

# Business Plan & Valuation Presentation

Financial planning



Investment planning



Investment management

Investment management

Technology



Technology



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# OUR VISION & MISSION

## Our Mission

Nexus Financial Solutions is committed to providing comprehensive financial services that enable individuals and businesses to achieve their financial goals. By offering a wide range of tailored services, including financial planning, investment management, and wealth advisory, we aim to meet the unique needs of each client. Our team of experienced professionals leverages cutting-edge technology and in-depth market insights to deliver personalized, strategic financial guidance. We prioritize transparency, integrity, and client-centric service to ensure that every financial decision is informed and impactful, making a meaningful difference in our clients' financial lives.

## Our Vision

Nexus Financial Solutions envisions a future where financial stability and success are accessible to all. We strive to be a trusted partner in achieving financial goals, delivering innovative and personalized financial solutions that stand the test of time. Looking ahead, we aim to revolutionize the financial services industry, making it more efficient, transparent, and client-focused. By cultivating long-term relationships and harnessing the power of technology, we aspire to lead the way in helping clients build and sustain their financial legacies for generations to come.



# Summary Financials Dashboard

Key performance indicators  
(Base Scenario Y3)

**\$ 301k**

Revenue

**\$ 103k**

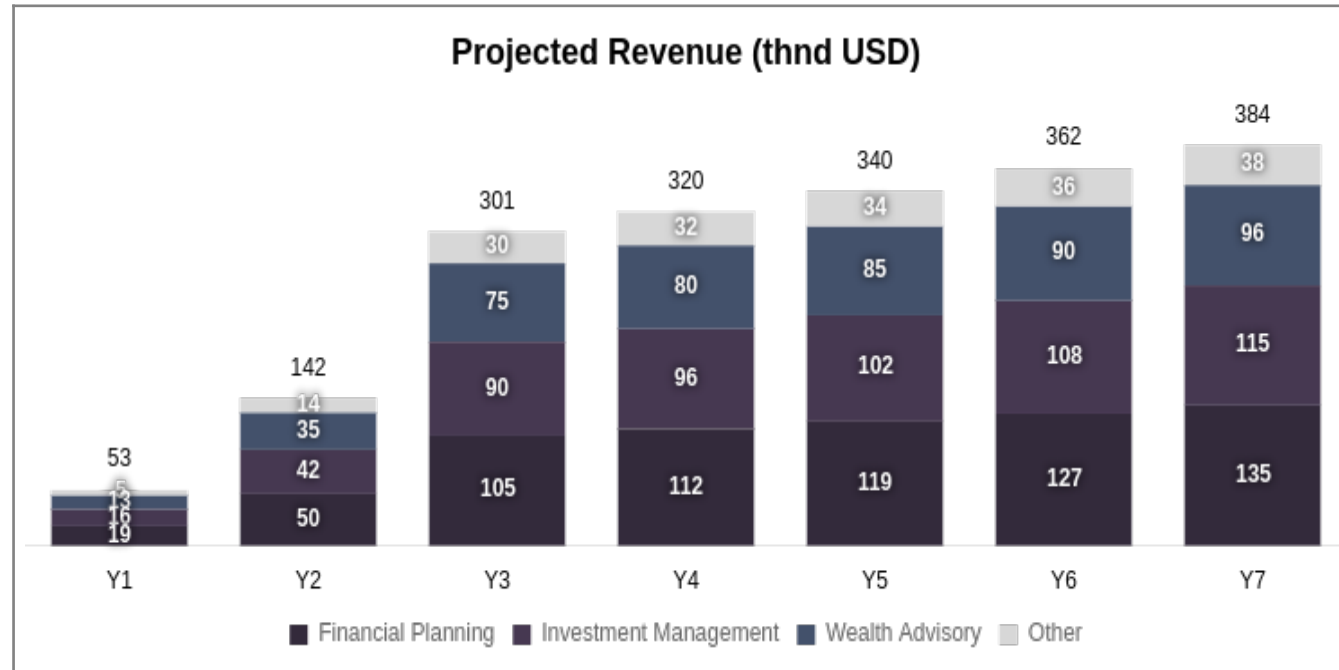
Gross Profit

**\$ 67k**

EBITDA

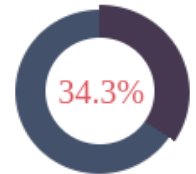
**0.00%**

Target Market Share



Margins  
(Stabilized by Y3)

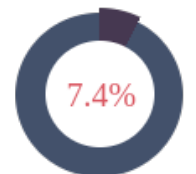
GP Margin



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.

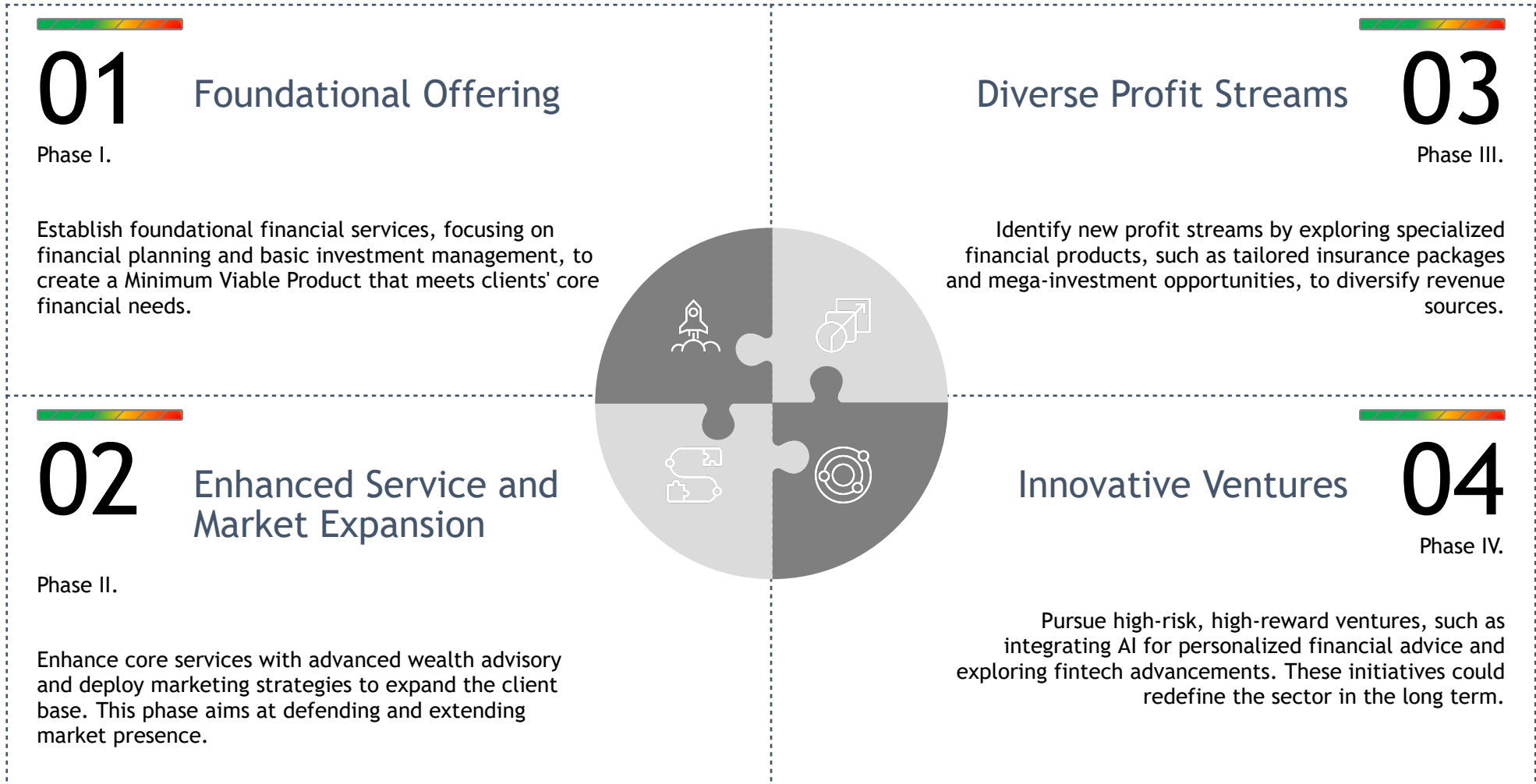


# About the Company: General Overview



Nexus Financial Solutions is a leading provider of comprehensive financial services designed to help individuals and businesses achieve their financial goals. Specializing in the insurance industry and operating in the financial and insurance activities sector, Nexus Financial Solutions offers a wide range of services, including financial planning, investment management, and wealth advisory, tailored to meet the unique needs of each client. At Nexus Financial Solutions, a team of experienced professionals uses cutting-edge technology and in-depth market insights to deliver personalized and strategic financial guidance. The company's commitment to transparency, integrity, and client-centric service ensures that every financial decision is informed and impactful. Partnering with Nexus Financial Solutions provides clients with expert advice and innovative solutions that drive financial success.

# The Main Phases: Projects & Impacts



# Product Impact on Core Stakeholders

Main Stakeholder	Product Benefits
<b>Clients</b>	<ol style="list-style-type: none"> <li>1. Access to personalized financial planning and investment management tailored to their goals.</li> <li>2. Improved financial literacy and confidence through transparent, client-centric guidance.</li> <li>3. Enhanced wealth management options, including advanced advisory and specialized financial products.</li> </ol>
<b>Employees</b>	<ol style="list-style-type: none"> <li>1. Growth opportunities through continuous learning and development in a dynamic environment.</li> <li>2. Job stability and satisfaction by being part of a results-driven and client-focused team.</li> <li>3. Potential for career advancement as the company expands its market presence and service offerings.</li> </ol>
<b>Shareholders</b>	<ol style="list-style-type: none"> <li>1. Increased profitability through diversified revenue streams and market expansion initiatives.</li> <li>2. Enhanced company valuation and financial performance driven by innovative ventures.</li> <li>3. Regular updates and transparency to ensure alignment with company goals and performance metrics.</li> </ol>
<b>Regulators</b>	<ol style="list-style-type: none"> <li>1. Assurance of compliance with industry standards and regulatory requirements.</li> <li>2. Support in promoting financial stability and integrity within the industry.</li> <li>3. Collaboration on shaping regulations that foster innovation without compromising safety.</li> </ol>
<b>Business Partners</b>	<ol style="list-style-type: none"> <li>1. Opportunity to collaborate on innovative financial products and services.</li> <li>2. Enhanced market reach and customer base through strategic partnerships.</li> <li>3. Shared success in achieving mutual business objectives and growth targets.</li> </ol>
<b>Technology Providers</b>	<ol style="list-style-type: none"> <li>1. Long-term business relationships through the integration of cutting-edge technologies.</li> <li>2. Collaboration on developing advanced tools for personalized financial advice.</li> <li>3. Potential for joint ventures and co-development of fintech advancements.</li> </ol>
<b>Community</b>	<ol style="list-style-type: none"> <li>1. Improved financial literacy and economic well-being through educational initiatives.</li> <li>2. Economic support through employment opportunities and local investments.</li> <li>3. Positive social impact by promoting transparent, ethical financial practices.</li> </ol>



# Key Performance Components

## Competitive Advantage

### Experienced Professionals

Nexus Financial Solutions' team of seasoned experts brings extensive industry experience to deliver personalized financial planning and well-informed strategies tailored to each client's unique needs.

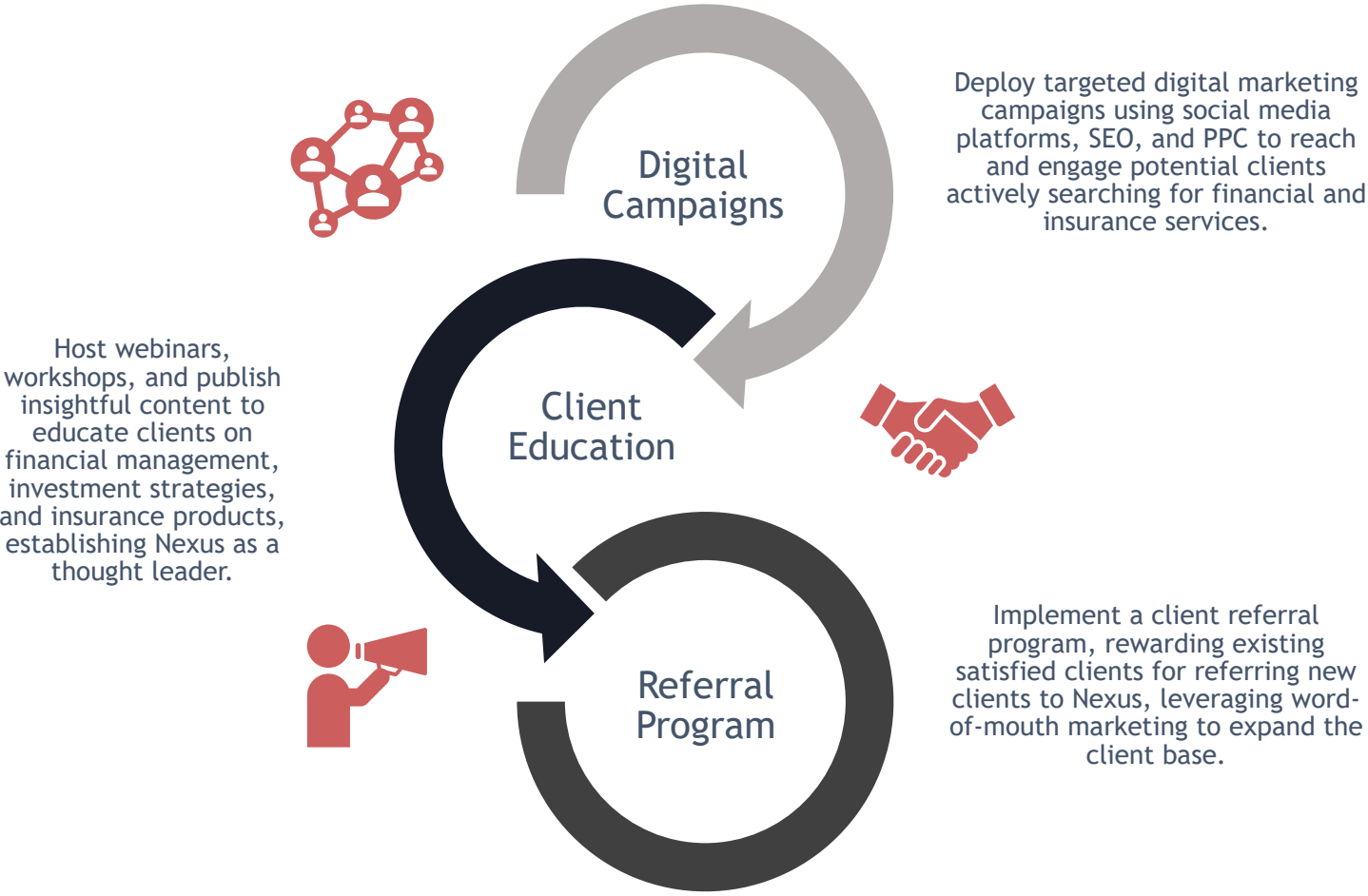
### Cutting-Edge Technology

Utilizing the latest technological advancements, Nexus Financial Solutions ensures precision and efficiency in financial service delivery, offering clients modern solutions for managing and growing their wealth.

### Client-Centric Approach








Emphasizing transparency and integrity, Nexus Financial Solutions focuses on providing client-centric services that ensure every financial decision supports the client's long-term goals and enhances their financial success.

## Marketing and Growth Strategy



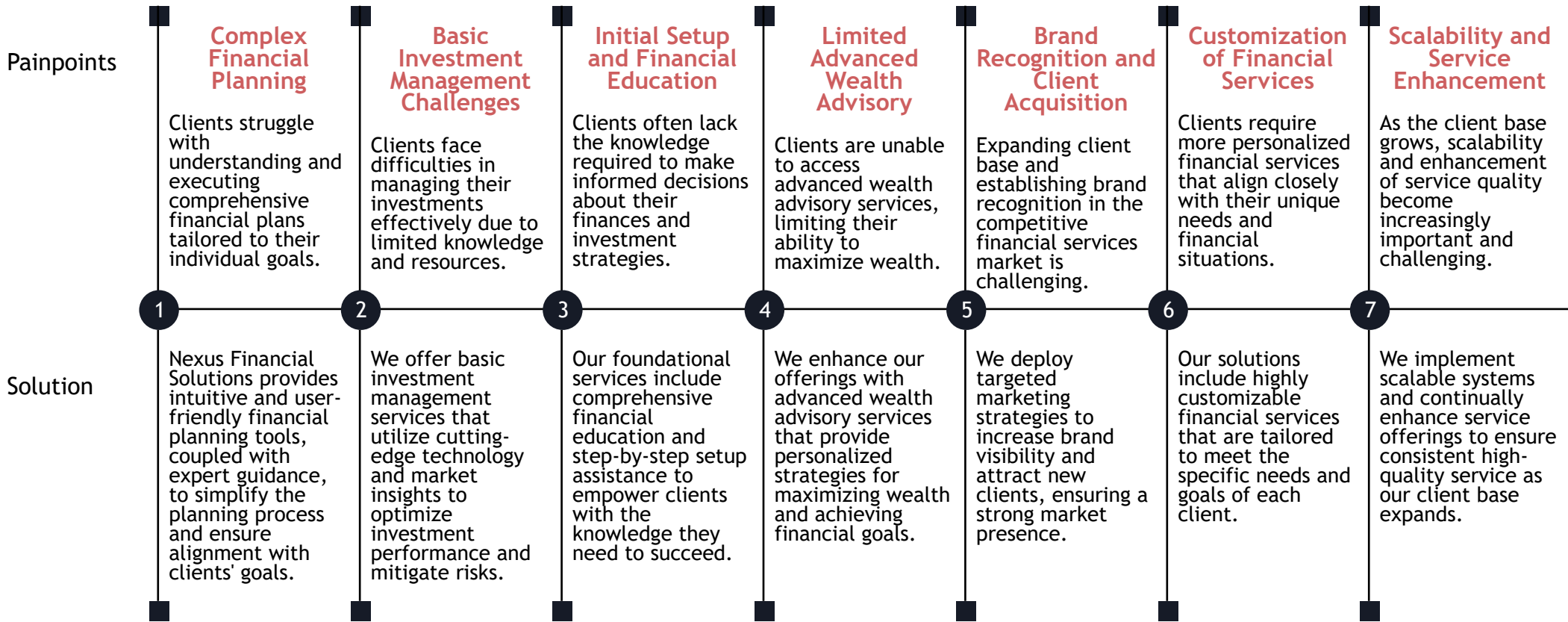


# Target Groups

	Industries	Description
I	 Young Professionals	Offering basic investment management and financial planning to help young professionals kickstart their journey towards financial independence.
II	 Small Business Owners	Providing customized financial solutions and wealth advisory services to help small business owners grow and secure their businesses.
III	 High Net-Worth Individuals	Offering advanced wealth advisory and specialized financial products to meet the complex needs of high net-worth individuals.
IV	 Retirees	Delivering tailored retirement planning and investment management to ensure a stable and comfortable retired life.
V	 Corporate Executives	Providing comprehensive financial planning and advisory services to corporate executives for optimal wealth management and investment strategies.
VI	 Tech-Savvy Investors	Utilizing cutting-edge technology to offer innovative financial solutions and personalized advice for tech-savvy investors looking for advanced investment opportunities.
VII	 Families	Creating financial plans that address the diverse needs of families, including education planning, insurance, and investment management.




## Solution from Phase I to Phase IV




# Strategic Analysis: SWOT

**Strength**



1. Extensive range of services, including financial planning, investment management, and wealth advisory. 2. Experienced and skilled team dedicated to client-centric service. 3. Use of cutting-edge technology for personalized financial guidance. 4. Strong commitment to transparency and integrity in all operations. 5. Deep market insights provide a strategic advantage in financial decision-making.

**Weaknesses**




1. High dependence on technology may expose to cyber risks. 2. Complex service portfolio can be challenging to manage. 3. Limited brand awareness compared to larger competitors. 4. High reliance on experienced professionals; new talent needs development. 5. Potential issues in maintaining personalized service as client base grows.

**Opportunities**



1. Expanding digital financial services to reach a broader audience. 2. Leveraging technology for more efficient client management. 3. Entering emerging markets with high financial service demand. 4. Increasing brand visibility through strategic marketing. 5. Developing new financial products tailored to evolving client needs.

**Threats**



1. Intense competition from larger, established financial firms. 2. Economic downturns affecting client investments and financial health. 3. Regulatory changes impacting operational strategies. 4. Technological obsolescence if not updated regularly. 5. Cybersecurity threats compromising sensitive client data.



# History & Roadmap



## Current Status.

Nexus Financial Solutions outlines a strategic 6-stage roadmap: expanding insurance products, integrating AI technology, targeting new markets, enhancing client engagement, embedding sustainability in services, and forming tech partnerships.



# Organizational and Marketing Tasks

#	Check List Item	Status	Priority	Area	ETA
<b>General Planning and Organization</b>					
1	Set up Legal Entity and Paperwork	●	Not Started	High	CEO 1 month
2	Develop Business Plan	●	Not Started	High	CEO 1 month
3	Formulate Financial Strategy	●	Not Started	High	CFO 2 months
4	Hire Key Executives	●	Not Started	High	CEO 3 months
5	Establish IT Infrastructure	●	Not Started	Medium	CTO 2 months
6	Develop Company Policies and Procedures	●	Not Started	Medium	COO 2 months
7	Set Up Office Space	●	Not Started	Low	COO 3 months
8	Create Risk Management Framework	●	Not Started	Medium	CRO 3 months
<b>Marketing</b>					
1	Develop Comprehensive Marketing Plan	●	Not Started	High	CMO 2 weeks
2	Launch Website and Optimize for SEO	●	Not Started	High	CMO 1 month
3	Establish Social Media Presence	●	Not Started	Medium	CMO 1 month
4	Create Marketing Content (Blogs/Articles)	●	Not Started	Medium	CMO 2 months
5	Develop Client Testimonials and Case Studies	●	Not Started	Medium	CMO 3 months
6	Deploy Email Marketing Campaigns	●	Not Started	Medium	CMO 1 month
7	Organize Webinars and Online Workshops	●	Not Started	Low	CMO 4 months
8	Implement Influencer and Partnership Marketing	●	Not Started	Low	CMO 5 months



# Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
<b>Phase 1 &amp; Technical Set Up for next Phases</b>					
1	Develop Minimum Viable Product (MVP)	●	Not Started	High	CPO 2 months
2	Assemble Financial Advisory Team	●	Not Started	High	COO 3 months
3	Conduct Market Research	●	Not Started	High	CSO 1 month
4	Set Up Compliance Framework	●	Not Started	High	CRO 2 months
5	Establish Financial Planning Protocols	●	Not Started	Medium	CFO 2 months
6	Implement Client Onboarding Process	●	Not Started	High	COO 1.5 months
7	Set Up IT Infrastructure	●	Not Started	Medium	CTO 2 months
8	Create Initial Marketing Materials	●	Not Started	Low	CMO 1 month
<b>Phase 2</b>					
1	Enhance core services with advanced wealth advisory tools	●	Not Started	High	CTO 2 months
2	Deploy comprehensive marketing strategies for client base expansion	●	Not Started	High	CMO 3 months
3	Conduct market research to identify new client segments	●	Not Started	Medium	CSO 2 months
4	Develop partnerships with industry influencers and firms	●	Not Started	High	CRO 4 months
5	Enhance client onboarding process for better user experience	●	Not Started	Medium	COO 3 months
6	Expand digital marketing campaigns on social media platforms	●	Not Started	Medium	CMO 1 month
7	Introduce client feedback mechanisms for service improvement	●	Not Started	Low	COO 2 months
8	Optimize website and digital platforms for SEO	●	Not Started	Medium	CTO 2 months



# Overview of Phases

#	Check List Item	Status	Priority	Area	ETA	
<b>Phase 3</b>						
1	Research and develop tailored insurance packages	●	Not Started	High	CPO	3 months
2	Identify mega-investment opportunities	●	Not Started	High	CIO	4 months
3	Form partnerships with specialized insurance providers	●	Not Started	Medium	CBO	5 months
4	Develop a diverse set of financial products	●	Not Started	High	CPO	6 months
5	Analyze market trends for potential niche products	●	Not Started	Medium	CSO	2 months
6	Create a client advisory board for feedback on new products	●	Not Started	Low	CRO	8 months
7	Train staff on new financial products	●	Not Started	High	COO	3 months
8	Test and review new products with a select group of clients	●	Not Started	Medium	CFA	7 months
<b>Phase 4</b>						
1	Integrate AI for Personalized Financial Advice	●	Not Started	High	CTO	6 months
2	Explore Fintech Advancements	●	Not Started	High	CIO	12 months
3	Develop Blockchain-based Smart Contracts	●	Not Started	Medium	CTO	8 months
4	Launch AI-driven Risk Assessment Tool	●	Not Started	High	CRO	7 months
5	Create a Fintech Innovation Lab	●	Not Started	Medium	COO	9 months
6	Pilot a Digital-only Insurance Platform	●	Not Started	High	CBO	10 months
7	Integrate Machine Learning for Fraud Detection	●	Not Started	High	CTO	8 months
8	Implement AI Chatbots for Client Services	●	Not Started	Medium	CPO	6 months



# Core Risks & Migration Strategies

## 1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	System Downtime	CTO	Implement regular system updates and redundancies to minimize downtime and ensure business continuity.
2	Data Security Breaches	CISO	Invest in advanced cybersecurity measures and conduct regular security audits to protect sensitive client information.
3	Inaccurate Financial Projections	CFO	Develop rigorous financial models and regularly revisit assumptions to ensure accurate financial projections.
4	Client Data Loss	CIO	Create robust data backup protocols and disaster recovery plans to safeguard client data.
5	Operational Inefficiencies	COO	Regularly review and optimize operational processes to increase efficiency and reduce waste.

## 2. Regulatory and legal risks

#	Risk Type	Area	Mitigation Strategy
1	Compliance with Financial Regulations	CRO	Implement a dedicated compliance team to monitor and ensure adherence to all financial regulations, including regular internal audits and staff training programs.
2	Data Privacy and Security Laws	CIO	Deploy advanced encryption methods and data protection measures to secure sensitive client information, and stay updated on evolving data privacy laws to ensure compliance.
3	Anti-Money Laundering (AML) Regulations	CFO	Adopt state-of-the-art AML software and conduct ongoing staff training to detect and prevent money laundering activities.
4	Licensing and Accreditation	COO	Regularly review and renew necessary licenses and accreditations to ensure that all business operations are legally sanctioned.
5	Changing Tax Laws	CFO	Hire specialized tax consultants to monitor and analyze the impact of new tax laws, ensuring that the company remains compliant while optimizing financial planning strategies.

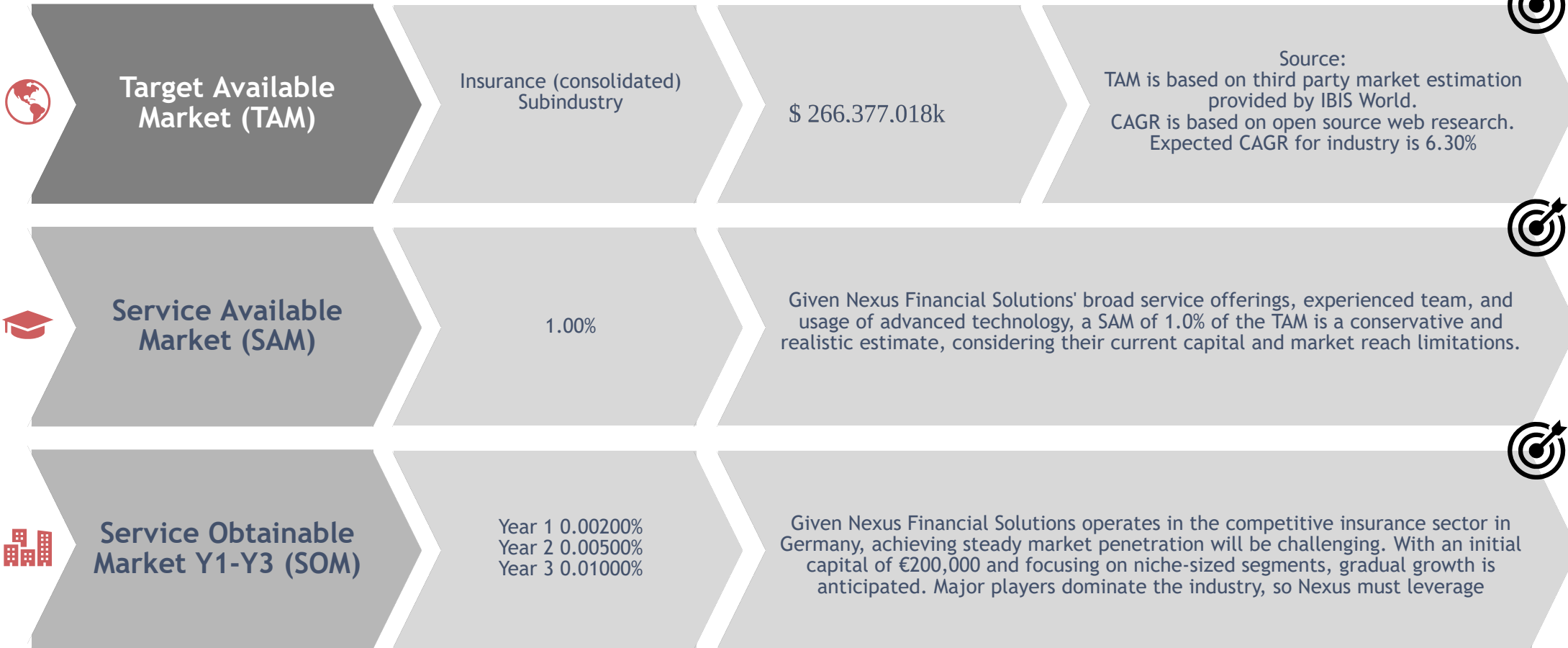




3. Strategic/Market Risk			
#	Risk Type	Area	Mitigation Strategy
1	Market Competition	CEO	Continuously monitor competitors and innovate our service offerings to stay ahead in the market.
2	Client Retention	CRO	Develop strong client relationships and provide exceptional customer service to increase client loyalty and satisfaction.
3	Economic Downturn	CFO	Diversify investment portfolios and develop contingency plans to minimize the impact of economic fluctuations.
4	Changing Consumer Preferences	CMO	Conduct regular market research to understand evolving consumer needs and adapt marketing strategies accordingly.
5	Technological Disruption	CTO	Invest in emerging technologies and foster a culture of innovation to remain competitive in the face of technological advancements.
4. Finance risk			
#	Risk Type	Area	Mitigation Strategy
1	Cash Flow Management	CFO	Implement strict financial controls and regular liquidity analysis to ensure sufficient cash flow for operations and growth.
2	Investment Portfolio Volatility	CIO	Develop a diversified investment strategy and employ risk management techniques to mitigate the impact of market fluctuations on the portfolio.
3	Funding and Capital Availability	CFO	Establish strong relationships with potential investors and lenders to secure necessary funding and maintain a buffer of capital reserves.
4	Credit Risk	CRO	Implement rigorous credit screening processes and continuously monitor the financial health of clients and counterparties to mitigate defaults.
5	Financial Reporting Accuracy	CFO	Adopt robust accounting systems and auditing practices to ensure accuracy and integrity in financial reporting.
5. Other general risk			
#	Risk Type	Area	Mitigation Strategy
1	Market Perception	CMO	Implement a proactive public relations strategy to manage brand reputation and ensure transparency and positive engagement with stakeholders.
2	Talent Acquisition and Retention	CPO	Develop a comprehensive talent management strategy that includes competitive compensation, career development opportunities, and a positive work environment.
3	Cybersecurity Threats	CIO	Strengthen cybersecurity measures by continuously updating security protocols and conducting regular security audits to protect sensitive client data.
4	Technology Adoption	CTO	Implement a continuous learning and development program for employees to ensure seamless adoption and integration of new technologies.
5	Economic Downturn	CFO	Develop financial contingency plans and diversify investment portfolios to mitigate the impact of economic fluctuations.



# 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.

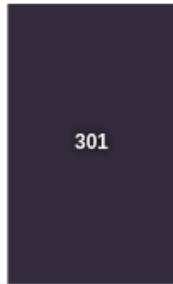
The total investment required is \$ 200k

Y1 Cash Flow Stream(thnd USD)	Inflows	Outflows
Gross Profit	18	
		2
Rent & Utilities		2
Marketing and Branding		1
Legal and Professional Fees		1
Capex		200
Other Miscellaneous		1
Communication Expenses		0
Representation and Entert.		0
Training and Development		0
Office supplies		0
<b>CAPEX &amp; WC shortage Y1</b>		<b>188</b>
<b>Buffer</b>		<b>12</b>
<b>Total Required Investment(thnd USD)</b>		<b>200</b>



## Y3 PL formation and Margins

### Revenue



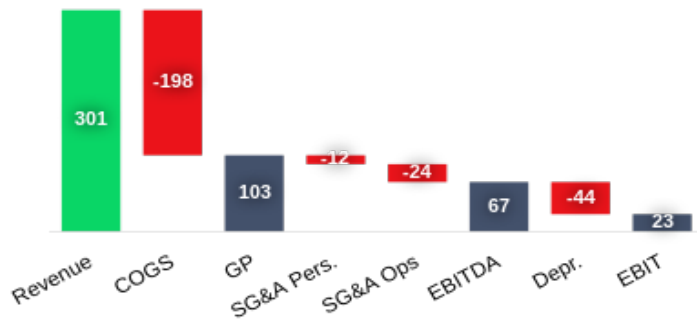
### Projected Revenue

- GP 34.3%
- EBITDA 22.2%

Y3

Y3

### PnL Formation (Y3 thnd USD)

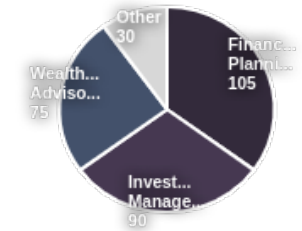
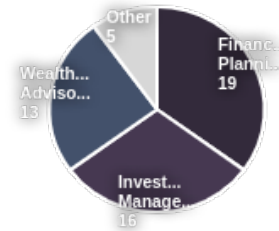


## Business Line Breakdown (thnd USD)

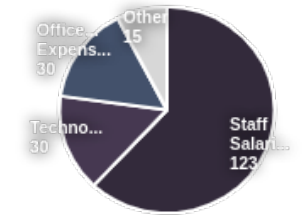
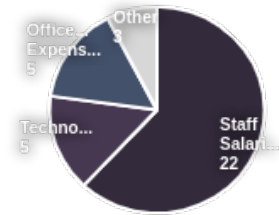
### Y1

### Y2

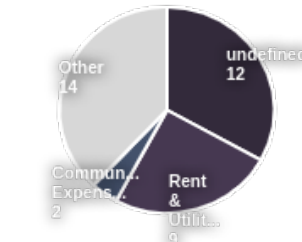
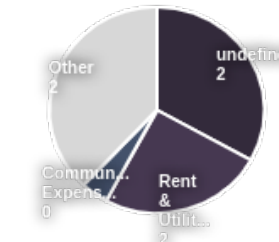
### Revenue



### COGS



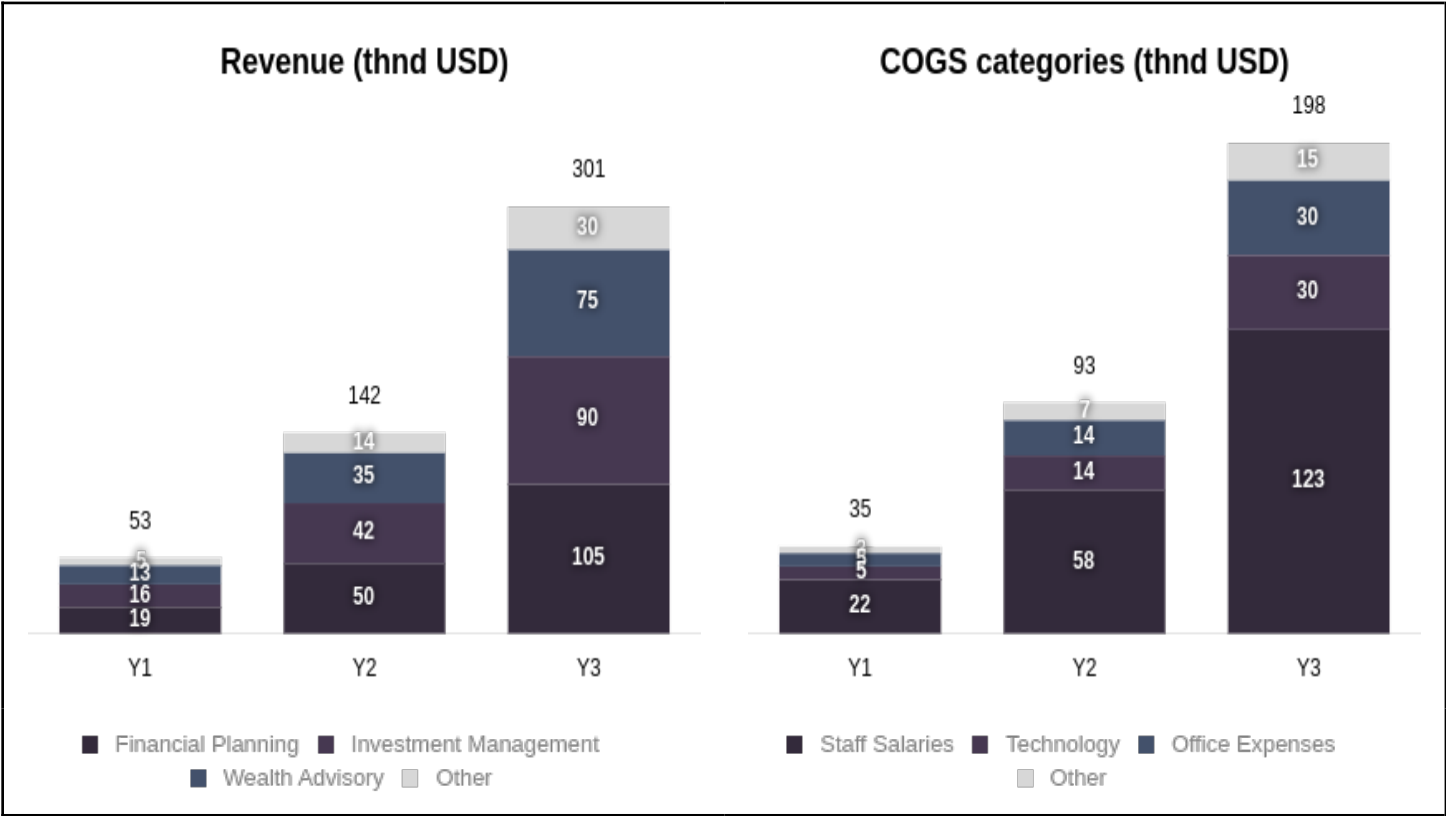
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# Revenue Formation Narrative

Nexus Financial Solutions operates within the highly competitive insurance sector, aiming to make a significant impact with its extensive range of financial services. With a Total Addressable Market (TAM) valued at 266,377,018.258k USD, the company recognizes the immense potential for growth but also acknowledges the market challenges. Considering Nexus Financial Solutions' comprehensive service offerings, experienced team, and the strategic use of cutting-edge technology, we have conservatively estimated a Serviceable Addressable Market (SAM) at 1.0% of the TAM, which translates to 2,663,770.183k USD. This estimation is grounded in our current capital and market reach capabilities. Despite operating in a highly competitive environment dominated by major players, Nexus Financial Solutions plans to leverage technology and personalized client services to carve out a niche. Our Serviceable Obtainable Market (SOM) projections take a realistic view of steady market penetration: 0.00200% in Year 1, 0.00500% in Year 2, and 0.01000% in Year 3. These figures translate to projected revenues of 53.275k USD for Year 1, 141.579k USD for Year 2, and 300.998k USD for Year 3. Breaking down the expected revenue by service lines, Financial Planning is projected to contribute 35.00% of the total revenue, equating to 18.646k USD in Year 1, 49.553k USD in Year 2, and 105.349k USD in Year 3. Investment Management is estimated at 30.00%, resulting in 15.983k USD for Year 1, 42.474k USD for Year 2, and 90.299k USD for Year 3. Wealth Advisory will form 25.00% of the revenue, translating to 13.319k USD in Year 1, 35.395k USD in Year 2, and 75.249k USD for Year 3. Lastly, other services are expected to generate 10.00% of revenue, contributing 5.328k USD in Year 1, 14.158k USD in Year 2, and 30.1k USD in Year 3.

\$ 301k      Y3 Projected Revenue      0.00% Market share



# Revenue Calculation Details

Revenue Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Financial Planning	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
Investment Management	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Wealth Advisory	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%
Other	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %

Financial Planning	1	1	1	1	1	1	2	2	2	2	2	2	19	50	105
Investment Management	1	1	1	1	1	1	1	1	1	2	2	2	16	42	90
Wealth Advisory	1	1	1	1	1	1	1	1	1	1	1	1	13	35	75
Other	0	0	0	0	0	0	0	0	0	1	1	1	5	14	30

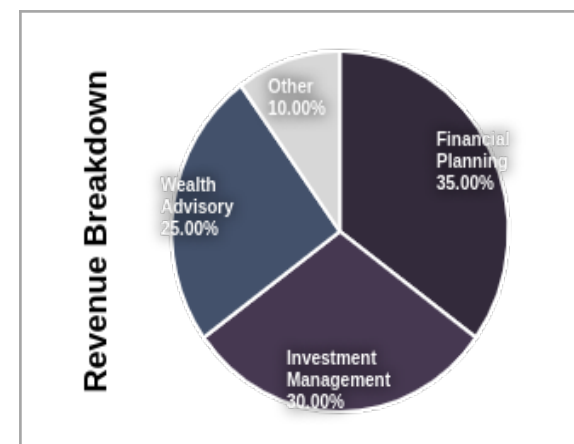
<b>Total Revenue (thnd USD)</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>53</b>	<b>142</b>	<b>301</b>
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Total revenue is expected to reach \$ 301k by year 3.

Main revenue driver are:

- Financial Planning which generates \$ 105k by Year 3
- Investment Management which generates \$ 90k by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 137.69 %



# COGS Calculation Details

COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Staff Salaries	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%	40.70%
Technology	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%
Office 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%
Other	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%

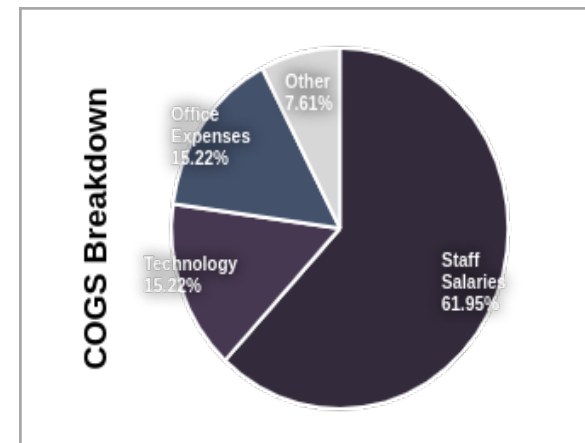
Staff Salaries	1	1	1	2	2	2	2	2	2	2	2	2	22	58	123
Technology	0	0	0	0	0	0	0	0	0	1	1	1	5	14	30
Office Expenses	0	0	0	0	0	0	0	0	0	1	1	1	5	14	30
Other	0	0	0	0	0	0	0	0	0	0	0	0	3	7	15
<b>Total COGS (thnd USD)</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>35</b>	<b>93</b>	<b>198</b>

Total COGS is expected to reach \$ 198k by year 3.

Main revenue driver are:

- Staff Salaries which generates \$ 123k by Year 3
- Technology which generates \$ 30k by Year 3

Expected CAGR for total COGS in Y1-Y3 is 137.69 %



# SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
<i>Rent &amp; Utilities</i>	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
<i>Communication Expenses</i>	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%
<i>Office supplies</i>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
<i>Legal and Professional Fees</i>	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
<i>Marketing and Branding</i>	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%
<i>Representation and Entertainment</i>	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
<i>Training and Development</i>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
<i>Other Miscellaneous</i>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

<i>Rent &amp; Utilities</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	2	6	12
<i>Communication Expenses</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	2	4	9
<i>Office supplies</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2
<i>Legal and Professional Fees</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Marketing and Branding</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	3
<i>Representation and Entertainment</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2	5
<i>Training and Development</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2
<i>Other Miscellaneous</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	3
<b>Total SG&amp;A (thnd USD)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>17</b>	<b>36</b>





# PaT Expectations

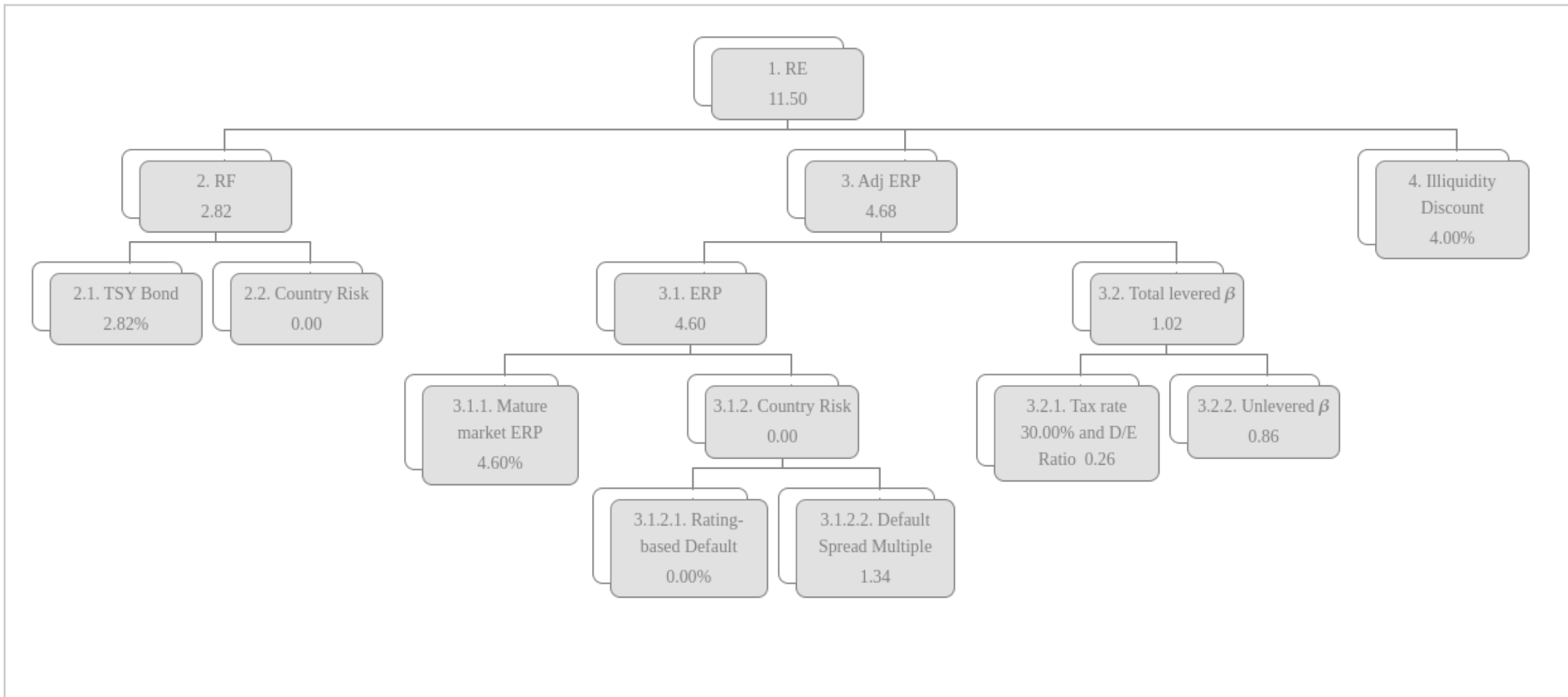
1 2 3 4 5 6 7

Financial Projection

Income Statement (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Revenue	3	3	3	4	4	4	5	5	5	6	6	6	53	142	301
Financial Planning	1	1	1	1	1	1	2	2	2	2	2	2	19	50	105
Investment Management	1	1	1	1	1	1	1	1	1	2	2	2	16	42	90
Wealth Advisory	1	1	1	1	1	1	1	1	1	1	1	1	13	35	75
Other	0	0	0	0	0	0	0	0	0	1	1	1	5	14	30
<b>COGS</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-35</b>	<b>-93</b>	<b>-198</b>
Staff Salaries	-1	-1	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-22	-58	-123
Technology	-0	-0	-0	-0	-0	-0	-0	-0	-0	-1	-1	-1	-5	-14	-30
Office Expenses	-0	-0	-0	-0	-0	-0	-0	-0	-0	-1	-1	-1	-5	-14	-30
Other	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-3	-7	-15
<b>Gross Profit</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>18</b>	<b>49</b>	<b>103</b>
SG&A Personal Expenses	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-2	-6	-12
SG&A Operating Expenses	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-4	-11	-24
<b>EBITDA</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>12</b>	<b>31</b>	<b>67</b>
Depreciation	-4	-4	-4	-4	-4	-4	-4	-4	-4	-4	-4	-4	-44	-44	-44
<b>EBIT</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-32</b>	<b>-12</b>	<b>23</b>
Interest Expense	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-1	-1	-1
<b>Profit before Tax</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-33</b>	<b>-13</b>	<b>22</b>
Tax	1	1	1	1	1	1	1	1	1	1	1	1	10	4	-7
<b>Profit after Tax (thnd USD)</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-23</b>	<b>-9</b>	<b>16</b>



## Required Return on Equity Derivation



# Cost of Capital: CAPM Inputs

## 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 ( $\beta$ ) 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](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	-23	-9	16	17	18	19	20
	Growth% Y4-Y7				6.30%	6.30%	6.30%	6.30%
	Growth% Y7 -->	3.50%						
	WACC	11.50%						
	PV Y1-Y7 at Y0	-21	-7	11	11	10	10	9
	PV Y7 --> Y0	120						
	<b>NPV (thnd USD)</b>	<b>144</b>						

Average Survival Rate for 3 Years 50%

**Final Valuation \$ 72k**

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 11.50 % to determine the Firm Value.

Starting from year 3 onwards, the cash flows are estimated to grow at a rate of 6.30 %, 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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