

Business Plan & Valuation Presentation



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OUR VISION & MISSION

Our Mission

MasterMechanic Garage is dedicated to providing high-quality, reliable automotive services for all makes and models. Through our skilled team of technicians, we offer comprehensive services including routine maintenance, diagnostics, repairs, and parts replacement, all performed with precision and care. By prioritizing customer satisfaction through transparent communication, timely service, and a commitment to using the latest technology and highest-quality parts, we ensure that every vehicle operates safely and efficiently, providing peace of mind and exceptional value to our clients.

Our Vision

MasterMechanic Garage envisions becoming the leading auto repair service provider trusted by communities nationwide. In twenty years, we aim to set the standard for automotive maintenance and repair through innovation and dedication to excellent service. Our aspiration is to be recognized not only for our technical expertise but also for our unwavering commitment to customer satisfaction and vehicle safety. We strive to create a future where our comprehensive and precision-driven services are synonymous with reliability and excellence, ensuring that every vehicle on the road operates at its highest potential.



Summary Financials Dashboard

Key performance indicators
(Base Scenario Y3)

\$ 1,533,058

Revenue

\$ 449,186

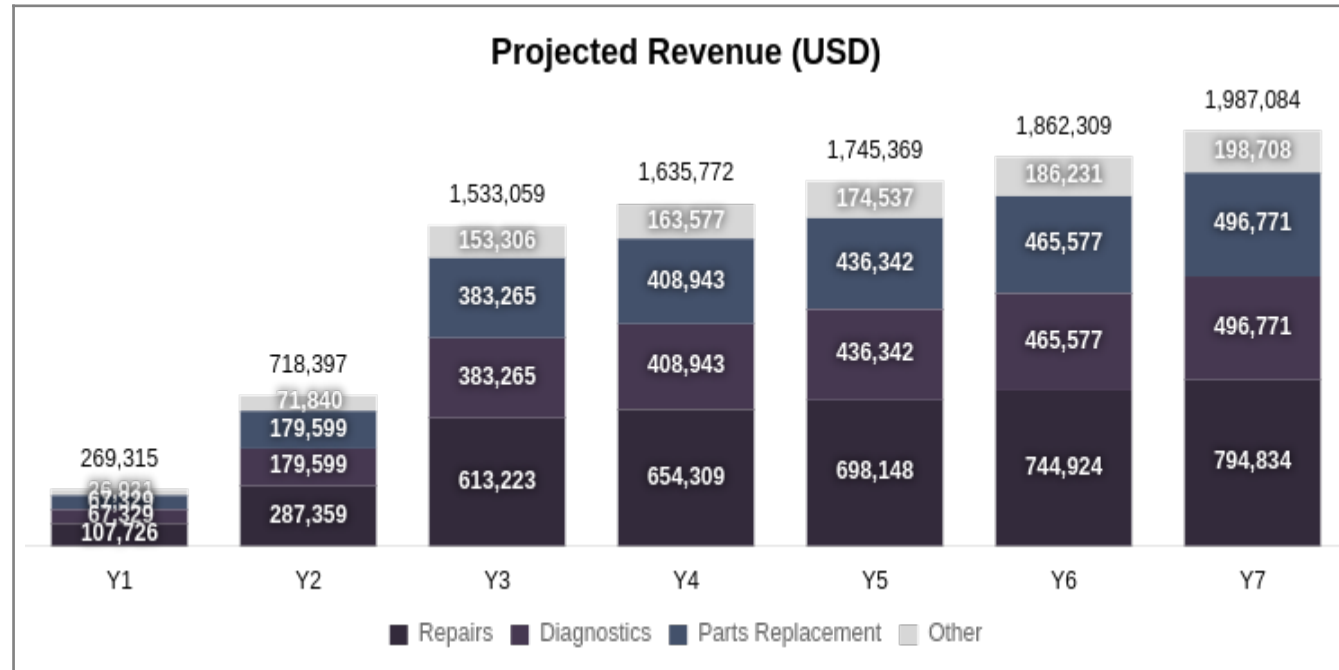
Gross Profit

\$ 220,760

EBITDA

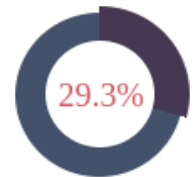
0.00%

Target Market Share

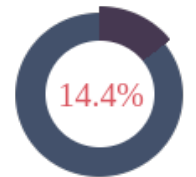


Margins
(Stabilized by Y3)

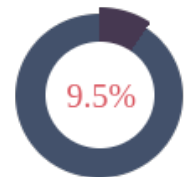
GP Margin



EBITDA Margin



PbT Margin

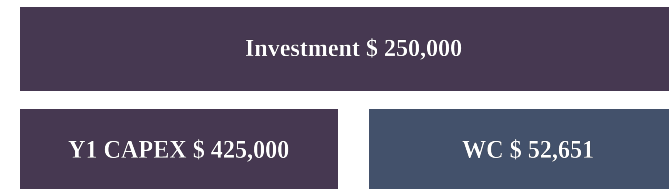


Project Phases

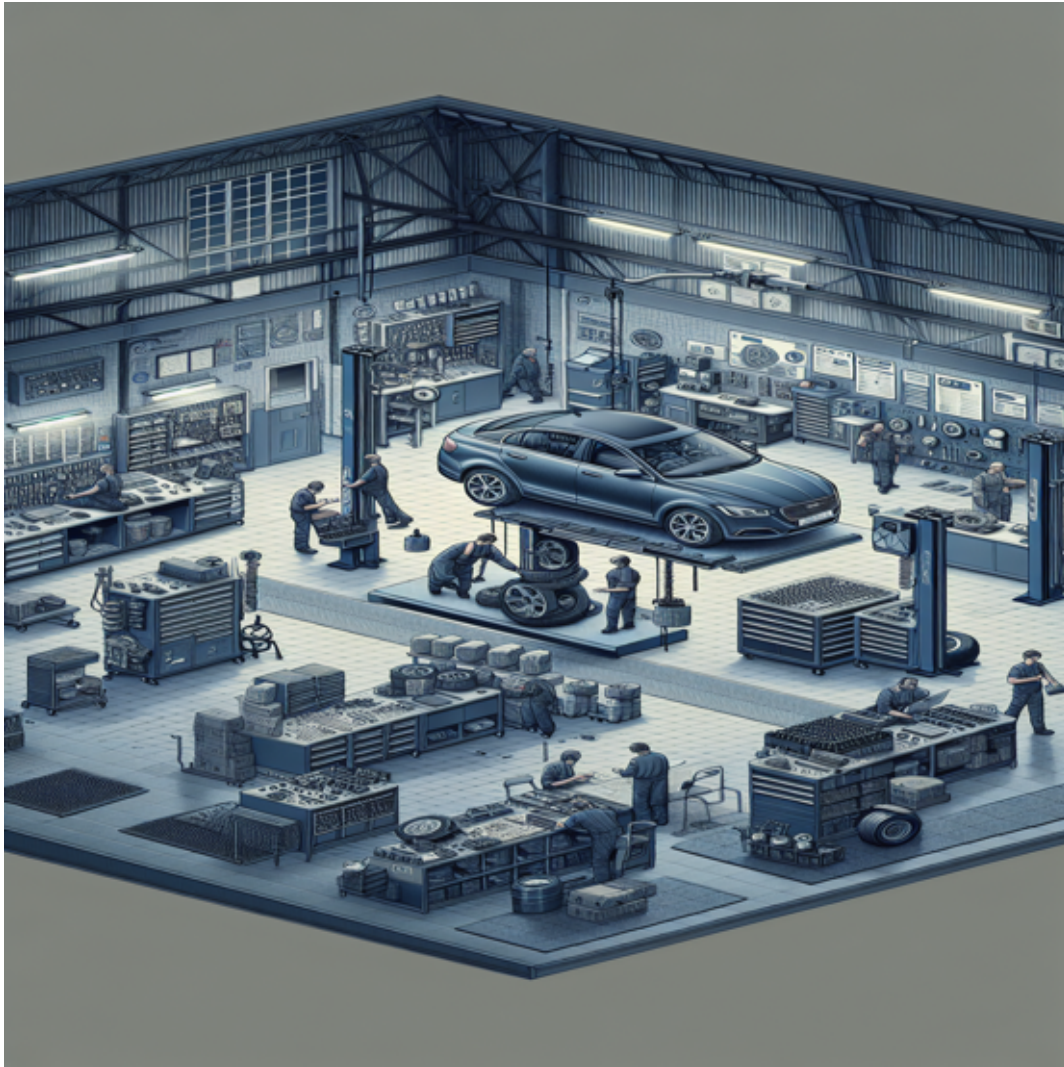


Funding round is aimed to accelerate the development of Phases and create core infrastructure for operations.

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



About the Company: General Overview



MasterMechanic Garage is a trusted auto repair shop dedicated to providing high-quality, reliable automotive services for all makes and models. Specializing in the maintenance and repair of motor vehicles, MasterMechanic operates within the Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles sector. The company boasts a team of skilled technicians who offer a comprehensive range of services, including routine maintenance, diagnostics, repairs, and parts replacement, all executed with precision and care. At MasterMechanic Garage, customer satisfaction is paramount, achieved through transparent communication, timely service, and a commitment to using the latest technology and highest-quality parts. The primary goal is to ensure that every vehicle operates safely and efficiently, delivering peace of mind and exceptional value to all clients. By focusing on these core principles, MasterMechanic Garage has established itself as a reliable and respected name in the automotive repair industry.

The Main Phases: Projects & Impacts



Product Impact on Core Stakeholders

Main Stakeholder	Product Benefits
Customers	<ol style="list-style-type: none">1. Receive high-quality routine maintenance and essential diagnostic services, ensuring their vehicles' longevity and performance.2. Benefit from advanced repair services and cutting-edge diagnostic tools, minimizing downtime and disruption.3. Access to premium services like eco-friendly repair options and on-demand mobile repair units, offering convenience and sustainability.

Key Performance Components

Competitive Advantage

Skilled Technicians

MasterMechanic Garage employs a team of skilled technicians who provide high-quality, reliable automotive services for all vehicle makes and models.

Comprehensive Services

Offering a full range of services, including routine maintenance, diagnostics, and parts replacement, ensuring thorough care for every vehicle.

Customer Focus

Commitment to customer satisfaction through transparent communication, timely service, and the use of the latest technology and high-quality parts.

Marketing and Growth Strategy










Invest in targeted local advertising campaigns including flyers, radio spots, and community events to increase brand awareness and attract foot traffic to the garage.

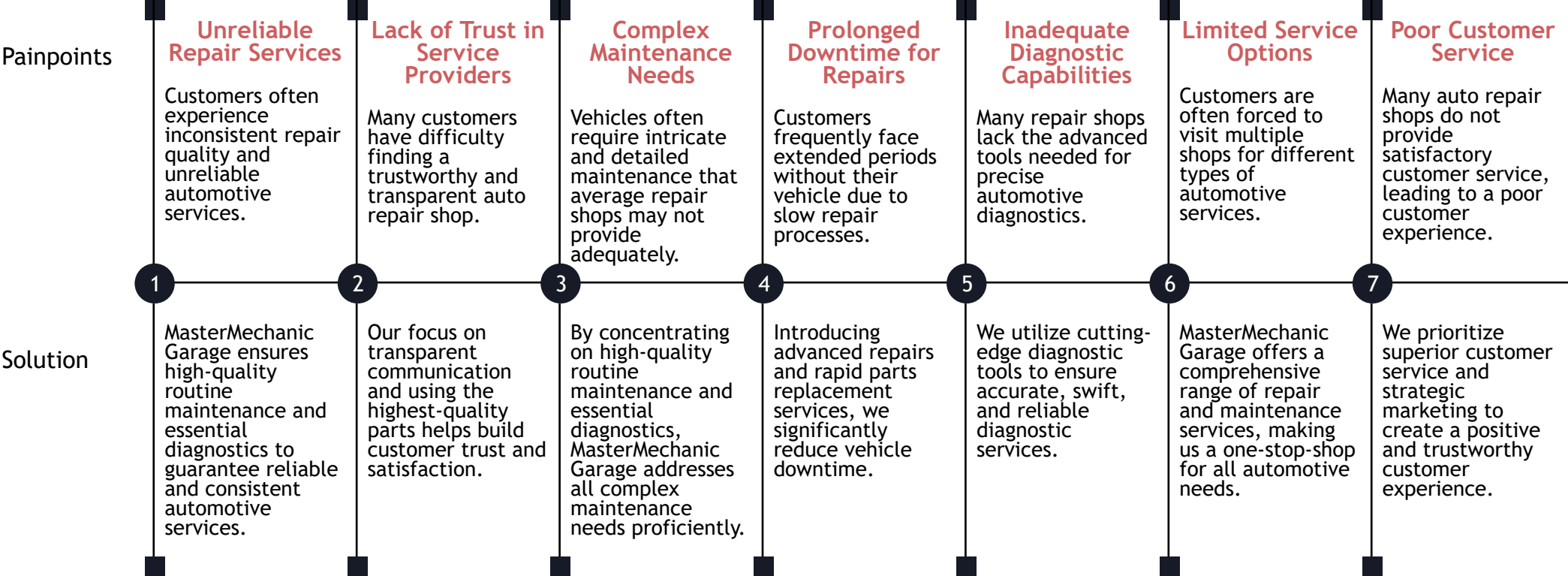
Implement customer loyalty programs offering discounts or free services after a certain number of visits to encourage repeat business and foster long-term relationships.

Enhance online presence through a user-friendly website and active social media engagement to provide updates, special offers, and auto care tips to attract a tech-savvy audience.

Target Groups


	Industries	Description
I	 Individual Vehicle Owners	These are everyday car owners who need reliable and routine maintenance, diagnostics, and repair services to ensure their vehicles run safely and efficiently.
II	 Fleet Managers	Businesses that manage a fleet of vehicles require consistent and efficient maintenance services to keep their operations running smoothly and minimize downtime.
III	 Car Dealerships	Dealerships can partner with MasterMechanic Garage for offloading some of their maintenance and repair workloads, ensuring quality service for their customers.
IV	 Rideshare Drivers	Rideshare and delivery drivers require frequent, cost-effective, and quick maintenance services to keep their vehicles in top condition and remain operational.
V	 Classic Car Enthusiasts	Owners of classic and vintage cars need specialized expertise and high-quality parts and services to maintain and restore their valuable vehicles.
VI	 Auto Parts Retailers	Retailers looking for repair partners to provide installation and diagnostic services to their customers who purchase parts.
VII	 Commercial Trucking Companies	Companies that operate commercial trucks require specialized repair and maintenance services to keep their substantial investments in operational condition.

Solution from Phase I to Phase IV




Strategic Analysis: SWOT

Strength




Highly skilled technicians ensure top-notch service quality. Comprehensive service range covers all aspects of vehicle maintenance and repair. Strong reputation for reliability and customer satisfaction. Use of latest technology enhances service efficiency. Commitment to high-quality parts ensures lasting repairs.

Weaknesses




Dependence on skilled technicians may lead to service delays. Limited presence compared to franchise chains. High operational costs due to quality parts and technology. Vulnerability to economic downturns reducing discretionary spending on maintenance. Competition from DIY enthusiasts and cheaper local garages.

Opportunities



Growing vehicle ownership increases demand for maintenance. Expansion into digital services, offering online booking and diagnostics. Partnerships with auto manufacturers for authorized service center status. Introducing eco-friendly services to capture green vehicle segment. Rising trend in used car sales demands reliable maintenance services.

Threats



Intense competition from established auto service chains. Volatile economic conditions affecting service volume. Rapid technological advancements necessitate continuous training and investment. Fluctuating parts prices impacting profitability. Regulatory changes in the automotive industry could require costly adjustments.

Management Team

Overview

Over 20 years in the auto repair industry, leading the garage with a focus on quality service and customer satisfaction.



Co-Founder & CEO

Marie Lefevre



Co-Founder & Operations Manager

Overview

Experienced in managing daily operations and ensuring efficient workflows in the repair shop.

Overview

15+ years of experience in automotive repairs, specializing in engine diagnostics and complex repairs.



Lead Mechanic

Claire Dubois



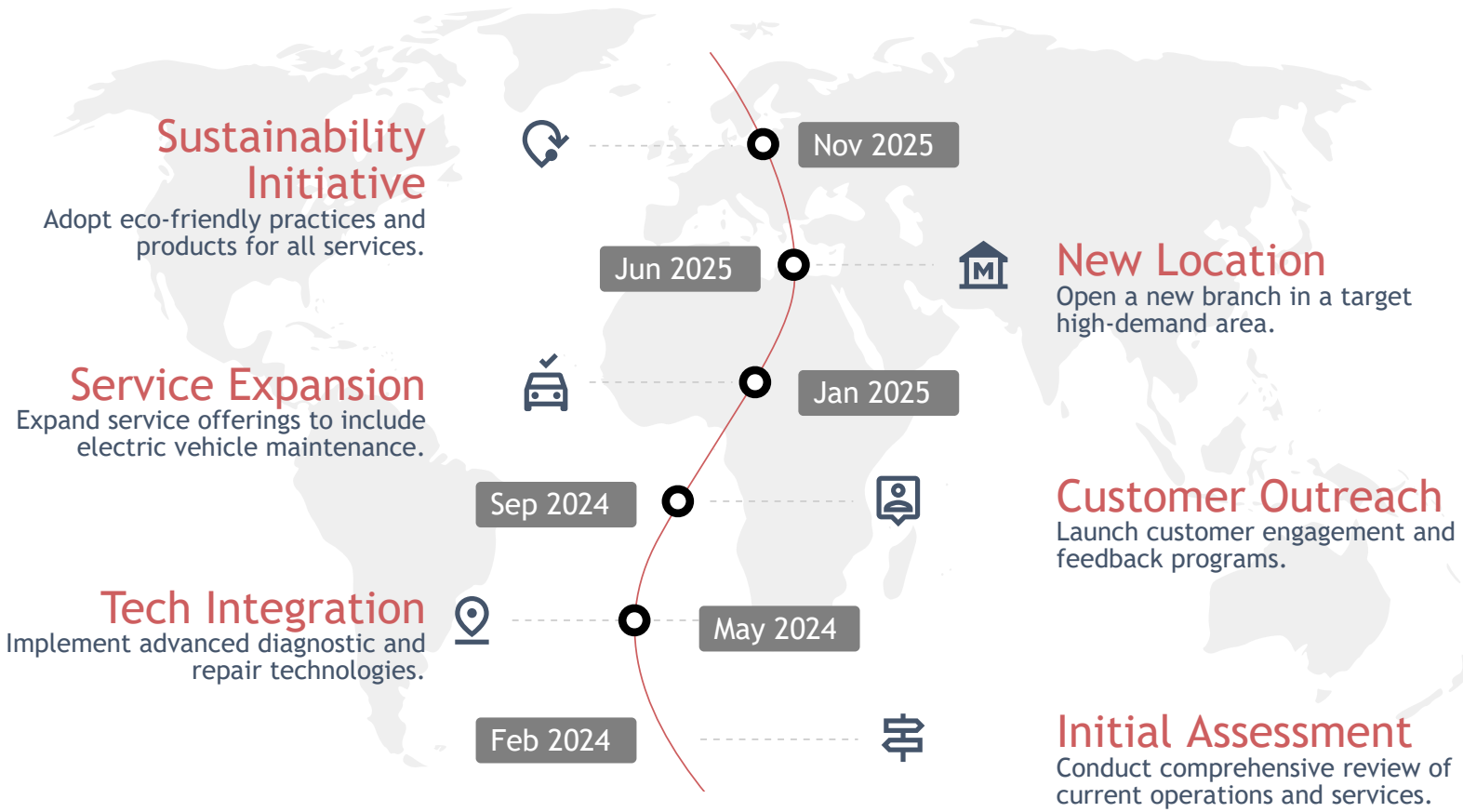
Customer Service Manager

Overview

Expert in customer relations and ensuring clients receive the best experience and solutions for their vehicles.



History & Roadmap



Current Status.

- Initial assessment in Feb 2024 to review and optimize operations.
- Tech integration by May 2024 to enhance precision and efficiency.
- Customer outreach in Sep 2024 to improve service quality.
- Service expansion by Jan 2025 to include electric vehicle maintenance.
- New location opening in Jun 2025 to meet growing demand.
- Sustainability initiative by Nov 2025 to adopt eco-friendly practices.

Organizational and Marketing Tasks

#	Check List Item	Status	Priority	Area	ETA
General Planning and Organization					
1	Define Company Vision and Mission	●	Not Started	High	CEO 2 weeks
2	Develop Comprehensive Business Plan	●	Not Started	High	CFO 1 month
3	Set Up Legal Structure and Obtain Necessary Licenses	●	Not Started	High	COO 1 month
4	Recruit Key Management Team and Skilled Technicians	●	Not Started	High	CPO 2 months
5	Finalize Location and Secure Facility	●	Not Started	High	COO 2 months
6	Develop IT Infrastructure and Operational Systems	●	Not Started	Medium	CTO 3 months
7	Create Safety and Quality Control Protocols	●	Not Started	High	CSO 1 month
8	Set Up Accounting and Financial Management Systems	●	Not Started	Medium	CFO 2 months
Marketing					
1	Develop Comprehensive Marketing Strategy	●	Not Started	High	CMO 2 months
2	Create Company Website with SEO Optimization	●	Not Started	High	CTO 1 month
3	Establish Social Media Presence	●	Not Started	Medium	CMO 1 month
4	Launch Initial Brand Awareness Campaign	●	Not Started	High	CRO 3 months
5	Develop Customer Referral Program	●	Not Started	Medium	CRO 2 months
6	Build Relationships with Local Businesses for Partnerships	●	Not Started	High	COO 4 months
7	Implement Email Marketing Campaigns	●	Not Started	Medium	CMO 2 months
8	Create Online Content (Blogs, Videos) for Engagement	●	Not Started	Medium	CMO 3 months

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA	
Phase 1 & Technical Set Up for next Phases						
1	Secure initial funding	●	Not Started	High	CFO	2 months
2	Hire skilled technicians	●	Not Started	High	COO	1 month
3	Set up initial workshop space	●	Not Started	High	COO	2 months
4	Procure basic diagnostic tools and equipment	●	Not Started	High	CTO	1 month
5	Develop standard operating procedures (SOPs) for repairs	●	Not Started	Medium	CPO	2 months
6	Obtain necessary licenses and permits	●	Not Started	High	CSO	1 month
7	Implement a customer management system	●	Not Started	Medium	CIO	3 months
8	Establish supply chain for parts and materials	●	Not Started	High	CBO	2 months
Phase 2						
1	Introduce advanced repair services	●	Not Started	High	COO	2 months
2	Procure cutting-edge diagnostic tools	●	Not Started	High	CTO	1 month
3	Implement rapid parts replacement system	●	Not Started	High	COO	3 months
4	Launch targeted marketing campaigns	●	Not Started	High	CMO	2 months
5	Enhance customer service protocols	●	Not Started	Medium	COO	1.5 months
6	Establish partnerships with parts suppliers	●	Not Started	Medium	CPO	2 months
7	Train staff on advanced repair techniques	●	Not Started	High	CTO	3 months
8	Expand service offerings to cover more vehicle models	●	Not Started	Medium	CSO	4 months

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA	
Phase 3						
1	Launch Premium Subscription Services	●	Not Started	High	COO	2 months
2	Introduce Eco-Friendly Repair Options	●	Not Started	High	CPO	3 months
3	Deploy On-Demand Mobile Repair Units	●	Not Started	High	COO	4 months
4	Investigate Ancillary Markets	●	Not Started	Medium	CSO	2 months
5	Develop Marketing Strategies for New Offerings	●	Not Started	High	CMO	1 month
6	Create Pricing Model for Premium Services	●	Not Started	Medium	CFO	1 month
7	Partner with Local Eco-Friendly Parts Suppliers	●	Not Started	Medium	CBO	3 months
8	Optimize Logistics for Mobile Repair Units	●	Not Started	Medium	COO	2 months
Phase 4						
1	Enter Electric Vehicle Repair Market	●	Not Started	High	CEO	6 months
2	Develop Proprietary Diagnostic Software	●	Not Started	High	CTO	8 months
3	Establish Partnerships for Advanced Automotive Technology	●	Not Started	High	CBO	4 months
4	Evaluate High-Risk, High-Reward Ventures	●	Not Started	Medium	CSO	3 months
5	Explore Funding Options for New Ventures	●	Not Started	High	CFO	2 months
6	Assess Market Demand for Electric Vehicles Repair	●	Not Started	Medium	CRO	3 months
7	Hire Specialist for Advanced Automotive Technologies	●	Not Started	Medium	COO	5 months
8	Pilot Test Proprietary Diagnostic Software	●	Not Started	Medium	CTO	6 months

Core Risks & Mitigation Strategies

1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	Equipment Failure	COO	Implement a rigorous maintenance schedule for all equipment and ensure regular updates and inspections to prevent unexpected breakdowns.
2	Technician Skill Gaps	CPO	Invest in continuous training and certification programs to ensure all technicians are skilled in the latest automotive technologies and repair techniques.
3	Inventory Shortages	COO	Develop strong relationships with multiple suppliers, and implement an inventory management system to anticipate and respond to demand effectively.
4	Service Delays	COO	Utilize project management software to track service progress and allocate resources efficiently to minimize delays and bottlenecks.
5	Customer Dissatisfaction	CMO	Implement a customer feedback system and regularly review and address customer concerns to ensure high service quality and satisfaction.

2. Regulatory and legal risks

#	Risk Type	Area	Mitigation Strategy
1	Environmental Regulations Compliance	COO	Implement and continually update eco-friendly practices and compliance protocols to adhere to evolving environmental regulations.
2	Safety Standards Violations	COO	Regularly audit and enforce strict adherence to safety standards to avoid legal liabilities and ensure a safe working environment.
3	Employment Law Compliance	CPO	Ensure all hiring, employment, and labor practices are compliant with local laws and regulations through continuous training and legal consultations.
4	Data Protection and Privacy	CIO	Implement robust data protection measures and regularly review data privacy policies to ensure compliance with all relevant data protection laws.

3. Strategic/Market Risk

#	Risk Type	Area	Mitigation Strategy
1	Changing Market Trends	CMO	Regularly monitor and adapt to market trends.
2	Increased Competition	CSO	Differentiate through superior service and unique offerings.
3	Customer Retention	CRO	Implement loyalty programs and ensure top-notch customer service.
4	Pricing Pressure	CFO	Optimize costs and provide value-added services.
5	Technological Advancements	CTO	Stay updated with and invest in new technologies.

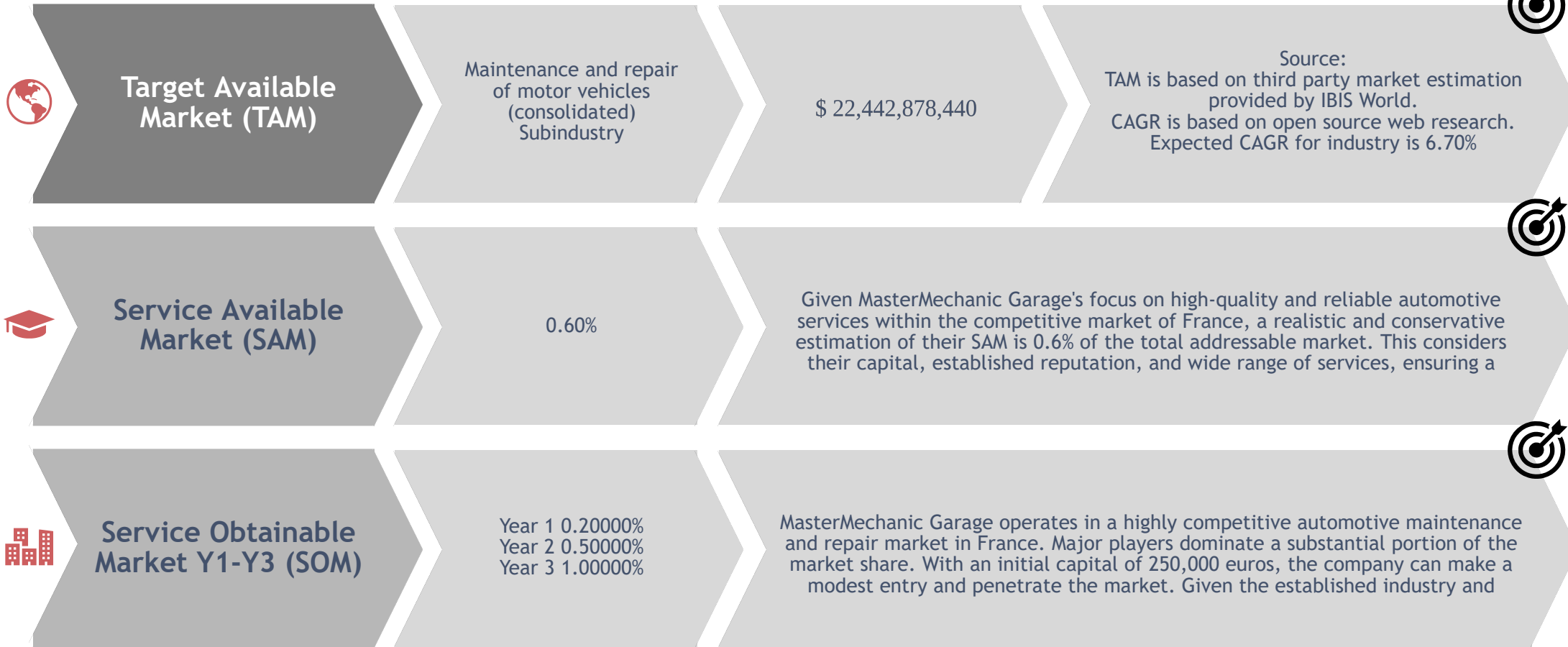
4. Finance risk

#	Risk Type	Area	Mitigation Strategy
1	Cash Flow Issues	CFO	Maintain a cash reserve and optimize payment terms.
2	High Operational Costs	COO	Implement cost-control measures and regular audits.
3	Capital Shortages	CFO	Secure diverse funding sources and manage credit lines.
4	Unpredictable Revenue Streams	CRO	Develop multiple revenue channels and forecast accurately.
5	Interest Rate Fluctuations	CFO	Lock in fixed interest rates and use hedging strategies.

5. Other general risk

#	Risk Type	Area	Mitigation Strategy
1	Technological Obsolescence	CTO	Invest in ongoing tech upgrades
2	Brand Reputation Damage	CMO	Implement robust PR strategies
3	Talent Retention Issues	CPO	Offer competitive benefits
4	Supply Chain Disruptions	COO	Diversify suppliers
5	Customer Data Breaches	CIO	Enhance cybersecurity measures

Market Overview (TAM, SAM and SOM)



Funding Allocation

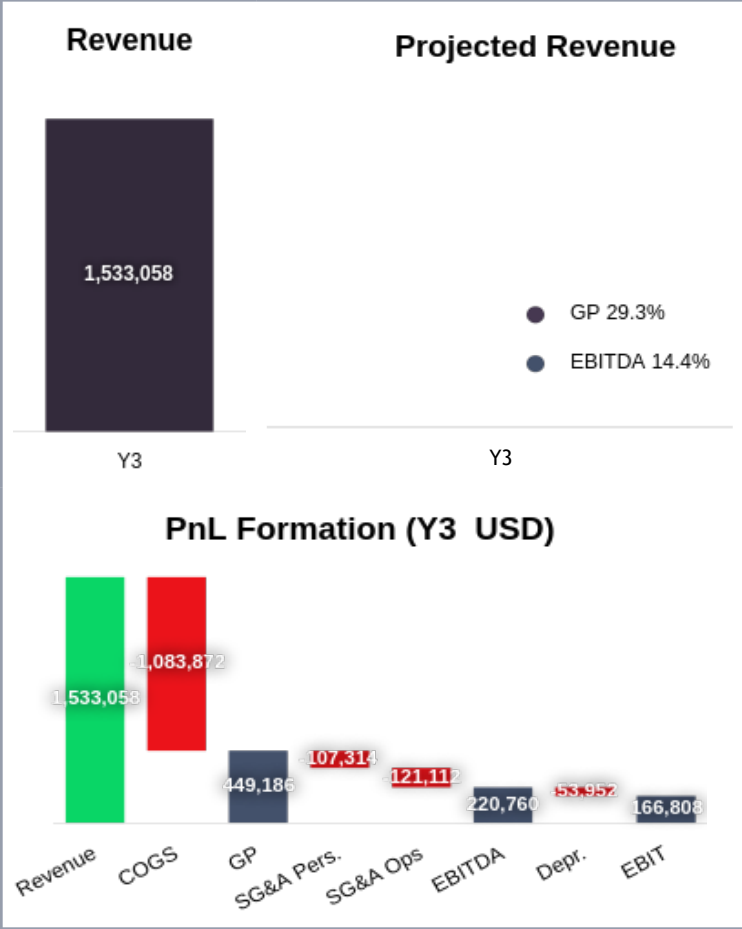
The funding will be used to finance the CAPEX and cash deficit from Year 1 operations, aiming to expedite the development process. In subsequent years the company plans to sustain operations without requiring major additional capital injection. Table below presents the overview of expected inflows and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

The total investment required is \$ 386,219

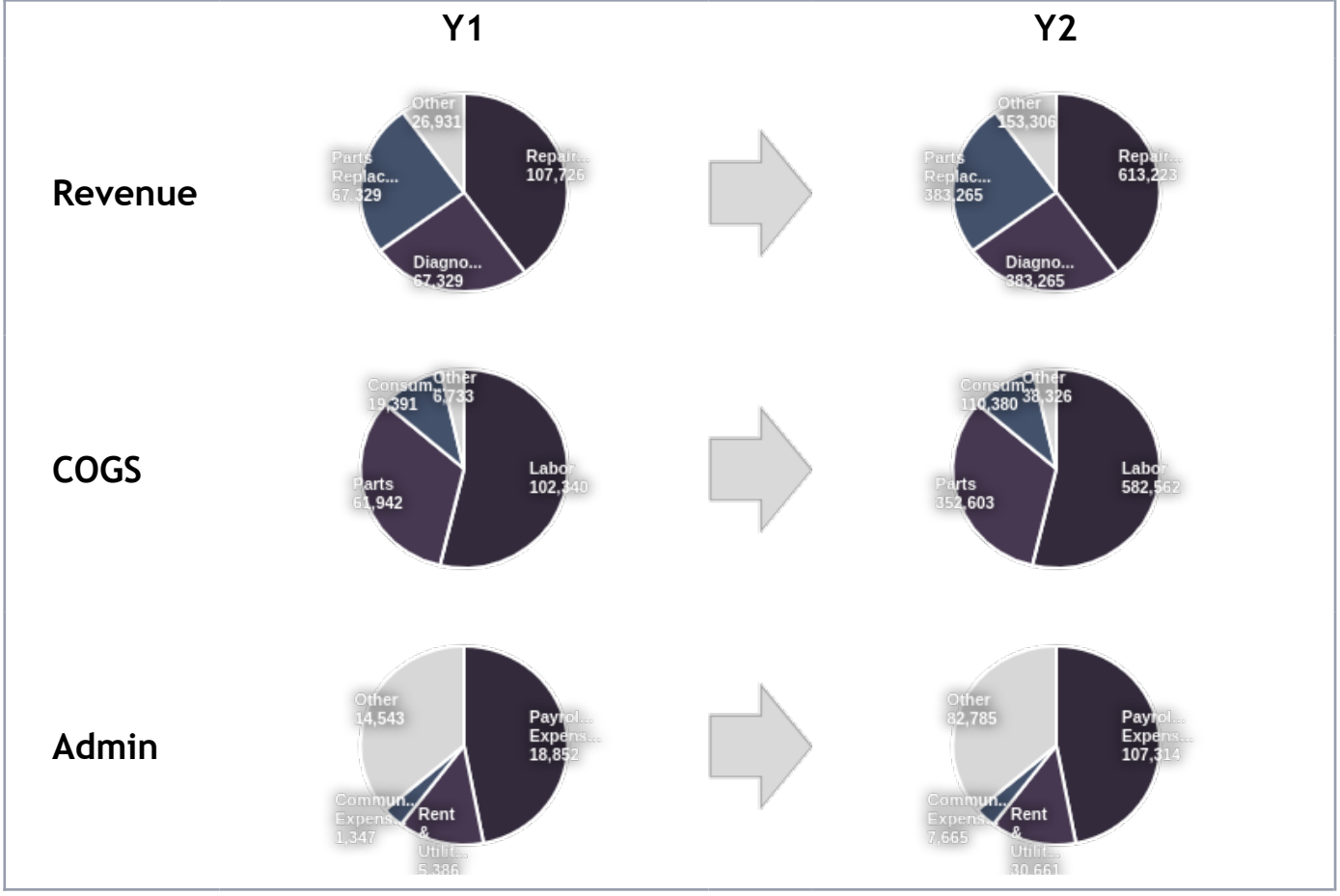
Y1 Cash Flow Stream(USD)	Inflows	Outflows
Gross Profit	78,909	
Payroll Expenses		18,852
Rent & Utilities		5,386
Marketing and Branding		5,386
Training and Development		4,040
Capex		425,000
Communication Expenses		1,347
Office supplies		1,347
Legal and Professional Fees		1,347
Representation and Entert.		1,347
Other Miscellaneous		1,077
CAPEX & WC shortage Y1		386,219
Buffer		0
Total Required Investment(USD)		386,219



Y3 PL formation and Margins



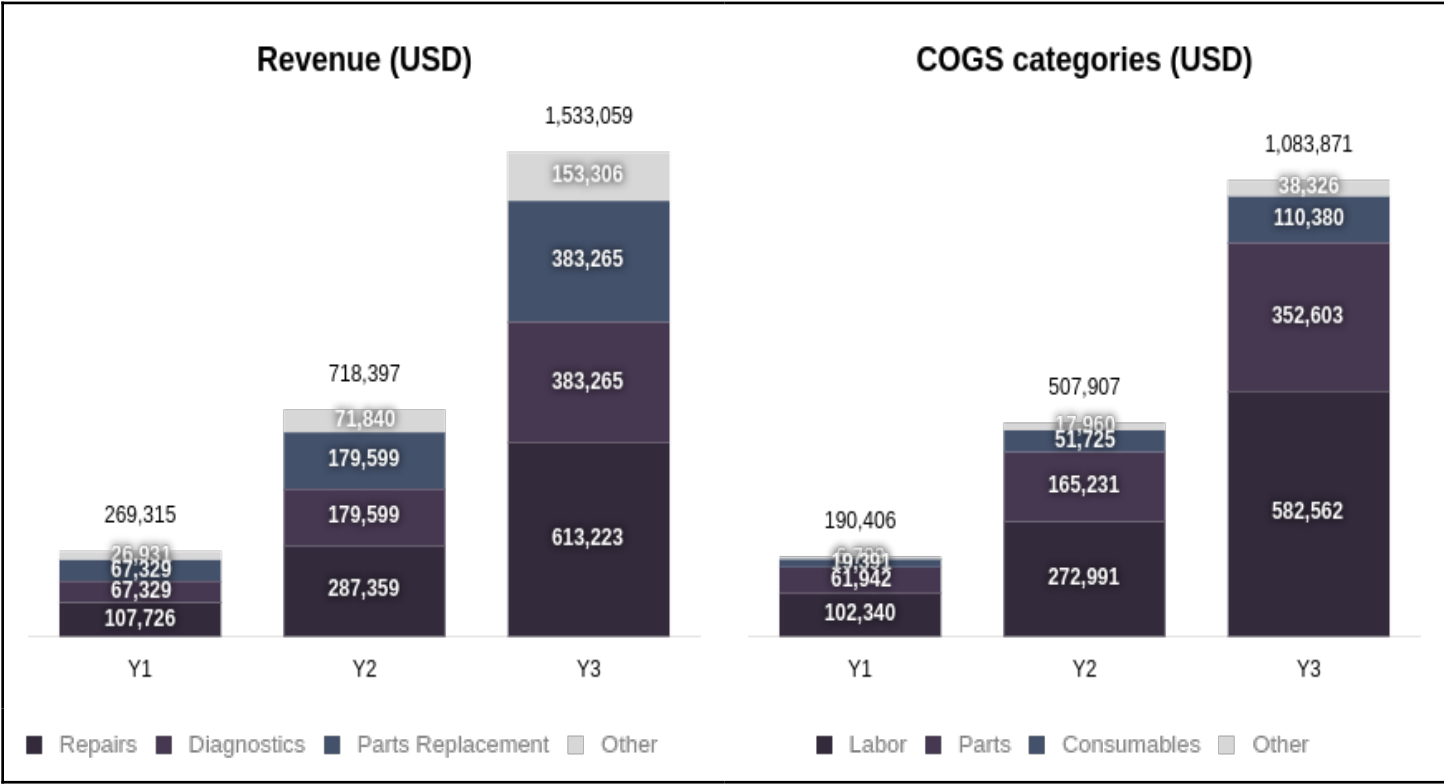
Business Line Breakdown (USD)



Revenue Formation Narrative

MasterMechanic Garage, a distinguished auto repair shop, is poised to carve out a significant market share in the maintenance and repair of motor vehicles sector. With a total addressable market (TAM) of 22,442,878,440 USD, the serviceable addressable market (SAM) has been projected conservatively at 0.60%, considering our comprehensive service offerings, established reputation, and operational efficiency. This equates to an achievable market worth 134,657,270.64 USD. Our serviceable obtainable market (SOM) percentages have been strategically estimated to reflect realistic business growth: capturing 0.20% in the first year, 0.50% in the second year, and 1.00% by the third year as we expand our service reach and strengthen our brand presence. This translates into annual revenues of 269,314,541 USD in Y1, 718,396,539 USD in Y2, and 1,533,058,214 USD in Y3. Our revenue streams are diversified across four main business lines: Repairs (40%), Diagnostics (25%), Parts Replacement (25%), and Other Services (10%). By focusing on these core revenue generators, MasterMechanic Garage ensures a balanced and stable income flow, ready to adapt to market dynamics and customer needs. Our strategic approach, grounded in realistic and well-calculated projections, positions us to achieve sustainable growth and solidify our standing in a competitive market.

\$ 1,533,058 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
Repairs	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%
Diagnostics	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%
Parts Replacement	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	10.00%	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%

Repairs	6,733	6,733	6,733	8,079	8,079	8,079	9,875	9,875	9,875	11,221	11,221	11,221	107,726	287,359	613,223
Diagnostics	4,208	4,208	4,208	5,050	5,050	5,050	6,172	6,172	6,172	7,013	7,013	7,013	67,329	179,599	383,265
Parts Replacement	4,208	4,208	4,208	5,050	5,050	5,050	6,172	6,172	6,172	7,013	7,013	7,013	67,329	179,599	383,265
Other	1,683	1,683	1,683	2,020	2,020	2,020	2,469	2,469	2,469	2,805	2,805	2,805	26,931	71,840	153,306

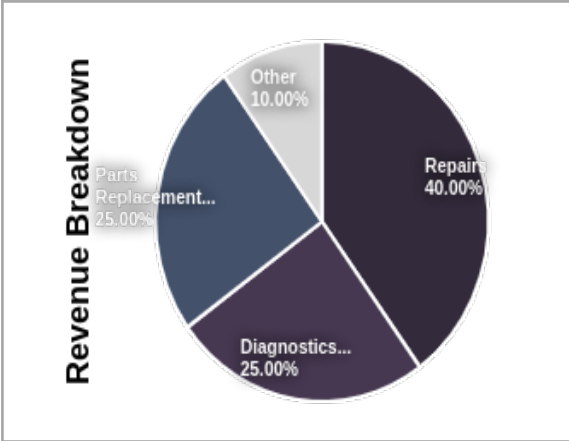
Total Revenue (USD)	16,832	16,832	16,832	20,199	20,199	20,199	24,687	24,687	24,687	28,054	28,054	28,054	269,315	718,397	1,533,058
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Total revenue is expected to reach \$ 1,533,058 by year 3.

Main revenue driver are:

- Repairs which generates \$ 613,223 by Year 3
- Diagnostics which generates \$ 383,265 by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 138.59 %



COGS Calculation Details

COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Labor	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%
Parts	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%
Consumables	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%
Other	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Labor	6,396	6,396	6,396	7,675	7,675	7,675	9,381	9,381	9,381	10,660	10,660	10,660	102,340	272,991	582,562
Parts	3,871	3,871	3,871	4,646	4,646	4,646	5,678	5,678	5,678	6,452	6,452	6,452	61,942	165,231	352,603
Consumables	1,212	1,212	1,212	1,454	1,454	1,454	1,777	1,777	1,777	2,020	2,020	2,020	19,391	51,725	110,380
Other	421	421	421	505	505	505	617	617	617	701	701	701	6,733	17,960	38,326

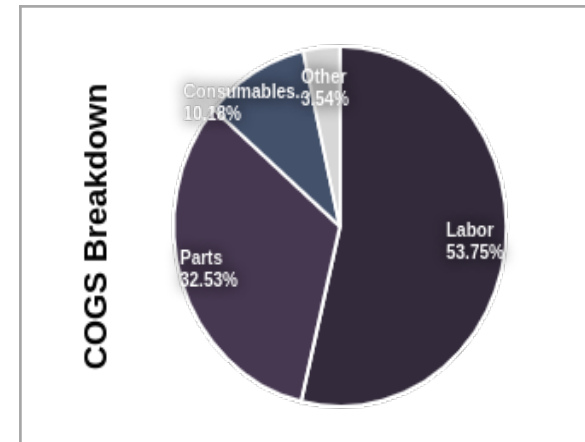
Total COGS (USD)	11,900	11,900	11,900	14,280	14,280	14,280	17,454	17,454	17,454	19,834	19,834	19,834	190,405	507,906	1,083,872
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Total COGS is expected to reach \$ 1,083,872 by year 3.

Main revenue driver are:

- Labor which generates \$ 582,562 by Year 3
- Parts which generates \$ 352,603 by Year 3

Expected CAGR for total COGS in Y1-Y3 is 138.59 %



SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Payroll Expenses	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
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	0.50%	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%
Legal and Professional Fees	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%
Marketing and Branding	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%
Representation and Entertainment	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%
Training and Development	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%
Other Miscellaneous	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%

Payroll Expenses	1,178	1,178	1,178	1,414	1,414	1,414	1,728	1,728	1,728	1,964	1,964	1,964	18,852	50,288	107,314
Rent & Utilities	337	337	337	404	404	404	494	494	494	561	561	561	5,386	14,368	30,661
Communication Expenses	84	84	84	101	101	101	123	123	123	140	140	140	1,347	3,592	7,665
Office supplies	84	84	84	101	101	101	123	123	123	140	140	140	1,347	3,592	7,665
Legal and Professional Fees	84	84	84	101	101	101	123	123	123	140	140	140	1,347	3,592	7,665
Marketing and Branding	337	337	337	404	404	404	494	494	494	561	561	561	5,386	14,368	30,661
Representation and Entertainment	84	84	84	101	101	101	123	123	123	140	140	140	1,347	3,592	7,665
Training and Development	252	252	252	303	303	303	370	370	370	421	421	421	4,040	10,776	22,996
Other Miscellaneous	67	67	67	81	81	81	99	99	99	112	112	112	1,077	2,874	6,132

Total SG&A (USD)	2,508	2,508	2,508	3,010	3,010	3,010	3,678	3,678	3,678	4,180	4,180	4,180	40,128	107,041	228,426
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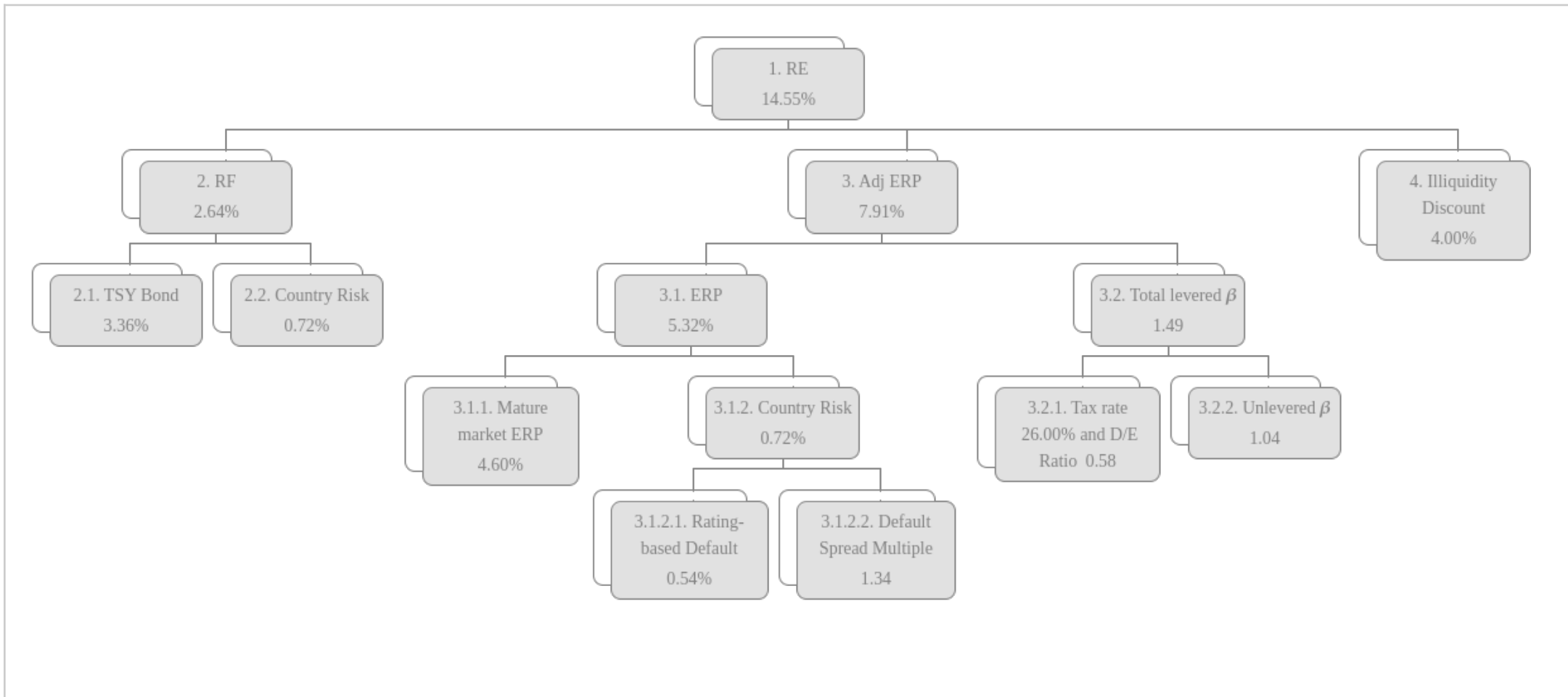
PaT Expectations

1 2 3 4 5 6 7

Financial Projection

Income Statement (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Revenue	16,832	16,832	16,832	20,199	20,199	20,199	24,687	24,687	24,687	28,054	28,054	28,054	269,315	718,397	1,533,058
Repairs	6,733	6,733	6,733	8,079	8,079	8,079	9,875	9,875	9,875	11,221	11,221	11,221	107,726	287,359	613,223
Diagnostics	4,208	4,208	4,208	5,050	5,050	5,050	6,172	6,172	6,172	7,013	7,013	7,013	67,329	179,599	383,265
Parts Replacement	4,208	4,208	4,208	5,050	5,050	5,050	6,172	6,172	6,172	7,013	7,013	7,013	67,329	179,599	383,265
Other	1,683	1,683	1,683	2,020	2,020	2,020	2,469	2,469	2,469	2,805	2,805	2,805	26,931	71,840	153,306
COGS	-11,900	-11,900	-11,900	-14,280	-14,280	-14,280	-17,454	-17,454	-17,454	-19,834	-19,834	-19,834	-190,405	-507,906	-1,083,872
Labor	-6,396	-6,396	-6,396	-7,675	-7,675	-7,675	-9,381	-9,381	-9,381	-10,660	-10,660	-10,660	-102,340	-272,991	-582,562
Parts	-3,871	-3,871	-3,871	-4,646	-4,646	-4,646	-5,678	-5,678	-5,678	-6,452	-6,452	-6,452	-61,942	-165,231	-352,603
Consumables	-1,212	-1,212	-1,212	-1,454	-1,454	-1,454	-1,777	-1,777	-1,777	-2,020	-2,020	-2,020	-19,391	-51,725	-110,380
Other	-421	-421	-421	-505	-505	-505	-617	-617	-617	-701	-701	-701	-6,733	-17,960	-38,326
Gross Profit	4,932	4,932	4,932	5,918	5,918	5,918	7,233	7,233	7,233	8,220	8,220	8,220	78,909	210,490	449,186
SG&A Personal Expenses	-1,178	-1,178	-1,178	-1,414	-1,414	-1,414	-1,728	-1,728	-1,728	-1,964	-1,964	-1,964	-18,852	-50,288	-107,314
SG&A Operating Expenses	-1,330	-1,330	-1,330	-1,596	-1,596	-1,596	-1,950	-1,950	-1,950	-2,216	-2,216	-2,216	-21,276	-56,753	-121,112
EBITDA	2,424	2,424	2,424	2,909	2,909	2,909	3,555	3,555	3,555	4,040	4,040	4,040	38,781	103,449	220,760
Depreciation	4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	53,952	53,952	53,952
EBIT	-2,072	-2,072	-2,072	-1,587	-1,587	-1,587	-941	-941	-941	-456	-456	-456	-15,171	-49,497	166,808
Interest Expense	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	20,489	20,489	20,489
Profit before Tax	-3,780	-3,780	-3,780	-3,295	-3,295	-3,295	-2,648	-2,648	-2,648	-2,164	-2,164	-2,164	-35,660	29,008	146,319
Tax	-983	-983	-983	-857	-857	-857	-689	-689	-689	-563	-563	-563	-9,272	7,542	38,043
Profit after Tax (USD)	-2,797	-2,797	-2,797	-2,438	-2,438	-2,438	-1,960	-1,960	-1,960	-1,601	-1,601	-1,601	-26,388	21,466	108,276

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 (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

	(USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
DCF	Profit after Tax	-26,388	21,466	108,276	115,531	123,271	131,531	140,343
	Growth% Y4-Y7				6.70%	6.70%	6.70%	6.70%
	Growth% Y7 -->	3.50%						
	WACC	14.55%						
	PV Y1-Y7 at Y0	-23,037	16,359	72,037	67,101	62,503	58,220	54,231
	PV Y7 --> Y0	507,989						
	NPV (USD)	815,405						

Average Survival Rate for 3 Years 50%

Final Valuation \$ 407,702

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 14.55 % to determine the Firm Value.

Starting from year 3 onwards, the cash flows are estimated to grow at a rate of 6.70 %, 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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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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