47%	43.71%
Leisure	81.15%	64.99%	53.61%	43.76%	38.11%	34.54%	31.40%
Other services	80.72%	64.81%	53.32%	43.88%	37.05%	32.33%	28.77%
All firms	81.24%	65.77%	54.29%	44.36%	38.29%	34.44%	31.18%

http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html

<https://pages.stern.nyu.edu/~adamodar/pdfiles/papers/younggrowth.pdf>

<http://pages.stern.nyu.edu/~adamodar/>



Business Valuation

	(thnd USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
DCF	Profit after Tax	-110	-108	-106	-110	-114	-119	-124
	Growth% Y4-Y7				4.00%	4.00%	4.00%	4.00%
	Growth% Y7 -->	3.50%						
	WACC	13.55%						
	PV Y1-Y7 at Y0	-97	-84	-72	-66	-61	-56	-51
	PV Y7 --> Y0	-524						
	NPV (thnd USD)	-1,010						

Average Survival Rate for 3 Years 50%

Final Valuation -\$ 505k

The valuation is conducted using the Discounted Cash Flow (DCF) method. In this method, the projected cash flows for a period of 7 years, along with a terminal value, are discounted at a rate of 13.55 % to determine the Firm Value.

Starting from year 3 onwards, the cash flows are estimated to grow at a rate of 4.00 %, which is consistent with the market Compound Annual Growth Rate (CAGR) trend. Beyond year 7, the cash flows are assumed to grow at a long-term growth rate of 3.50 %.

To account for the inherent risks associated with a start-up venture, the Firm Value is adjusted using the historical survival rate of newly established firms. As indicated by the study conducted by Aswath Damodaran, there was approximately 50% probability of survival for Information sector companies. This adjustment allows to incorporate the risk profile of the business and provide a more comprehensive assessment of its value.

It is important to note that if the company can successfully navigate through its initial three years of operation, it is expected to have a significantly higher likelihood of becoming a going concern. This underscores the importance of demonstrating resilience and establishing a solid foundation during the critical early stages of the business.



Financial and Technical

b \$ - Billions of \$
 B2B - Business to Business
 B2C - Business to Customer
 CAPEX - Capital Expenditure
 CAPM - Capital Asset Pricing Model
 COGS - Cost of goods sold
 DCF - Discounted cash flow
 Depr. - Depreciation
 EBIT - Earnings before interest and taxes
 EBITDA - Earnings before interest, taxes, depreciation, and amortization
 EBT - Earnings Before Tax
 ERP - Equity Risk Premium
 ETA - Estimated Time of Arrival
 EV - Enterprise Value
 FA (Tangible and Intangible) - Fixed assets (tangible and intangible)
 FX - Foreign Exchange
 FY - Fiscal year
 GP - gross profit
 k \$ - Thousands of \$
 LLM - Large Language Model
 LFY - Last fiscal year
 m \$ - Millions of \$
 MTD - Month-to-date
 MVP - Minimum Viable Product
 NFT - Non-Fungible Token
 NPV - Net present value
 OPEX - Operating Expense
 P&L - A profit and loss (P&L) statement
 PaT - Profit after Tax
 POC - Proof of Concept
 PPE - Property, plant, and equipment
 SG&A - Sales, General and Administrative
 TSY bond rate - Treasury bond rate
 WACC - Weighted average cost of capital
 YTD - Year-to-date

Organisational Structure

CBDO - Chief Business Development Officer
 CEO - Chief Executive Officer
 CPO - Chief Product Officer
 CFO - Chief Financial Officer
 CTO - Chief Technology Officer
 C-level - Chief level
 Eng - Engineer
 Dev - Developer
 HR - Human Resources

Other

Av - Average
 EoP - End of Period
 LE - Legal Entity
 PE - Private Equity
 TOM - Target Operating Model



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