Business Plan
& Valuation Presentation

Contents

OUR
VISION & MISSION

Our Mission

CleanCloud is dedicated to transforming the laundry experience by offering convenient, efficient, and high-quality services. Our mission is to provide a modern laundromat environment where cleanliness, customer comfort, and eco-friendly practices come together. We aim to make laundry less of a chore and more of a positive, hassle-free experience, helping to improve our customers' daily lives through superior service and state-of-the-art facilities.

Our Vision

CleanCloud envisions a future where laundry is no longer a chore but a seamless, integrated service that enhances daily life. By constantly innovating and setting new standards in service quality and eco-friendly practices, we aim to become the market leader in the laundry services industry. In twenty years, we aspire to be recognized globally as the most trusted and convenient laundry solution, known for our unwavering commitment to customer satisfaction and environmental sustainability.

Summary Financials Dashboard

Key performance indicators
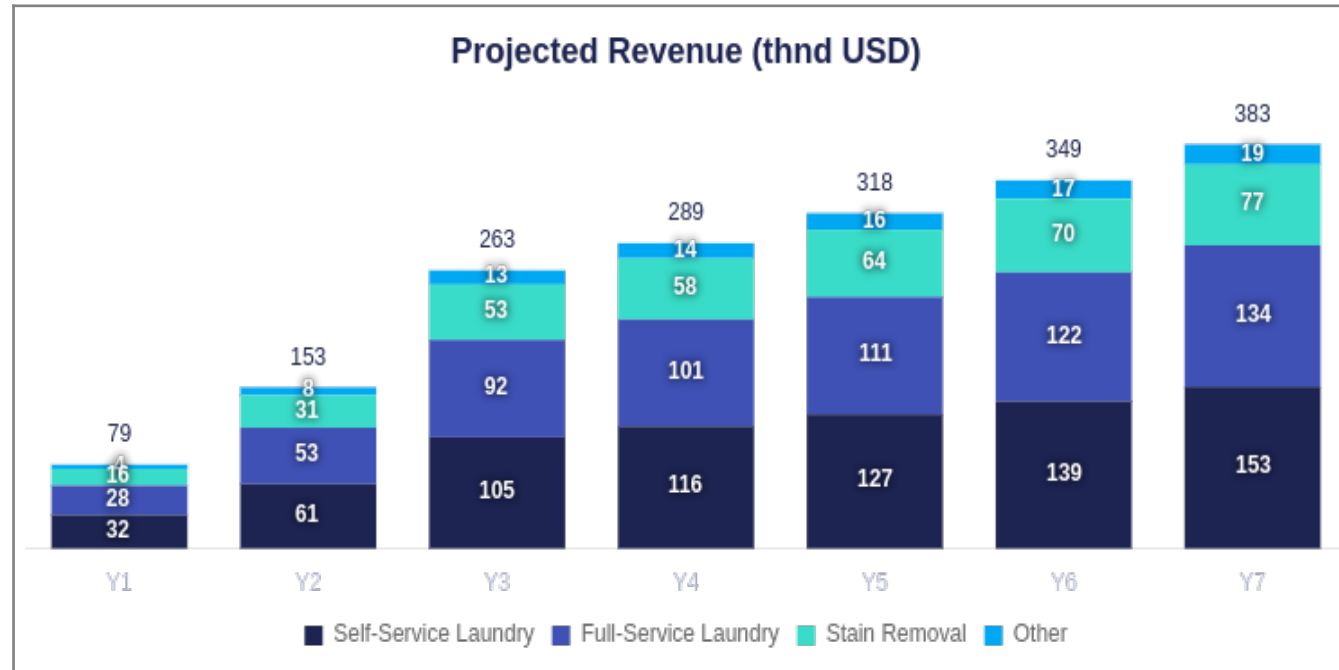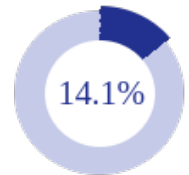(Base Scenario Y3)

$ 263k

Revenue

$ 37k
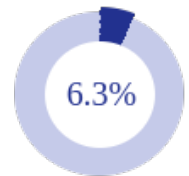
Gross Profit

$ 17k

EBITDA

0.12%

Target Market Share

Projected Revenue (thnd USD)

	Self-Service Laundry	Full-Service Laundry	Stain Removal	Other
Y1	32	28	16	4
Y2	61	53	31	8
Y3	105	92	53	13
Y4	116	101	58	14
Y5	127	111	64	16
Y6	139	122	70	17
Y7	153	134	77	19

Totals: Y1 79, Y2 153, Y3 263, Y4 289, Y5 318, Y6 349, Y7 383

Margins
(Stabilized by Y3)

GP Margin — 14.1%

EBITDA Margin — 6.3%

PbT Margin — -4.9%

Project Phases

I — Foundation Establishment

II — Service Enhancement and Expansion

III — New Revenue Streams

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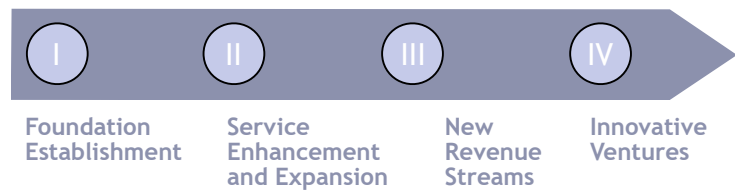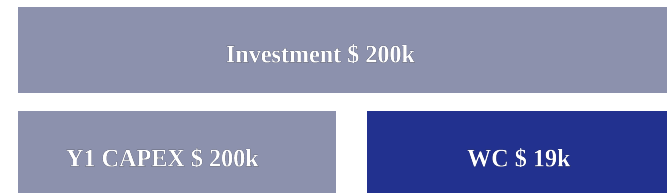
Funding round is aimed to accelerate the development of Phases and create core infrastructure for operations.

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

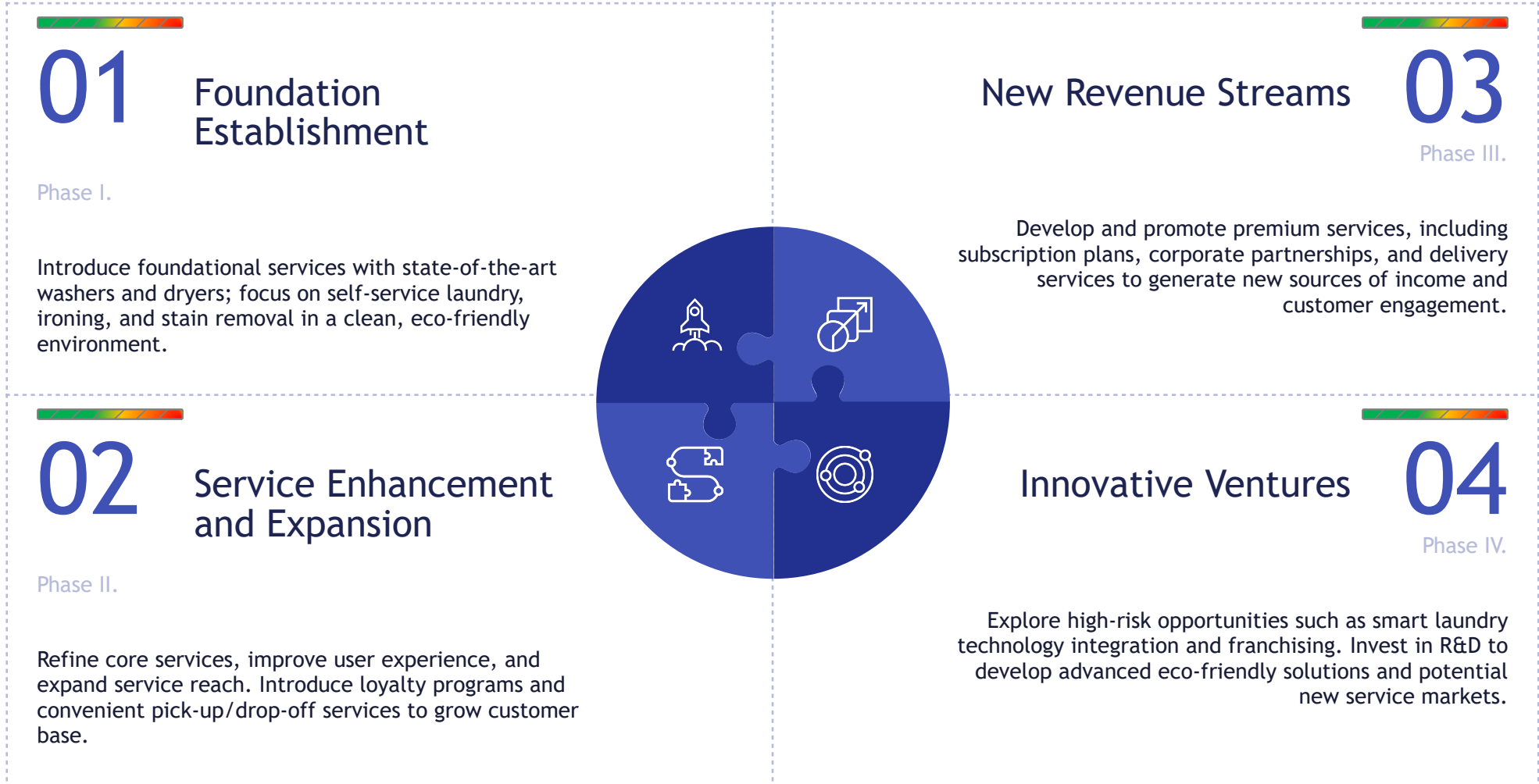Investment $ 200k

Y1 CAPEX $ 200k

WC $ 19k

About the Company: General Overview

CleanCloud is a modern laundromat designed to provide a convenient, efficient, and high-quality laundry experience. Operating within the Drycleaning and Laundry Services industries, and categorized in the Other Services (except Public Administration) sector, the company features state-of-the-art machines, including high-capacity washers and dryers. CleanCloud offers a range of additional services such as folding, ironing, and professional stain removal. Prioritizing cleanliness and customer comfort, the facility boasts a bright and welcoming environment with amenities like free Wi-Fi and comfortable seating. The company's commitment to exceptional service and eco-friendly practices ensures that every load is handled with care and efficiency. Whether customers are seeking quick self-service or full-service laundry care, CleanCloud stands out as the go-to destination for reliable and hassle-free laundry solutions.

The Main Phases: Projects & Impacts

01 Foundation Establishment

Phase I.

Introduce foundational services with state-of-the-art washers and dryers; focus on self-service laundry, ironing, and stain removal in a clean, eco-friendly environment.

03 New Revenue Streams

Phase III.

Develop and promote premium services, including subscription plans, corporate partnerships, and delivery services to generate new sources of income and customer engagement.

02 Service Enhancement and Expansion

Phase II.

Refine core services, improve user experience, and expand service reach. Introduce loyalty programs and convenient pick-up/drop-off services to grow customer base.

04 Innovative Ventures

Phase IV.

Explore high-risk opportunities such as smart laundry technology integration and franchising. Invest in R&D to develop advanced eco-friendly solutions and potential new service markets.

Main Stakeholder	Product Benefits
Customers	1. Access to advanced laundry services in a clean and convenient environment. 2. Eco-friendly practices ensure their laundry needs are aligned with environmental values. 3. Loyalty programs and pick-up/drop-off services add convenience and value to their experience.
Employees	1. A safe and pleasant working environment with state-of-the-art equipment. 2. Opportunities for training and professional development in customer service and eco-friendly practices. 3. Potential for career growth as the company expands and explores new ventures.
Local Community	1. Job creation and economic growth through the establishment and expansion of CleanCloud. 2. Community engagement through eco-friendly initiatives and educational programs. 3. Reliable and high-quality service that enhances the quality of life in the neighborhood.
Investors	1. Attractive return on investment through a scalable and innovative business model. 2. Diversification of revenue streams as the company introduces premium services and new technologies. 3. Increased company value from successful R&D and eco-friendly innovations.
Suppliers	1. Steady business growth leading to consistent demand for their products. 2. Opportunities to collaborate on the development of advanced, eco-friendly laundry technologies. 3. Strong business relationships fostered through CleanCloud's ethical and reliable business practices.
Corporate Clients	1. High-quality, reliable laundry services that meet the needs of corporate and professional requirements. 2. Tailored solutions such as subscription plans and corporate partnerships enhance convenience. 3. Eco-friendly services support their corporate social responsibility objectives.
Environmental Advocates	1. Promotion of eco-friendly practices within the laundry industry. 2. Reduced environmental impact through CleanCloud's sustainable operating procedures. 3. Collaboration opportunities for advancing eco-friendly initiatives and awareness.

Key Performance Components

Competitive Advantage

State-of-the-Art Machines

CleanCloud's laundromat features high-capacity washers and dryers, ensuring efficient and high-quality laundry care for all customers.
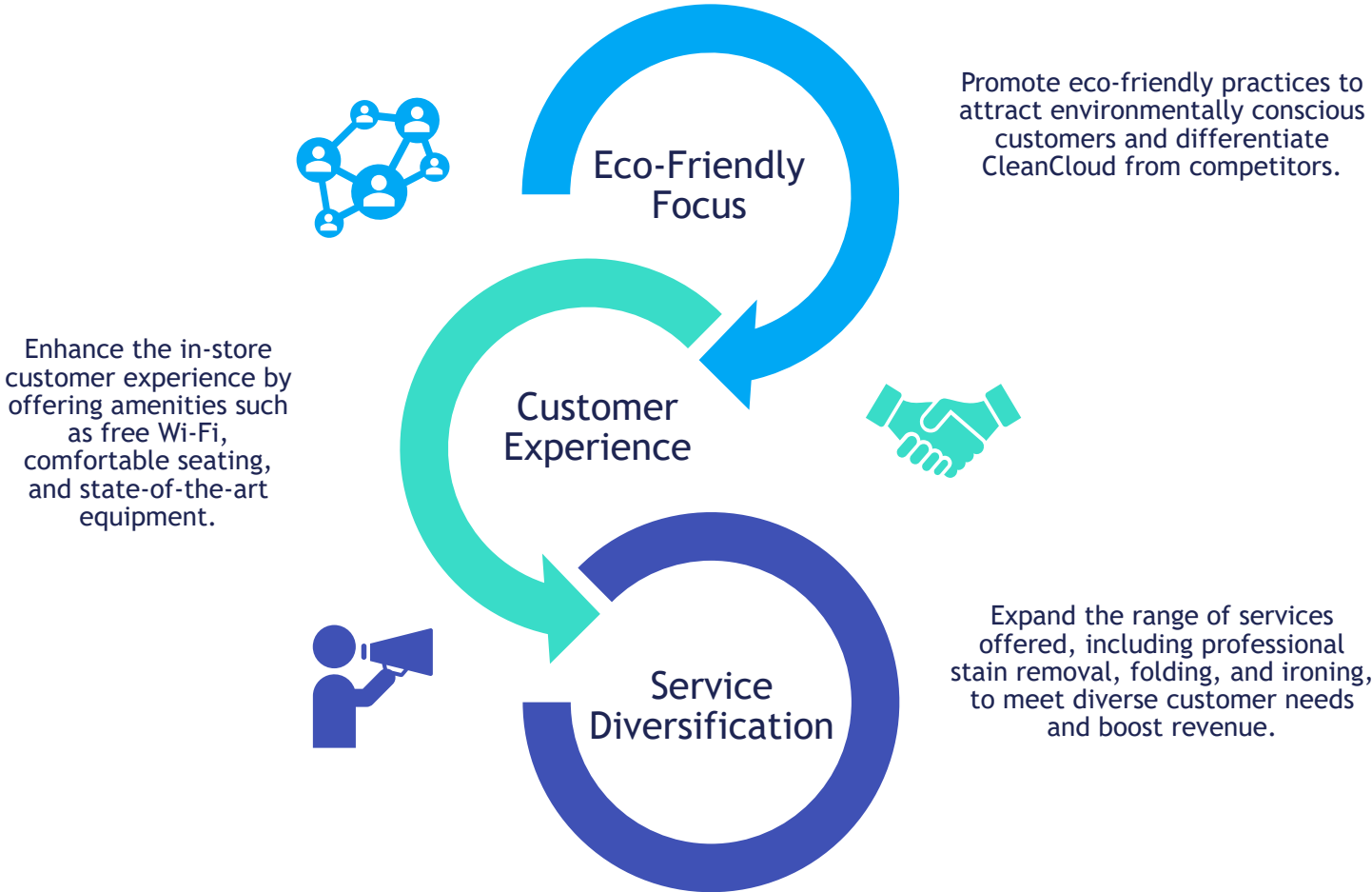
Exceptional Service

CleanCloud offers a range of additional services such as folding, ironing, and professional stain removal, providing convenience and superior care.

Eco-Friendly Practices

CleanCloud prioritizes eco-friendly practices, ensuring that every laundry load is handled with minimal environmental impact.

Marketing and Growth Strategy

Eco-Friendly Focus

Promote eco-friendly practices to attract environmentally conscious customers and differentiate CleanCloud from competitors.

Customer Experience

Enhance the in-store customer experience by offering amenities such as free Wi-Fi, comfortable seating, and state-of-the-art equipment.

Service Diversification

Expand the range of services offered, including professional stain removal, folding, and ironing, to meet diverse customer needs and boost revenue.

Target Groups

	Industries	Description
I	Urban Families	Busy families in urban areas seeking convenient, reliable, and eco-friendly laundry solutions to save time and effort.
II	Young Professionals	Professionals with demanding schedules who need efficient and high-quality laundry services, often including pick-up and drop-off options.
III	College Students	Students living in dormitories or apartments looking for affordable, accessible, and user-friendly laundry services near their campuses.
IV	Senior Citizens	Elderly individuals who prefer hassle-free, full-service laundry, and might require additional assistance such as home delivery and pick-up options.
V	Small Businesses	Local businesses like bed and breakfasts, restaurants, and gyms that need reliable laundry services for linens, uniforms, and other essentials.
VI	Corporate Clients	Large organizations seeking corporate laundry solutions for employee uniforms, special events, and corporate housing.
VII	Eco-conscious Consumers	Individuals specifically looking for environmentally friendly laundry services and practices to reduce their carbon footprint.

Painpoints & Solutions

Solution from Phase I to Phase IV

Painpoints

Substandard Laundry Quality	Lack of Additional Services	Unpleasant Laundry Environment	Inconsistent Service Quality	Inconvenient Service Access	Lack of Customer Loyalty Programs	Limited Service Reach
Customers often face issues with poorly washed or damaged clothing in standard laundromats.	Traditional laundromats often lack essential services like ironing, folding, and professional stain removal.	Many laundromats fail to provide a clean, comfortable, and welcoming environment for customers.	Customers are often frustrated with the inconsistent quality of laundry services.	Many customers find it difficult to access quality laundry services that fit their busy schedules.	Customers have limited incentives to frequently use the same laundry service providers.	Traditional laundromats often have a limited service area, missing potential customers.

1 — 2 — 3 — 4 — 5 — 6 — 7

Solution

1	2	3	4	5	6	7
CleanCloud's state-of-the-art washers and dryers provide superior cleaning performance, ensuring clothes are thoroughly cleaned and well-cared for.	CleanCloud offers comprehensive services including ironing, folding, and professional stain removal to meet all customer laundry needs.	CleanCloud maintains a bright, inviting facility with amenities like free Wi-Fi and comfortable seating to enhance customer experience.	CleanCloud focuses on refining core services to ensure consistent, high-quality results for every wash.	CleanCloud introduces convenient pick-up and drop-off services to make laundry care easily accessible.	CleanCloud implements loyalty programs to reward regular customers and build long-term relationships.	CleanCloud expands its service reach to cover more areas and attract a broader customer base.

Strategic Analysis: SWOT

Strength

Innovative, modern facility with state-of-the-art machines. Offers comprehensive services, including folding, ironing, and stain removal. Prioritizes cleanliness and customer comfort. Strong emphasis on eco-friendly practices. Free Wi-Fi and comfortable seating enhance customer experience.

Weaknesses

High initial capital investment for advanced equipment. Limited customer base due to geographic constraints. Dependence on labor for full-service options. Potentially higher prices than traditional laundromats. Fluctuations in demand during off-peak periods.

Opportunities

Expansion to additional locations. Partnerships with local businesses for bulk services. Developing membership or loyalty programs. Increasing trend towards sustainable and eco-friendly services. Opportunities for technology integration, such as mobile apps for service tracking.
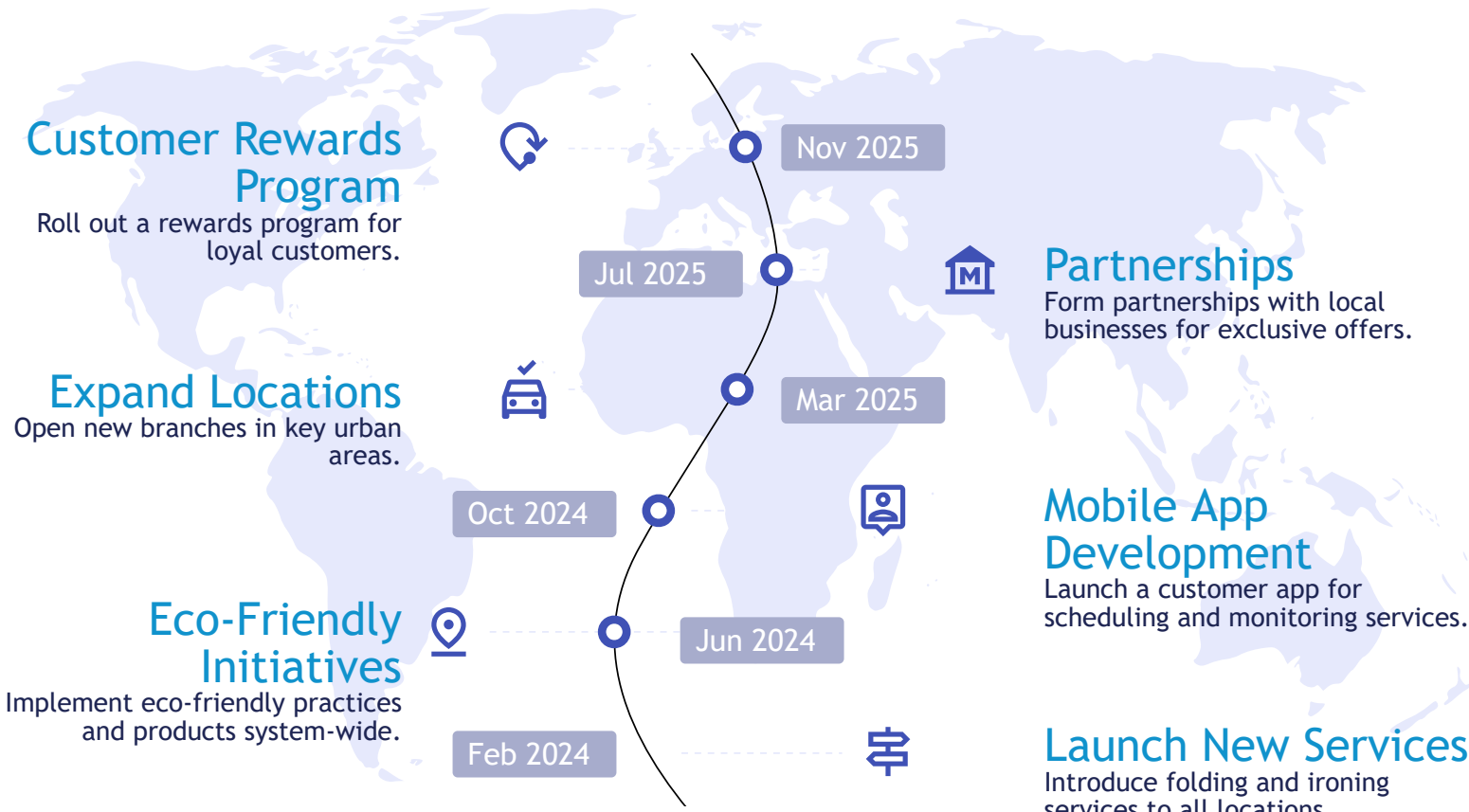
Threats

Competition from traditional laundromats and emerging on-demand services. Rising utility costs impacting operational expenses. Changing customer behaviors toward home laundry solutions. Economic downturns reducing discretionary spending. Regulatory changes affecting business operations.

History & Roadmap

Customer Rewards Program
Roll out a rewards program for loyal customers.

Expand Locations
Open new branches in key urban areas.

Eco-Friendly Initiatives
Implement eco-friendly practices and products system-wide.

Nov 2025

Jul 2025

Mar 2025

Oct 2024

Jun 2024

Feb 2024

Partnerships
Form partnerships with local businesses for exclusive offers.

Mobile App Development
Launch a customer app for scheduling and monitoring services.

Launch New Services
Introduce folding and ironing services to all locations.

Current Status.

- CleanCloud will introduce folding and ironing services by Feb 2024.
- By Jun 2024, eco-friendly practices will be implemented system-wide.
- Launch of a customer app for better service interaction by Oct 2024.
- Expansion into new urban areas with additional branches by Mar 2025.
- Forming strategic partnerships with local businesses by Jul 2025.
- Initiation of a customer rewards program to enhance loyalty by Nov 2025.

Organizational and Marketing Tasks

#	Check List Item	Status		Priority	Area	ETA
General Planning and Organization						
1	Finalize Business Plan	🔴	Not Started	High	CEO	2 weeks
2	Secure Initial Funding	🔴	Not Started	High	CFO	1 month
3	Register Business and Obtain Permits	🔴	Not Started	High	COO	3 weeks
4	Set Up Accounting Systems	🔴	Not Started	Medium	CFO	1 month
5	Develop Company Website	🔴	Not Started	High	CTO	2 months
6	Create Initial Branding and Logo	🔴	Not Started	Medium	CMO	1 month
7	Establish Supplier Relationships and Secure Equipment	🔴	Not Started	High	COO	2 months
8	Hire Key Staff	🔴	Not Started	High	CPO	1.5 months
Marketing						
1	Develop Brand Identity	🔴	Not Started	High	CMO	1 month
2	Launch Company Website	🔴	Not Started	High	CMO	2 months
3	Establish Social Media Presence	🔴	Not Started	Medium	CMO	1 month
4	Run Initial Marketing Campaign	🔴	Not Started	High	CMO	3 months
5	Develop Loyalty Programs	🔴	Not Started	Medium	CMO	4 months
6	Set Up Customer Feedback Channels	🔴	Not Started	Medium	CMO	1 month
7	Collaborate with Local Businesses for Cross-Promotions	🔴	Not Started	Low	CRO	5 months
8	Monitor and Analyze Marketing Efforts	🔴	Not Started	High	CMO	Ongoing

Overview of Phases

#	Check List Item	Status		Priority	Area	ETA
Phase 1 & Technical Set Up for next Phases						
1	Procure state-of-the-art washers and dryers	🔴	Not Started	High	COO	1 month
2	Set up initial infrastructure for self-service laundry	🔴	Not Started	High	COO	2 months
3	Acquire necessary permits and licenses	🔴	Not Started	High	CEO	3 weeks
4	Establish partnerships with eco-friendly detergent providers	🔴	Not Started	Medium	CPO	1 month
5	Implement initial eco-friendly waste management solutions	🔴	Not Started	High	CSO	1.5 months
6	Create a clean, welcoming environment	🔴	Not Started	Medium	COO	2 months
7	Train staff on operational protocols and customer service	🔴	Not Started	High	COO	3 weeks
8	Develop and implement stain removal and ironing protocols	🔴	Not Started	Medium	CPO	1 month
Phase 2						
1	Refine Core Services	🔴	Not Started	High	COO	2 weeks
2	Enhance User Experience	🔴	Not Started	High	CPO	1 month
3	Establish Loyalty Programs	🔴	Not Started	Medium	CMO	6 weeks
4	Introduce Pick-Up/Drop-Off Services	🔴	Not Started	High	COO	2 months
5	Expand Service Reach	🔴	Not Started	Medium	CRO	3 months
6	Market New Services	🔴	Not Started	High	CMO	4 weeks
7	Customer Feedback Integration	🔴	Not Started	Medium	CSO	1 month
8	Develop Training Programs for Staff	🔴	Not Started	Medium	CPO	5 weeks

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
Phase 3					
1	Develop Premium Service Packages	🔴 Not Started	High	CPO	2 months
2	Establish Corporate Partnerships	🔴 Not Started	High	CRO	3 months
3	Create Subscription Plans	🔴 Not Started	Medium	CBO	1.5 months
4	Launch Delivery Service	🔴 Not Started	High	COO	4 months
5	Develop Marketing Campaign for New Services	🔴 Not Started	Medium	CMO	2 months
6	Integrate Subscription Management System	🔴 Not Started	Medium	CTO	3 months
7	Train Staff for Enhanced Customer Service	🔴 Not Started	Low	COO	2 months
8	Pilot New Premium Services	🔴 Not Started	High	CEO	3 months
Phase 4					
1	Research and Develop Smart Laundry Technology	🔴 Not Started	High	CTO	6 months
2	Secure Funding for Smart Technology Integration	🔴 Not Started	High	CFO	3 months
3	Develop Franchising Model	🔴 Not Started	High	CEO	4 months
4	Pilot Test Eco-Friendly Solutions	🔴 Not Started	Medium	COO	5 months
5	Establish R&D Department	🔴 Not Started	Medium	CSO	2 months
6	Identify High-Risk Market Opportunities	🔴 Not Started	Medium	CIO	3 months
7	Develop Marketing Campaign for New Ventures	🔴 Not Started	Medium	CMO	4 months
8	Form Strategic Partnerships	🔴 Not Started	High	CRO	6 months

Core Risks & Migration Strategies

1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	Machine Downtime	COO	Implement a proactive maintenance schedule and keep spare parts in inventory to minimize machine downtime.
2	Employee Turnover	CPO	Develop comprehensive training programs and competitive compensation packages to enhance employee retention.
3	Supply Chain Disruptions	CIO	Establish multiple suppliers for critical materials and maintain a buffer stock to manage unexpected supply chain issues.
4	Utility Failures	CTO	Set up backup systems like generators for electricity and alternative water sources to ensure continuous operation.
5	Customer Service Issues	CMO	Implement a customer feedback loop and train staff to swiftly address and resolve complaints.

2. Regulatory and legal risks

#	Risk Type	Area	Mitigation Strategy
1	Environmental Compliance Violations	COO	Regularly audit and update processes to ensure full compliance with local and federal environmental regulations; provide staff training on eco-friendly practices.
2	Employee Safety and Labor Laws	CPO	Implement comprehensive health and safety policies; conduct regular safety training sessions and labor law workshops for all employees.
3	Consumer Protection Laws	CRO	Establish clear and transparent customer service policies; regularly review and update practices to comply with consumer protection laws.
4	Data Privacy Regulations	CIO	Enhance cybersecurity measures and ensure compliance with data protection regulations such as GDPR or CCPA; conduct regular audits and staff training on data privacy.
5	Tax Compliance	CFO	Maintain accurate financial records and employ expert tax advisors to ensure compliance with all tax laws and regulations; conduct periodic internal audits.

Core Risks & Migration Strategies

3. Strategic/Market Risk

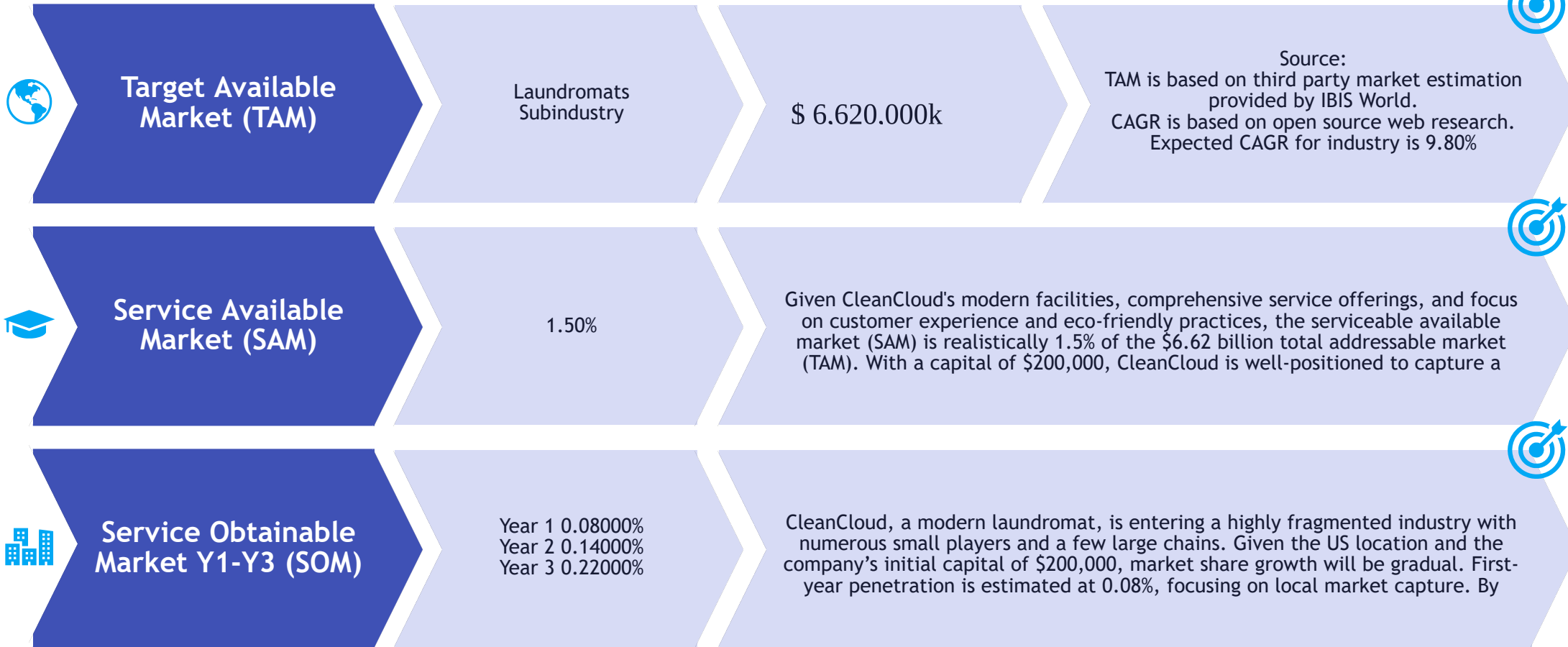| #	Risk Type	Area	Mitigation Strategy
1	Market Competition	CSO	Continuously monitor competitors and adapt services and pricing strategies to stay competitive and relevant in the market.
2	Changing Consumer Preferences	CMO	Conduct regular market research and surveys to understand evolving consumer needs and preferences; adjust service offerings based on insights gathered.
3	Economic Downturn	CFO	Create and maintain a financial buffer and diversify revenue streams to minimize adverse impacts during economic downturns.
4	Technological Obsolescence	CTO	Invest in R&D and continuously upgrade technology and infrastructure to stay ahead of industry advancements and consumer expectations.
5	Customer Retention	COO	Implement loyalty programs, enhance customer service, and gather feedback to ensure high satisfaction and repeat business.

4. Finance risk

#	Risk Type	Area	Mitigation Strategy
1	Cash Flow Instability	CFO	Implement a detailed cash flow management system and maintain an emergency cash reserve to manage periods of low revenue.
2	Capital Shortages	CFO	Secure diverse funding sources through loans, grants, and investor capital to ensure operations and growth ventures are adequately funded.
3	Unforeseen Expenditures	COO	Establish a contingency fund and conduct regular financial audits to identify and prepare for unexpected costs.
4	Credit Risk	CRO	Implement a rigorous credit assessment and monitoring process for corporate partnerships and large accounts.
5	Pricing Strategy Flaws	CFO	Conduct market research and competitive analysis regularly to adjust pricing strategies, ensuring they align with cost structures and consumer expectations.

5. Other general risk

#	Risk Type	Area	Mitigation Strategy
1	Customer Dissatisfaction	CPO	Implement consistent customer feedback mechanisms and quickly act on suggestions to improve service quality and customer experience.
2	Technological Advancements	CTO	Continuously monitor industry trends and invest in the latest technology to maintain a competitive edge and keep services modern.
3	Reputation Damage	CMO	Develop a robust PR and communication strategy to quickly address any negative publicity and enhance the company's reputation through positive media engagement.
4	Market Competition	CSO	Conduct regular market analysis to understand competitors and develop unique selling propositions (USPs) to distinguish CleanCloud from its competition.
5	Employee Turnover	COO	Implement employee engagement programs and offer competitive benefits to retain talent and reduce turnover rates.

Market Overview (TAM, SAM and SOM)

Target Available Market (TAM)	Laundromats Subindustry	$ 6.620.000k	Source: TAM is based on third party market estimation provided by IBIS World. CAGR is based on open source web research. Expected CAGR for industry is 9.80%
Service Available Market (SAM)	1.50%		Given CleanCloud's modern facilities, comprehensive service offerings, and focus on customer experience and eco-friendly practices, the serviceable available market (SAM) is realistically 1.5% of the $6.62 billion total addressable market (TAM). With a capital of $200,000, CleanCloud is well-positioned to capture a
Service Obtainable Market Y1-Y3 (SOM)	Year 1 0.08000% Year 2 0.14000% Year 3 0.22000%		CleanCloud, a modern laundromat, is entering a highly fragmented industry with numerous small players and a few large chains. Given the US location and the company's initial capital of $200,000, market share growth will be gradual. First-year penetration is estimated at 0.08%, focusing on local market capture. By

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.
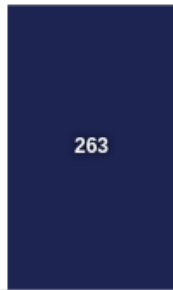Table below presents the overview of expected inflows and outflows.

The total investment required is $ 200k

Y1 Cash Flow Streem(thnd USD)	Inflows	Outlows
Gross Profit	11	
Payroll Expenses		2
Rent & Utilities		2
Marketing and Branding		1
Communication Expenses		0
Capex		200
Office supplies		0
Legal and Professional Fees		0
Representation and Entert.		0
Training and Development		0
Other Miscellaneous		0
CAPEX & WC shortage Y1		195
Buffer		5
Total Required Investment(thnd USD)		200

Payroll Expenses — 1.16%

Rent & Utilities — 0.77%

Marketing and Branding — 0.39%

Communication Expenses — 0.19%

Capex — 97.00%

Other — 0.50%

Financials Dashboard

Y3 PL formation and Margins

Revenue

Projected Revenue

263

| ● GP 14.1% |
| ● EBITDA 6.3% |

Y3

Y3

PnL Formation (Y3 thnd USD)

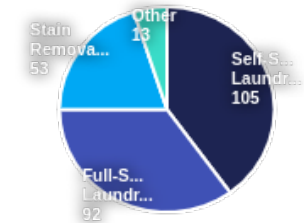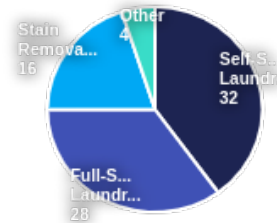263 | -226 | 37 | -8 | -13 | 17 | -27 | -11

Revenue | COGS | GP | SG&A Pers. | SG&A Ops | EBITDA | Depr. | EBIT
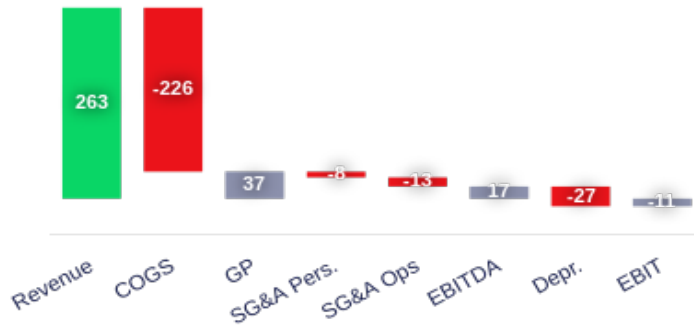
Business Line Breakdown (thnd USD)

Y1   **Y2**

Revenue

Y1: Other 4, Stain Remova... 16, Self-S... Laundr... 32, Full-S... Laundr... 28

Y2: Other 13, Stain Remova... 53, Self-S... Laundr... 105, Full-S... Laundr... 92

COGS

Y1: Other 1, Utilit... 16, Labor 40, Machin. Mainte... 12

Y2: Other 2, Utilit... 53, Labor 132, Machin. Mainte... 40

Admin

Y1: Other 2, Payrol... Expens... 2, Commun... Expens... 0, Rent & Utilit... 2

Y2: Other 6, Payrol... Expens... 8, Commun... Expens... 1, Rent & Utilit... 5
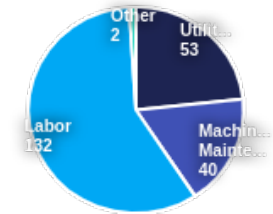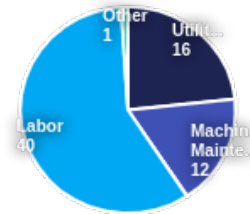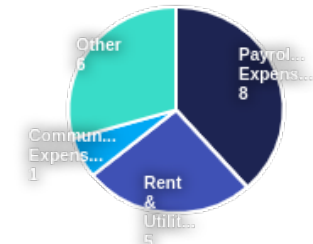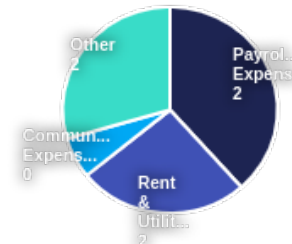
Revenue Formation Narrative

CleanCloud operates in the Drycleaning and Laundry Services industry, offering modern, efficient, and eco-friendly laundry services. With a total addressable market (TAM) of 6,620,000k USD USD, CleanCloud is estimated to capture a serviceable available market (SAM) of 1.5%. This SAM estimate is based on CleanCloud's unique value proposition, which includes state-of-the-art machines, extensive service offerings, and a focus on customer experience and eco-friendly practices. Using an initial capital of 200k USD USD, CleanCloud aims to enter the highly fragmented US laundromat industry, which is characterized by numerous small players and a few large chains. In the first year, CleanCloud anticipates a serviceable obtainable market (SOM) of 0.08%, translating to total revenues of 79.44k USD USD. For the second year, the SOM is projected to grow to 0.14%, yielding total revenues of 152.644k USD USD. By the third year, the SOM should reach 0.22%, with expected revenues of 263.376k USD USD. CleanCloud's revenue is driven by four main lines of business: Self-Service Laundry (40%), Full-Service Laundry (35%), Stain Removal (20%), and Other (5%). By leveraging its strong commitment to exceptional service and eco-friendly practices, CleanCloud is well-positioned to achieve steady revenue growth and establish itself as a key player in the US laundromat industry.

$ 263k Y3 Projected Revenue

0.12% Market share
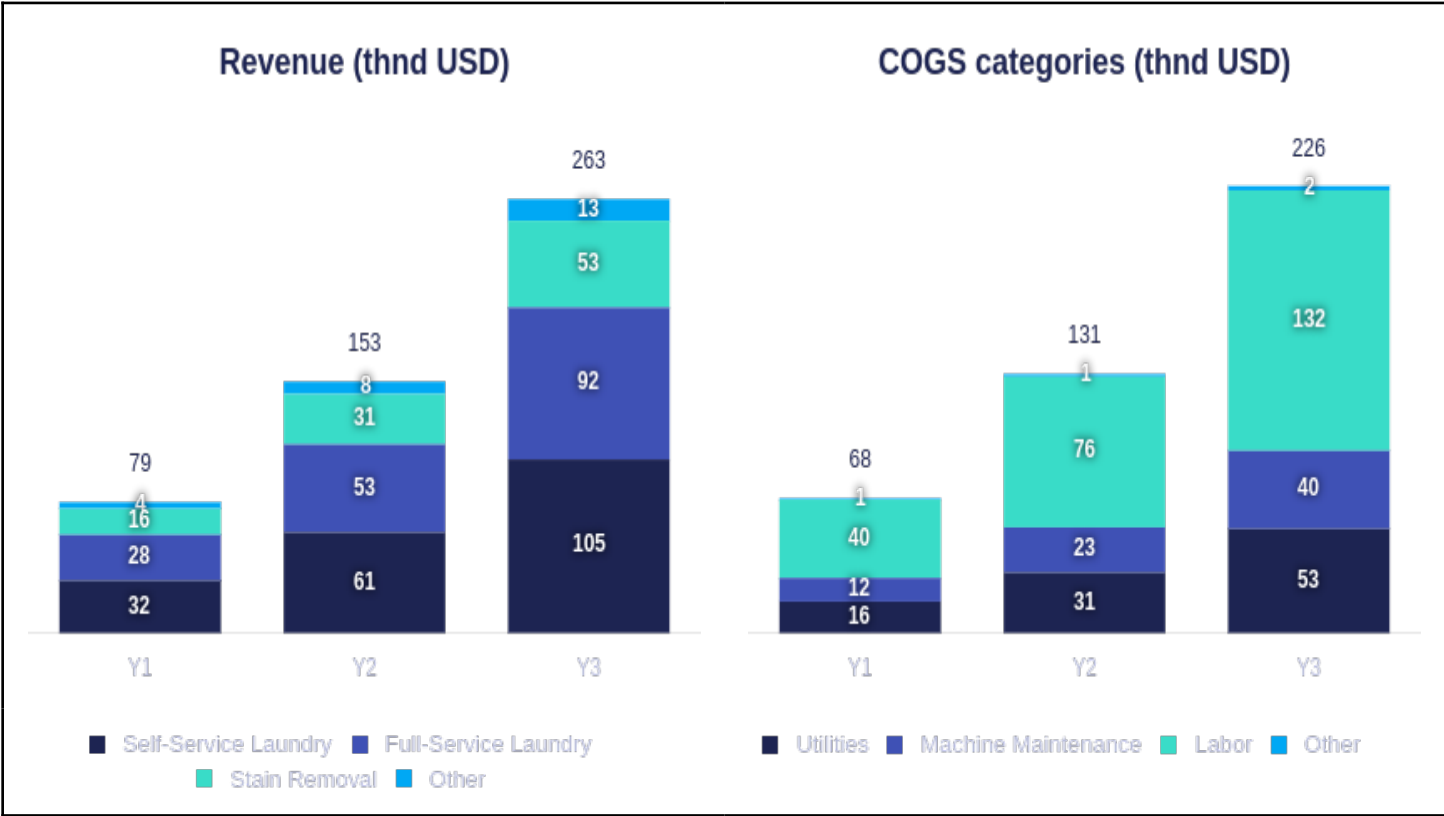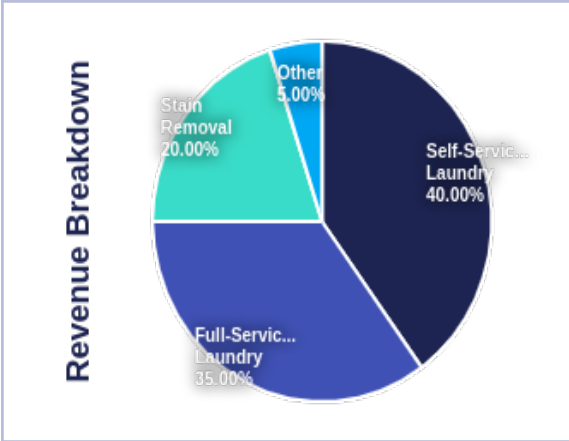
Revenue Calculation Details

Revenue Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Self-Service Laundry	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%
Full-Service Laundry	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%
Stain Removal	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%
Other	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %	5 %

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Self-Service Laundry	2	2	2	2	2	2	3	3	3	3	3	3	32	61	105
Full-Service Laundry	2	2	2	2	2	2	3	3	3	3	3	3	28	53	92
Stain Removal	1	1	1	1	1	1	1	1	1	2	2	2	16	31	53
Other	0	0	0	0	0	0	0	0	0	0	0	0	4	8	13
Total Revenue (thnd USD)	**5**	**5**	**5**	**6**	**6**	**6**	**7**	**7**	**7**	**8**	**8**	**8**	**79**	**153**	**263**

Total revenue is expected to reach $ 263k by year 3.

Main revenue driver are:

• Self-Service Laundry which generates $ 105k by Year 3

• Full-Service Laundry which generates $ 92k by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 82.08 %

Revenue Breakdown

COGS Calculation Details

COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Utilities	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%
Machine Maintenance	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%
Labor	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Other	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%

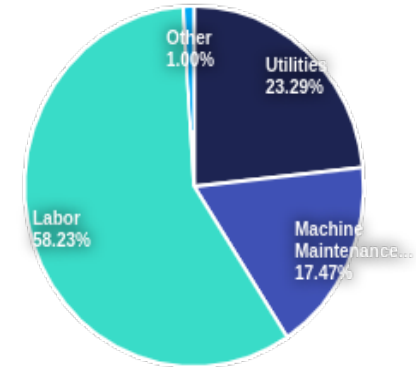|	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Utilities	1	1	1	1	1	1	1	1	1	2	2	2	16	31	53
Machine Maintenance	1	1	1	1	1	1	1	1	1	1	1	1	12	23	40
Labor	2	2	2	3	3	3	4	4	4	4	4	4	40	76	132
Other	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2
Total COGS (thnd USD)	4	4	4	5	5	5	6	6	6	7	7	7	68	131	226

Total COGS is expected to reach $ 226k by year 3.

Main revenue driver are:

• Labor which generates $ 132k by Year 3

• Utilities which generates $ 53k by Year 3

Expected CAGR for total COGS in Y1-Y3 is 82.08 %

COGS Breakdown: Other 1.00%, Utilities 23.29%, Machine Maintenance 17.47%, Labor 58.23%

SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Payroll Expenses	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%
Rent & Utilities	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%
Communication Expenses	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%
Office supplies	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
Legal and Professional Fees	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
Marketing and Branding	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%
Representation and Entertainment	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
Training and Development	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
Other Miscellaneous	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Payroll Expenses	0	0	0	0	0	0	0	0	0	0	0	0	2	5	8
Rent & Utilities	0	0	0	0	0	0	0	0	0	0	0	0	2	3	5
Communication Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Office supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Legal and Professional Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Marketing and Branding	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
Representation and Entertainment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Training and Development	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Other Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Total SG&A (thnd USD)	**0**	**0**	**0**	**0**	**0**	**0**	**1**	**1**	**1**	**1**	**1**	**1**	**6**	**12**	**21**

Income Statement (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Revenue	5	5	5	6	6	6	7	7	7	8	8	8	79	153	263
Self-Service Laundry	2	2	2	2	2	2	3	3	3	3	3	3	32	61	105
Full-Service Laundry	2	2	2	2	2	2	3	3	3	3	3	3	28	53	92
Stain Removal	1	1	1	1	1	1	1	1	1	2	2	2	16	31	53
Other	0	0	0	0	0	0	0	0	0	0	0	0	4	8	13
COGS	-4	-4	-4	-5	-5	-5	-6	-6	-6	-7	-7	-7	-68	-131	-226
Utilities	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-2	-2	-16	-31	-53
Machine Maintenance	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-12	-23	-40
Labor	-2	-2	-2	-3	-3	-3	-4	-4	-4	-4	-4	-4	-40	-76	-132
Other	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-1	-1	-2
Gross Profit	1	1	1	1	1	1	1	1	1	1	1	1	11	22	37
SG&A Personal Expenses	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-2	-5	-8
SG&A Operating Expenses	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-4	-7	-13
EBITDA	0	0	0	0	0	0	0	0	0	1	1	1	5	10	17
Depreciation	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-27	-27	-27
EBIT	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-22	-18	-11
Interest Expense	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-2	-2	-2
Profit before Tax	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-24	-20	-13
Tax	0	0	0	0	0	0	0	0	0	0	0	0	5	4	3
Profit after Tax (thnd USD)	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-19	-16	-10

Required Return on Equity Derivation

Cost of Capital: CAPM Inputs
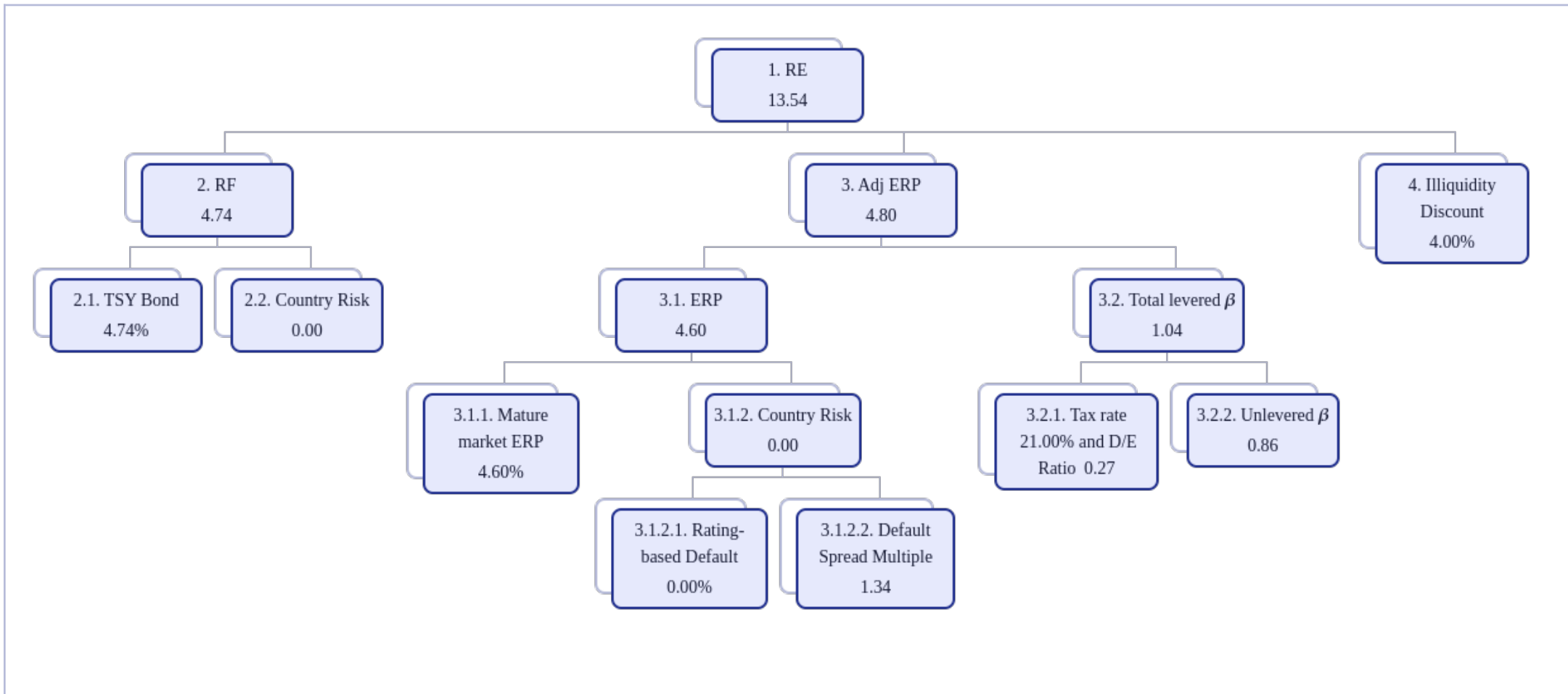
Methodology

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)+β ∗ (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 correspondingindustries. 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 Premiumof 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

DCF	(thnd USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
	Profit after Tax	-19	-16	-10	-11	-12	-13	-15
	Growth% Y4-Y7				9.80%	9.80%	9.80%	9.80%
	Growth% Y7 -->	3.50%						
	WACC	13.54%						
	PV Y1-Y7 at Y0	-17	-12	-7	-7	-6	-6	-6
	PV Y7 --> Y0	-62						
	NPV (thnd USD)	-124						

Average Survival Rate for 3 Years	50%

Final Valuation	-$ 62k
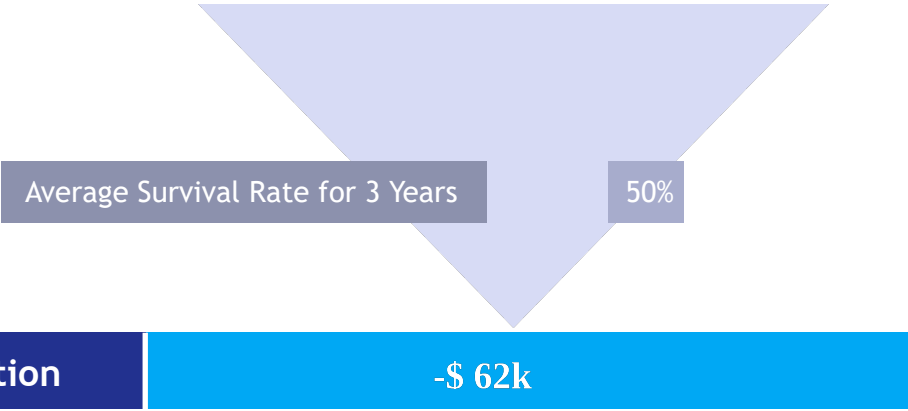
The valuation is conducted using the Discounted Cash Flow (DCF) method. In this method, the projected cash flows for a period of 7 years, along with a terminal value, are discounted at a rate of 13.54 % to determine the Firm Value.

Starting from year 3 onwards, the cash flows are estimated to grow at a rate of 9.80 %, 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.

Glossary

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 oods sold
DCF - Discounted cash flow
Depr. – Depreciation
EBIT - Earnings before interest and taxes
EBITDA - Earnings before nterest, axes, depreciation, and amortization
EBT - Earnings Before Tax
ERP - Equity Risk Premium
ETA – Estimated Time of Arrival
EV - nterprise Value
FA (Tangible and Intangible) - Fixed assets (tangible and intangible)
FX – Foreign Exchange
FY - Fiscal year
GP - ross profit
k $ - Thousands of $
LLM – Large Language Model
LFY - Last fiscal year
m $ - Millions of $
MTD - Month-to-date
MVP – inimum Viable Product
NFT – Non-Fungible Token
NPV - Net present value
OPEX - Operating Expense
P&L - A profit and loss (P&L) tatement
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

Disclaimer

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Please note that the valuation results presented here are based on the Discounted Cash Flow (DCF) method and various assumptions, including projected cash flows, growth rates, discount rates, and survival rates. These assumptions are subject to change and may not accurately reflect future market conditions or the performance of the business.

The valuation does not guarantee future financial performance or the accuracy of the projections. Actual results may differ materially from those presented in this analysis due to numerous factors, including but not limited to changes in economic conditions, market dynamics, competition, regulatory factors, and unforeseen events.

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