

# 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**

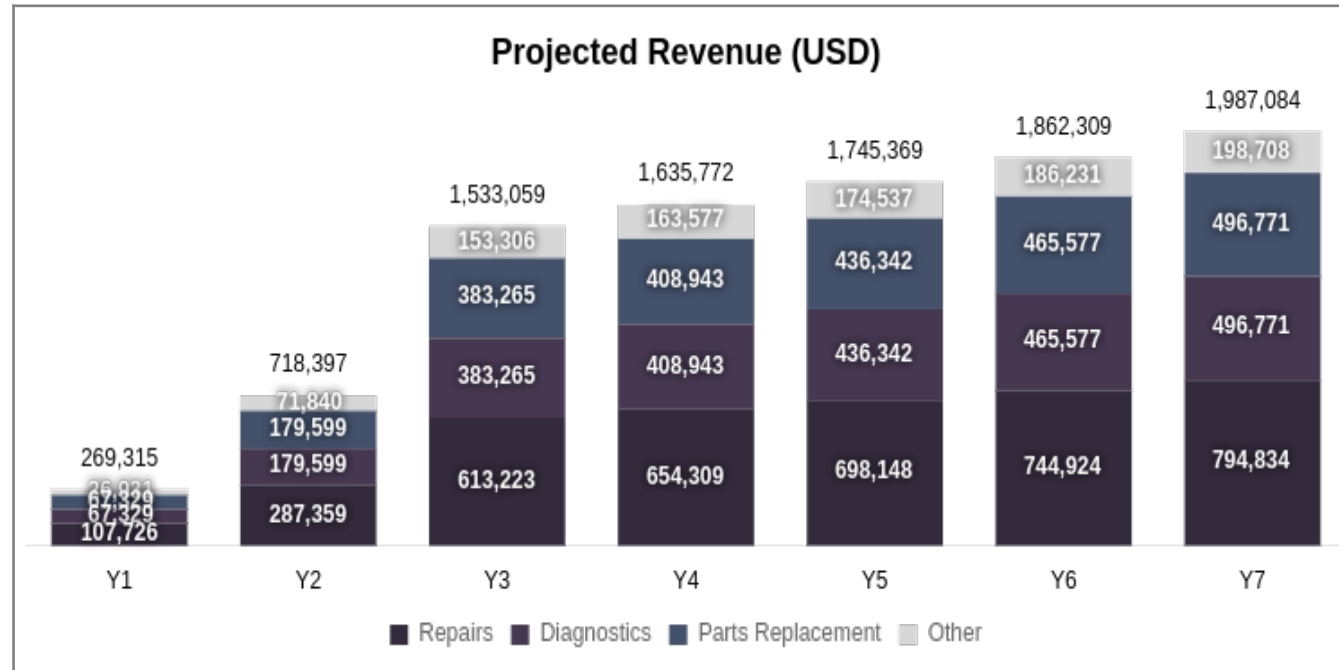
Gross Profit

**\$ 220,760**

EBITDA

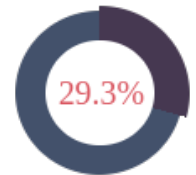
**0.01%**

Target Market Share

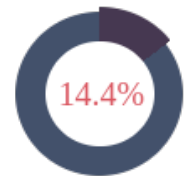


Margins  
(Stabilized by Y3)

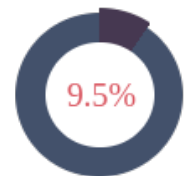
GP Margin



EBITDA Margin



PbT Margin

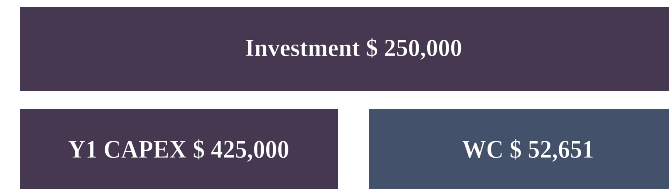


## Project Phases



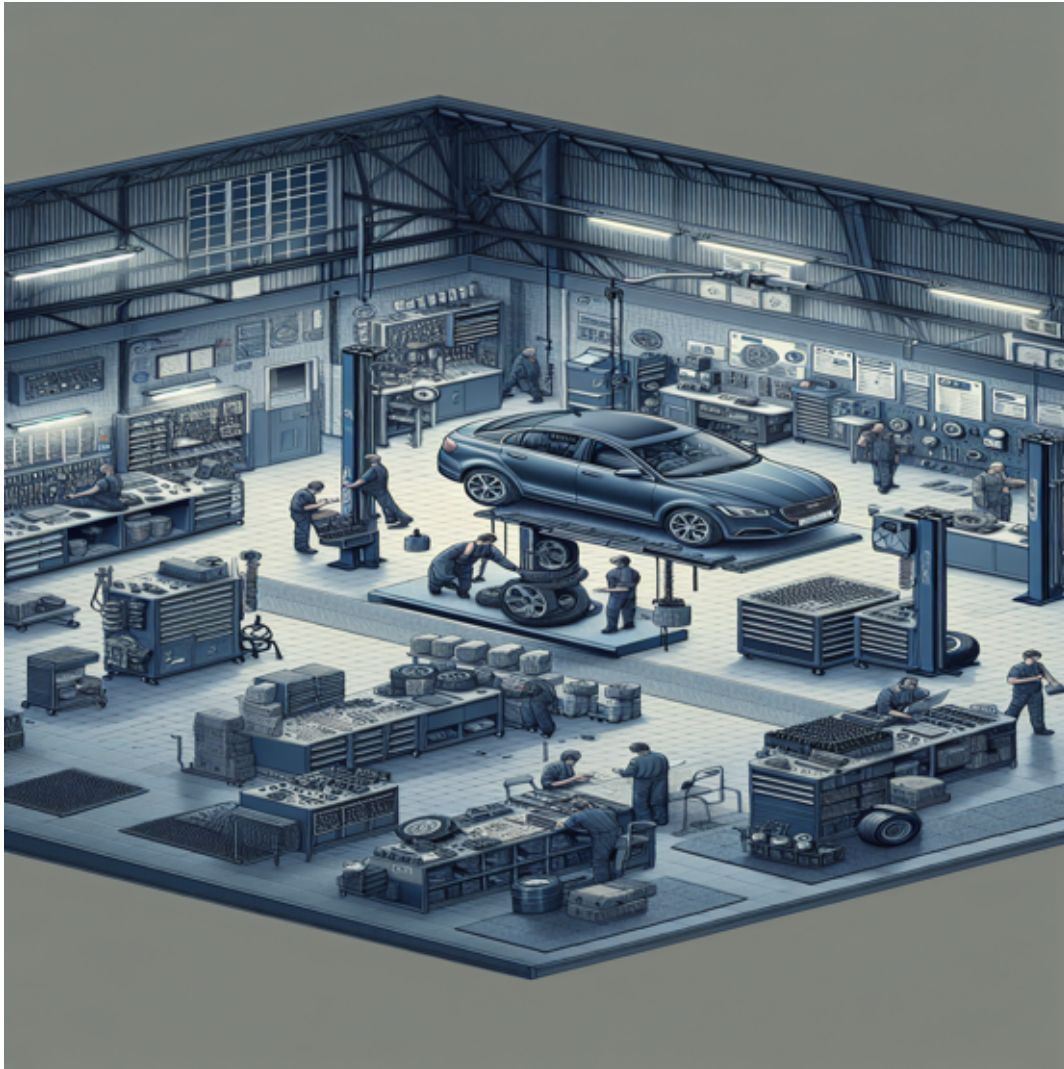
Funding round is aimed to accelerate the development of Phases and create core infrastructure for operations.

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"><li>1. Receive high-quality routine maintenance and essential diagnostic services, ensuring their vehicles' longevity and performance.</li><li>2. Benefit from advanced repair services and cutting-edge diagnostic tools, minimizing downtime and disruption.</li><li>3. Access to premium services like eco-friendly repair options and on-demand mobile repair units, offering convenience and sustainability.</li></ol>



# 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.

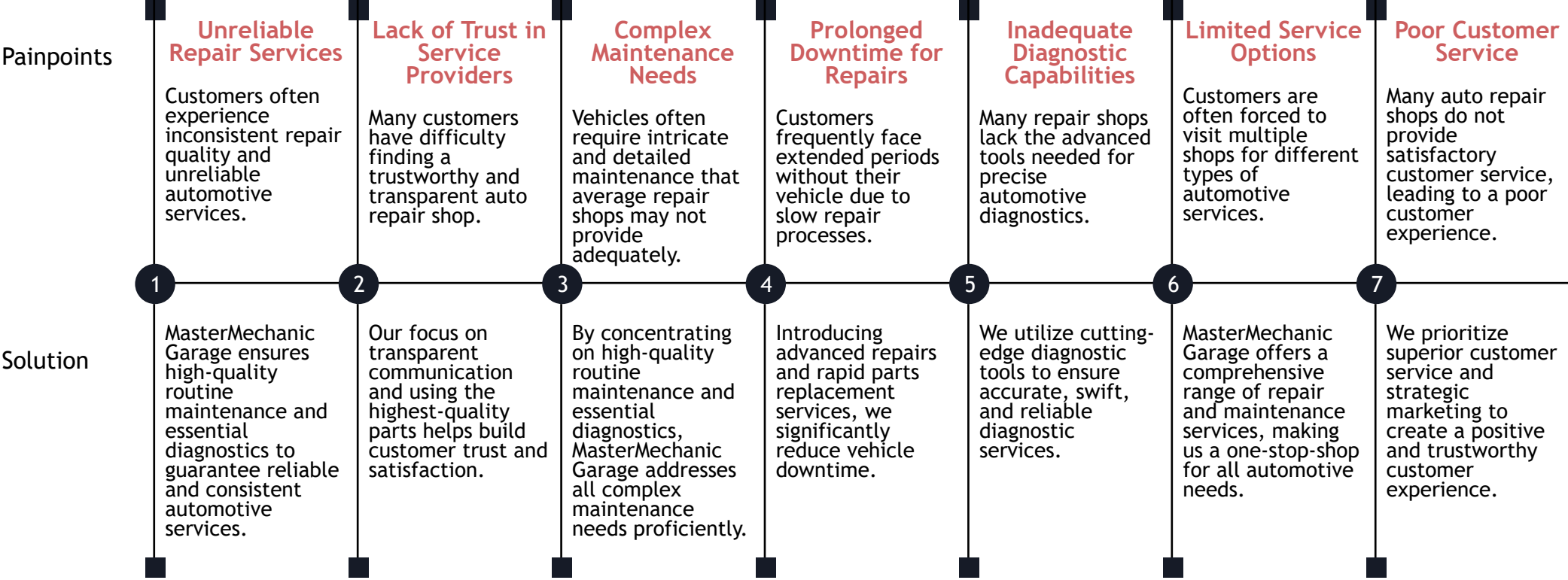
## Marketing and Growth Strategy



# 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.

# Pestel: Analysis

 <b>P</b>	 <b>E</b>	 <b>S</b>	 <b>T</b>	 <b>E</b>	 <b>L</b>						
Political	7 / 10	Economic	4 / 10	Social	5 / 10	Technological	8 / 10	Environmental	6 / 10	Legal	8 / 10
<p><b>Regulations:</b> Compliance with vehicle repair and safety regulations.</p> <p><b>Trade Policies:</b> Impact of international trade policies on parts import.</p>	<p><b>Economic Downturns:</b> Potential reduction in customer spending on repairs.</p> <p><b>Fuel Prices:</b> Variation in fuel prices affecting vehicle usage.</p>	<p><b>Urbanization:</b> Increasing urbanization leading to more vehicles.</p> <p><b>Safety Awareness:</b> Rising safety awareness boosting demand for checks.</p>	<p><b>Advanced Diagnostics:</b> Utilization of state-of-the-art diagnostic tools.</p> <p><b>Electric Vehicles:</b> Adoption of EV repair technologies.</p>	<p><b>Emission Norms:</b> Strict adherence to emission control standards.</p> <p><b>Waste Management:</b> Proper disposal and recycling of automotive waste.</p>	<p><b>Insurance Policies:</b> Adherence to insurance claim procedures.</p> <p><b>Consumer Rights:</b> Ensuring compliance with consumer protection laws.</p>						

MasterMechanic Garage is well-positioned to benefit from favorable trends in vehicle maintenance and repair. By navigating PESTEL factors effectively, it can continue to deliver top-quality services and meet customer expectations.

Scores reflect the relative importance and potential impact of each PESTEL factor on the business

# VRIO Framework: Analysis

Does the resource or capability enable the firm to exploit an opportunity or neutralize a threat in the environment?

MasterMechanic Garage can exploit opportunities by providing high-quality and reliable automotive services with a skilled team and advanced technology.

Is the resource or capability controlled by only a few firms or no other firms?

The expertise and comprehensive service range at MasterMechanic Garage make their offerings relatively rare in the industry.

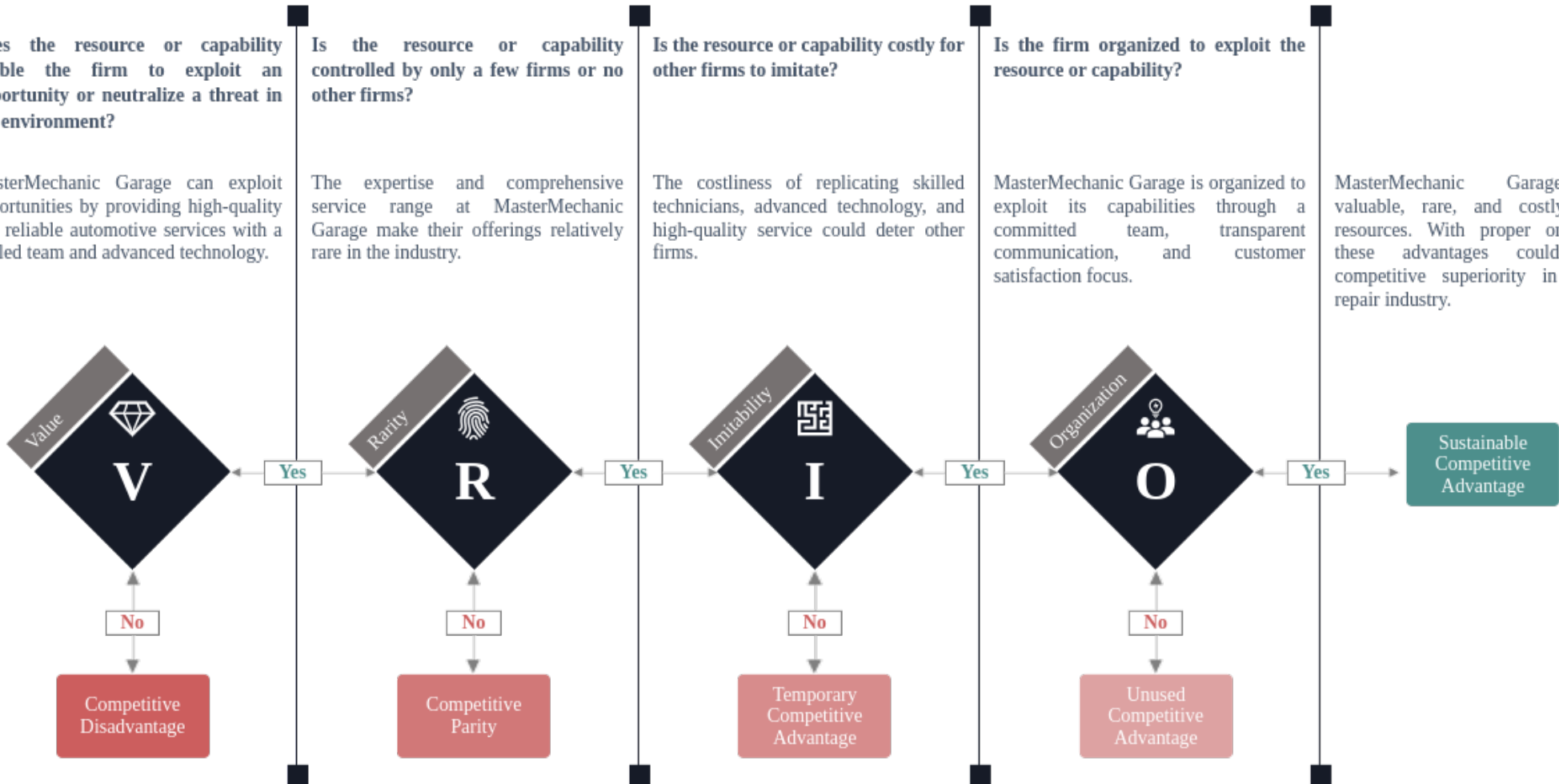
Is the resource or capability costly for other firms to imitate?

The costliness of replicating skilled technicians, advanced technology, and high-quality service could deter other firms.

Is the firm organized to exploit the resource or capability?

MasterMechanic Garage is organized to exploit its capabilities through a committed team, transparent communication, and customer satisfaction focus.

MasterMechanic Garage holds valuable, rare, and costly-to-imitate resources. With proper organization, these advantages could provide competitive superiority in the auto repair industry.





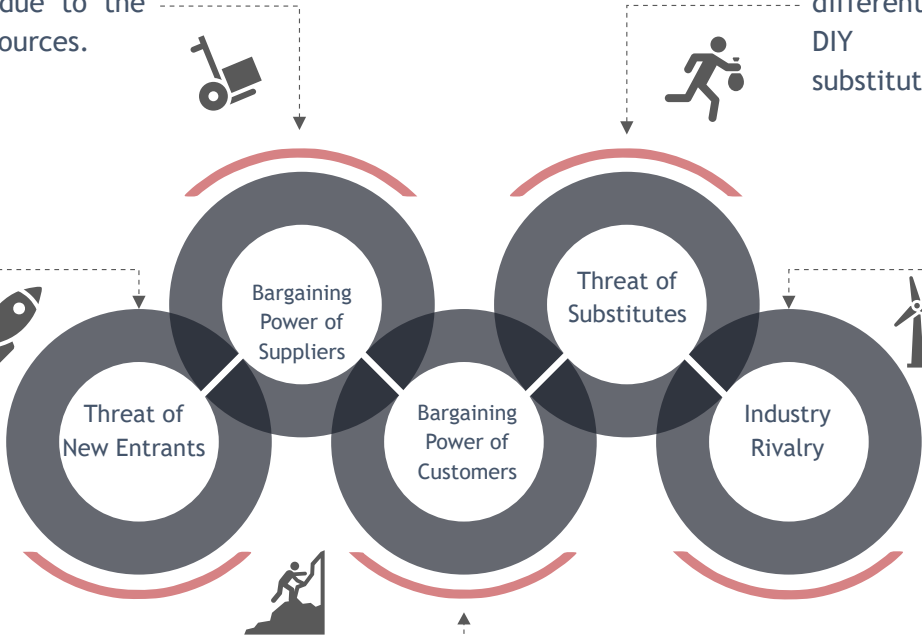
# Porter's Five Forces: Analysis

Suppliers of parts and equipment have moderate power due to the availability of multiple sources.

Customers can choose between different repair services or opt for DIY solutions, increasing substitutability.

Opening a new auto repair shop requires moderate investment and technical expertise.

Numerous auto repair shops in the market lead to intense competition.



MasterMechanic Garage operates in a competitive environment with high customer power and significant industry rivalry, requiring strategic differentiation and exceptional service.

Customers have many options, leading to high negotiating power in terms of prices and service quality.

- High
- Moderate
- Low

# 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.

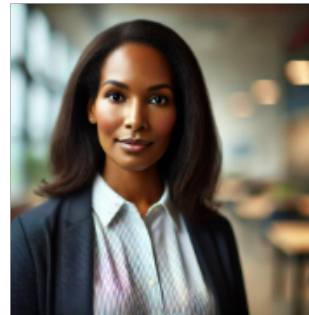
## Overview

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



Lead Mechanic

## Claire Dubois



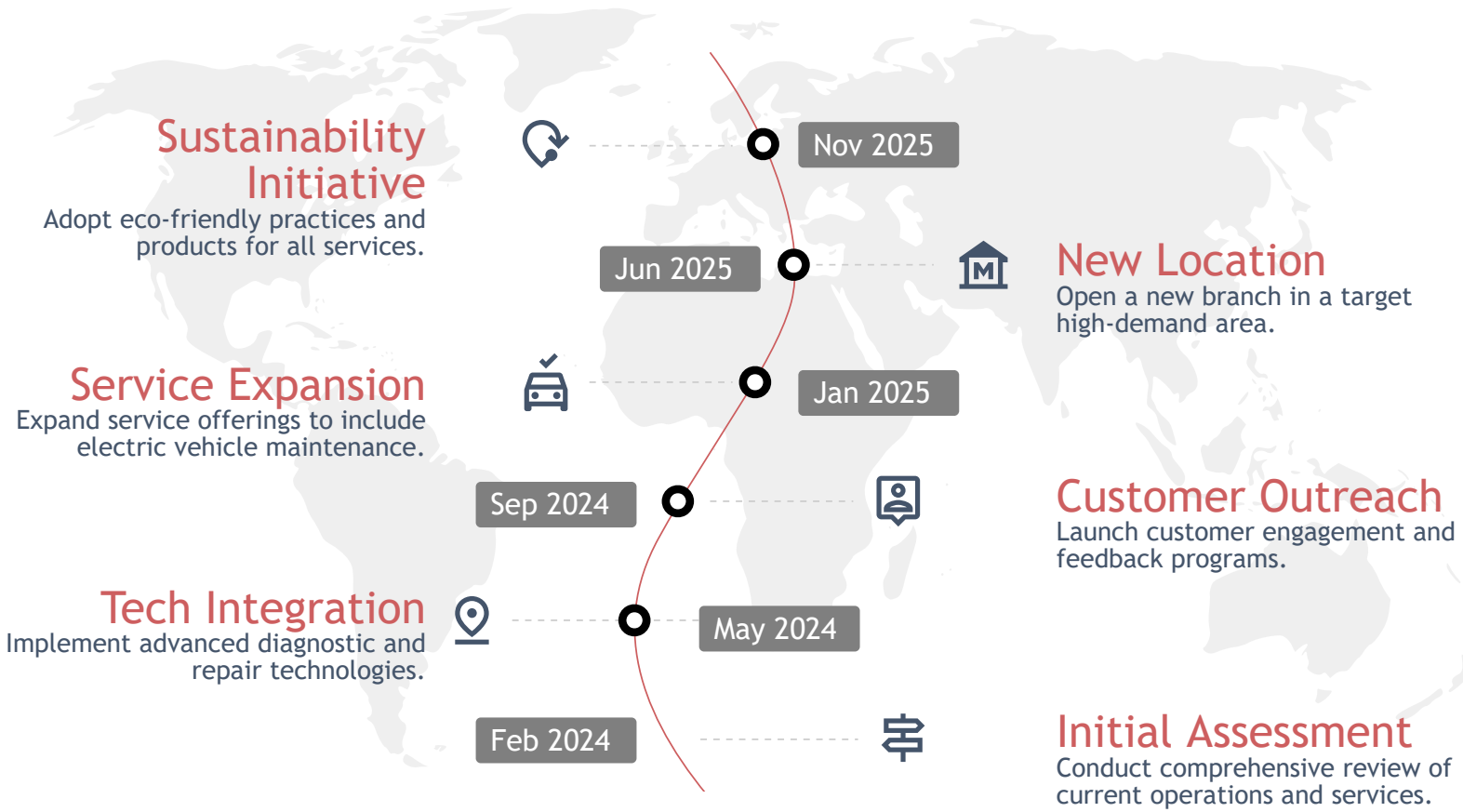
Customer Service Manager

## 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
<b>General Planning and Organization</b>					
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
<b>Marketing</b>					
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	
<b>Phase 1 &amp; Technical Set Up for next Phases</b>						
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
<b>Phase 2</b>						
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	
<b>Phase 3</b>						
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
<b>Phase 4</b>						
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

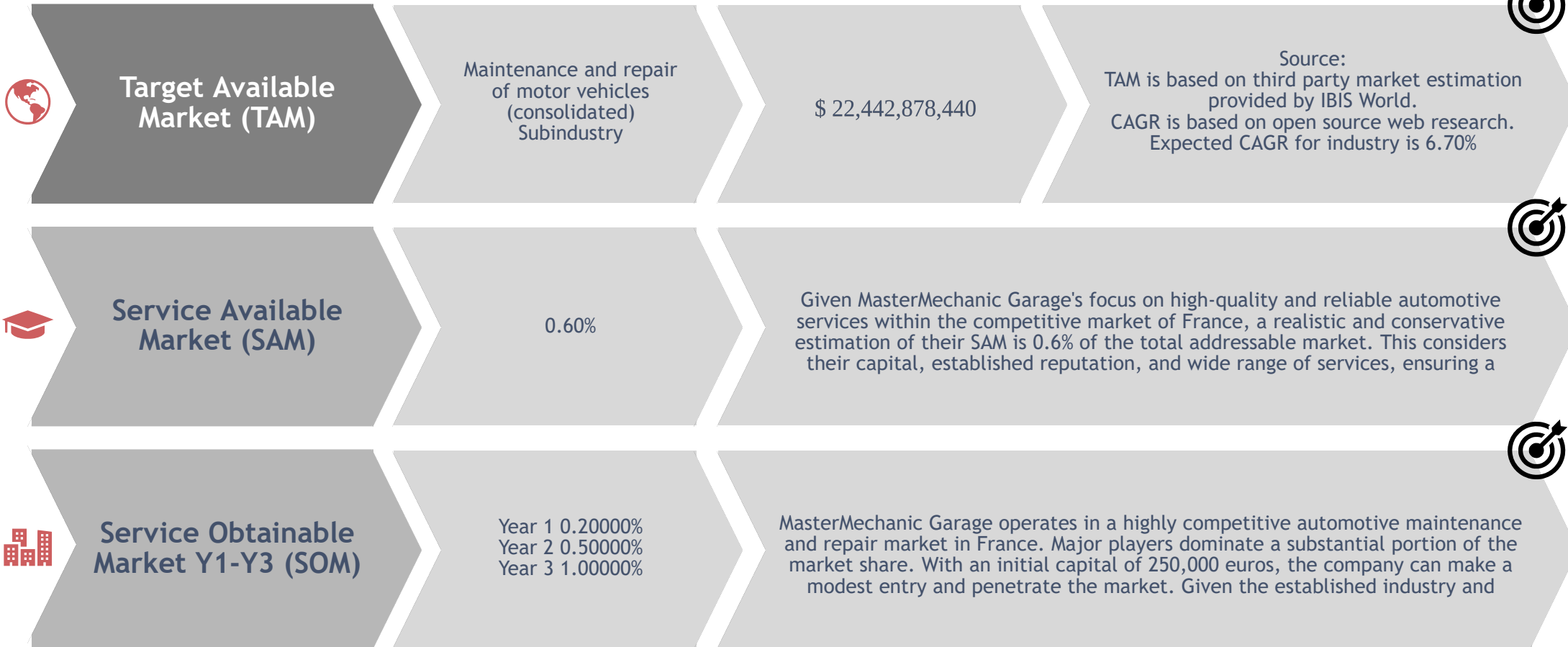
#	Risk Type	Area	Mitigation Strategy
1	Cash Flow Issues	CFO	Maintain a cash reserve and optimize payment terms.
2	High Operational Costs	COO	Implement cost-control measures and regular audits.
3	Capital Shortages	CFO	Secure diverse funding sources and manage credit lines.
4	Unpredictable Revenue Streams	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

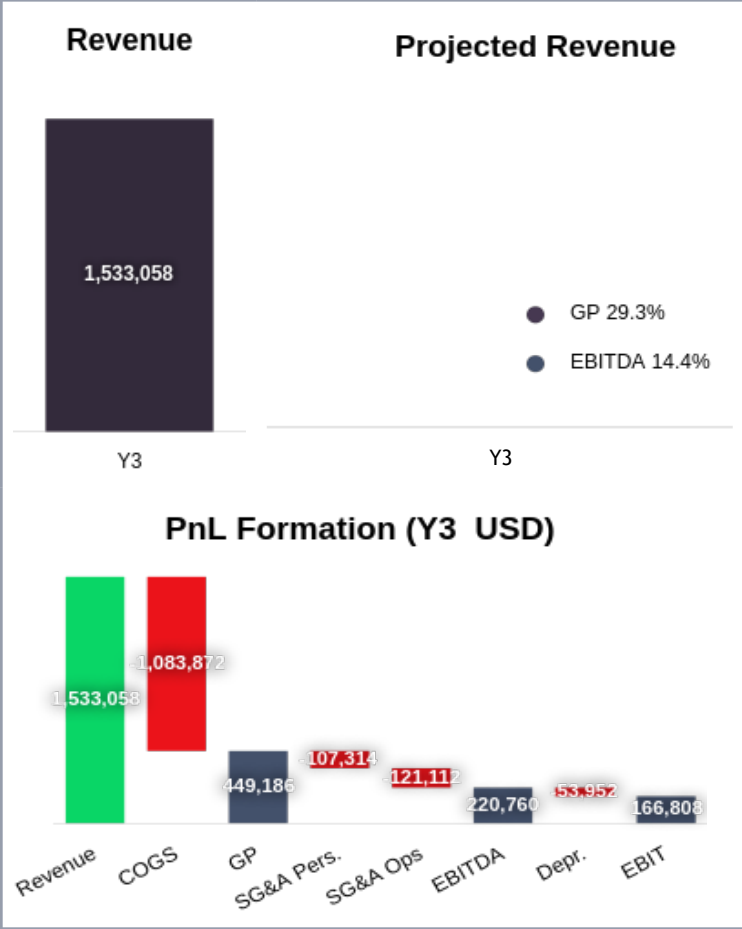
The funding will be used to finance the CAPEX and cash deficit from Year 1 operations, aiming to expedite the development process. In subsequent years the company plans to sustain operations without requiring major additional capital injection. Table below presents the overview of expected inflows and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

The total investment required is \$ 386,219

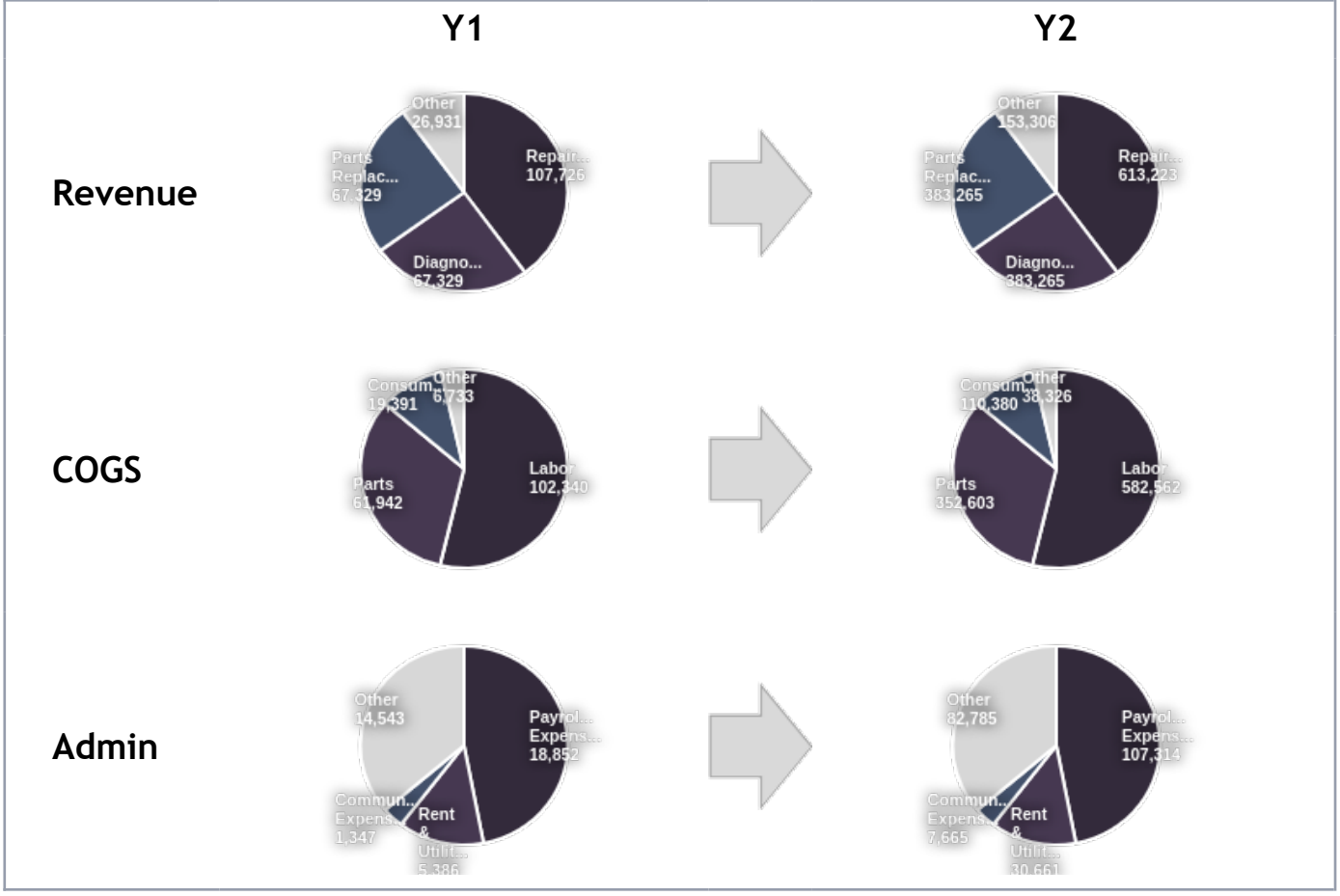
Y1 Cash Flow Stream(USD)	Inflows	Outflows
Gross Profit	78,909	
Payroll Expenses		18,852
Rent & Utilities		5,386
Marketing and Branding		5,386
Training and Development		4,040
Capex		425,000
Communication Expenses		1,347
Office supplies		1,347
Legal and Professional Fees		1,347
Representation and Entert.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



## Y3 PL formation and Margins



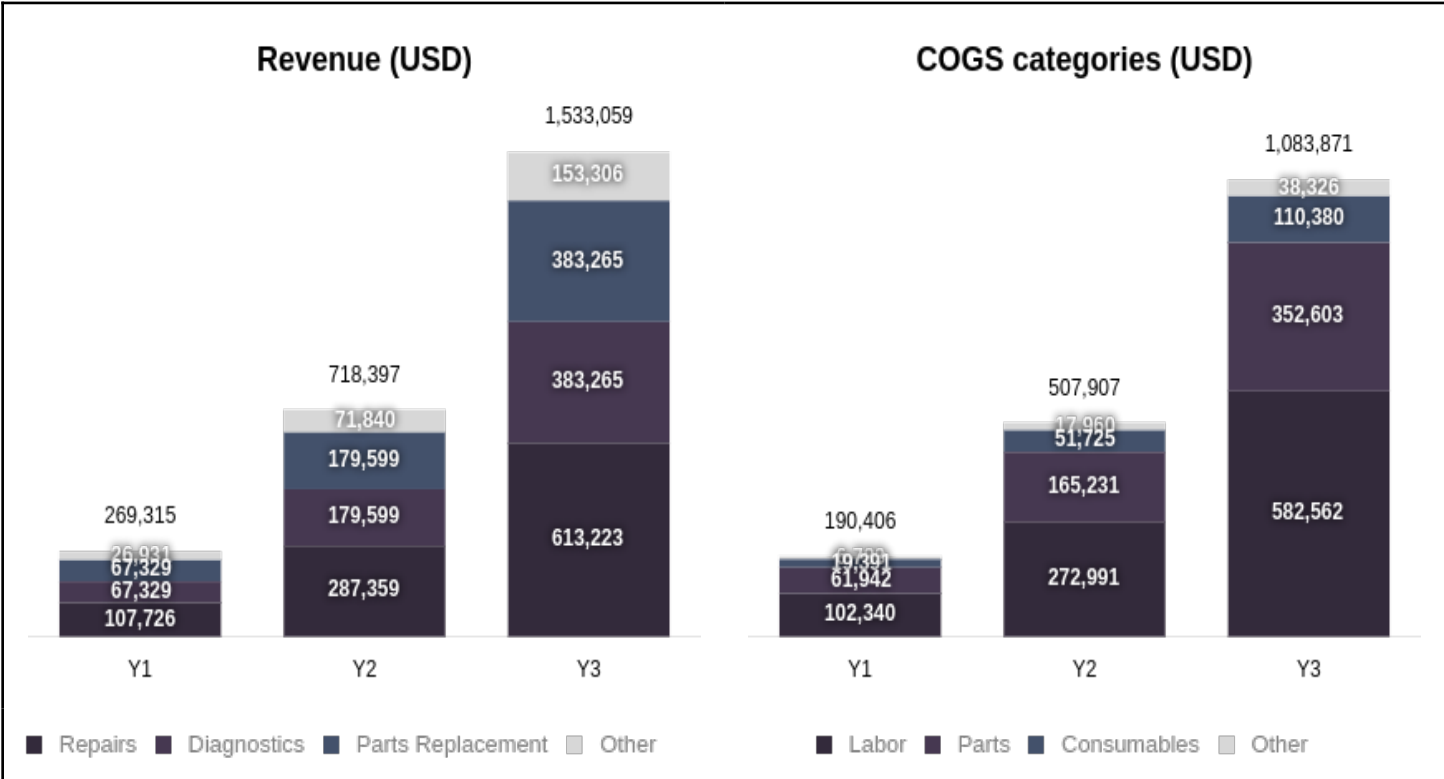
## Business Line Breakdown (USD)



# 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** <sup>Y3</sup> Projected Revenue      **0.01%** 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

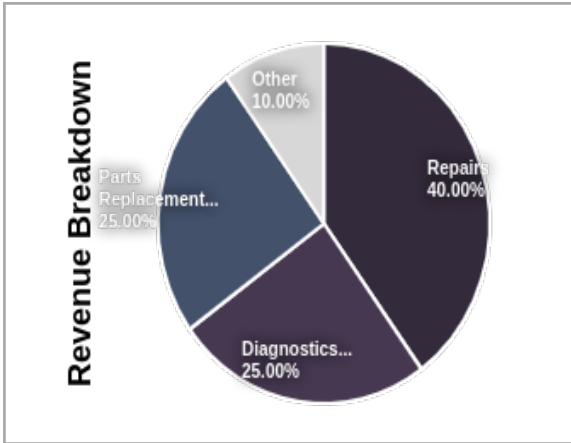
Total Revenue (USD)	16,832	16,832	16,832	20,199	20,199	20,199	24,687	24,687	24,687	28,054	28,054	28,054	269,315	718,397	1,533,058
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Total revenue is expected to reach \$ 1,533,058 by year 3.

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

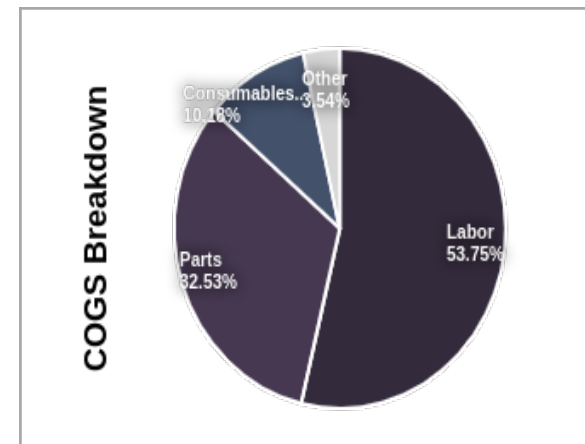
<b>Total COGS (USD)</b>	<b>11,900</b>	<b>11,900</b>	<b>11,900</b>	<b>14,280</b>	<b>14,280</b>	<b>14,280</b>	<b>17,454</b>	<b>17,454</b>	<b>17,454</b>	<b>19,834</b>	<b>19,834</b>	<b>19,834</b>	<b>190,405</b>	<b>507,906</b>	<b>1,083,872</b>
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Total COGS 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
<i>Payroll Expenses</i>	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%
<i>Rent &amp; Utilities</i>	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%
<i>Communication Expenses</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>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>	0.50%	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>Marketing and Branding</i>	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%
<i>Representation and Entertainment</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>Training and Development</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>Other Miscellaneous</i>	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%

<i>Payroll Expenses</i>	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
<i>Rent &amp; Utilities</i>	337	337	337	404	404	404	494	494	494	561	561	561	5,386	14,368	30,661
<i>Communication Expenses</i>	84	84	84	101	101	101	123	123	123	140	140	140	1,347	3,592	7,665
<i>Office supplies</i>	84	84	84	101	101	101	123	123	123	140	140	140	1,347	3,592	7,665
<i>Legal and Professional Fees</i>	84	84	84	101	101	101	123	123	123	140	140	140	1,347	3,592	7,665
<i>Marketing and Branding</i>	337	337	337	404	404	404	494	494	494	561	561	561	5,386	14,368	30,661
<i>Representation and Entertainment</i>	84	84	84	101	101	101	123	123	123	140	140	140	1,347	3,592	7,665
<i>Training and Development</i>	252	252	252	303	303	303	370	370	370	421	421	421	4,040	10,776	22,996
<i>Other Miscellaneous</i>	67	67	67	81	81	81	99	99	99	112	112	112	1,077	2,874	6,132

<b>Total SG&amp;A (USD)</b>	<b>2,508</b>	<b>2,508</b>	<b>2,508</b>	<b>3,010</b>	<b>3,010</b>	<b>3,010</b>	<b>3,678</b>	<b>3,678</b>	<b>3,678</b>	<b>4,180</b>	<b>4,180</b>	<b>4,180</b>	<b>40,128</b>	<b>107,041</b>	<b>228,426</b>
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# PaT Expectations

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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

# Balance Sheet Statement

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Financial Projection

Balance Sheet (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Cash & Cash Equivalents	26,342	27,059	25,262	23,230	24,431	22,282	19,818	21,666	21,000	20,099	22,431	12,188	12,188	12,208	25,744
Accounts Receivable	16,832	16,832	16,832	20,199	20,199	20,199	24,687	24,687	24,687	28,054	28,054	28,054	28,054	74,833	159,694
Inventory	11,900	11,900	14,280	14,280	14,280	17,454	17,454	17,454	19,834	19,834	19,834	31,744	31,744	67,742	112,903
Prepaid Expenses	665	665	798	798	798	975	975	975	1,108	1,108	1,108	1,774	1,774	3,785	6,308
Deferred Tax Assets	983	1,965	2,948	3,805	4,661	5,518	6,207	6,895	7,584	8,146	8,709	9,272	9,272	1,729	-
<b>Current Assets</b>	<b>56,722</b>	<b>58,422</b>	<b>60,121</b>	<b>62,312</b>	<b>64,369</b>	<b>66,427</b>	<b>69,141</b>	<b>71,677</b>	<b>74,213</b>	<b>77,241</b>	<b>80,136</b>	<b>83,031</b>	<b>83,031</b>	<b>160,297</b>	<b>304,649</b>
CAPEX 1	199,333	198,667	198,000	197,333	196,667	196,000	195,333	194,667	194,000	193,333	192,667	192,000	192,000	184,000	176,000
CAPEX 2	98,810	97,619	96,429	95,238	94,048	92,857	91,667	90,476	89,286	88,095	86,905	85,714	85,714	71,429	57,143
CAPEX 3	73,750	72,500	71,250	70,000	68,750	67,500	66,250	65,000	63,750	62,500	61,250	60,000	60,000	45,000	30,000
CAPEX 4	48,611	47,222	45,833	44,444	43,056	41,667	40,278	38,889	37,500	36,111	34,722	33,333	33,333	16,667	50,000
<b>Non-Current Assets</b>	<b>420,504</b>	<b>416,008</b>	<b>411,512</b>	<b>407,016</b>	<b>402,520</b>	<b>398,024</b>	<b>393,528</b>	<b>389,032</b>	<b>384,536</b>	<b>380,040</b>	<b>375,544</b>	<b>371,048</b>	<b>371,048</b>	<b>317,095</b>	<b>313,143</b>
<b>Total Assets</b>	<b>477,226</b>	<b>474,429</b>	<b>471,633</b>	<b>469,327</b>	<b>466,889</b>	<b>464,451</b>	<b>462,668</b>	<b>460,709</b>	<b>458,749</b>	<b>457,281</b>	<b>455,679</b>	<b>454,078</b>	<b>454,078</b>	<b>477,392</b>	<b>617,792</b>
Accounts Payable	665	665	665	798	798	798	975	975	975	1,108	1,108	1,108	1,108	2,956	6,308
Short-Term Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest Expenses	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707	1,707
Deferred Tax Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,772
<b>Current Liabilities</b>	<b>2,372</b>	<b>2,372</b>	<b>2,372</b>	<b>2,505</b>	<b>2,505</b>	<b>2,505</b>	<b>2,683</b>	<b>2,683</b>	<b>2,683</b>	<b>2,815</b>	<b>2,815</b>	<b>2,815</b>	<b>2,815</b>	<b>4,663</b>	<b>36,787</b>
Loans and other borrowings	227,651	227,651	227,651	227,651	227,651	227,651	227,651	227,651	227,651	227,651	227,651	227,651	227,651	227,651	227,651
<b>Non-Current Liabilities</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>	<b>227,651</b>
<b>Total Liabilities</b>	<b>230,023</b>	<b>230,023</b>	<b>230,023</b>	<b>230,156</b>	<b>230,156</b>	<b>230,156</b>	<b>230,334</b>	<b>230,334</b>	<b>230,334</b>	<b>230,466</b>	<b>230,466</b>	<b>230,466</b>	<b>230,466</b>	<b>232,314</b>	<b>264,438</b>
Paid-In Capital	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-26,388	-4,922
Current Period Earnings	-2,797	-5,594	-8,391	-10,829	-13,267	-15,705	-17,665	-19,625	-21,585	-23,186	-24,787	-26,388	-26,388	21,466	108,276
<b>Total Equity</b>	<b>247,203</b>	<b>244,406</b>	<b>241,609</b>	<b>239,171</b>	<b>236,733</b>	<b>234,295</b>	<b>232,335</b>	<b>230,375</b>	<b>228,415</b>	<b>226,814</b>	<b>225,213</b>	<b>223,612</b>	<b>223,612</b>	<b>245,078</b>	<b>353,354</b>

# Cash Flow Statement - Direct

Cash Flow Statement - Direct (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
<b>Initial Balance</b>	-	26,342	27,059	25,262	23,230	24,431	22,282	19,818	21,666	21,000	20,099	22,431	-	12,188	12,208
Cash from sales of goods/services	-	16,832	16,832	16,832	20,199	20,199	20,199	24,687	24,687	24,687	28,054	28,054	241,261	671,617	1,448,198
Payments to employees/vendors	-13,743	-14,408	-16,788	-17,157	-17,290	-20,463	-20,955	-21,132	-23,512	-23,881	-24,014	-35,924	-261,169	-649,098	-1,354,107
Advances paid/received	-	-	-133	-	-	-177	-	-	-133	-	-	-665	-1,774	-2,011	-2,523
Taxes paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-7,542
Interest paid	-	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-18,781	-20,489	-20,489
<b>CF from Operating Activities</b>	<b>-13,743</b>	<b>716</b>	<b>-1,797</b>	<b>-2,032</b>	<b>1,201</b>	<b>-2,150</b>	<b>-2,464</b>	<b>1,848</b>	<b>-665</b>	<b>-901</b>	<b>2,332</b>	<b>-10,243</b>	<b>-40,463</b>	<b>20</b>	<b>63,537</b>
Acquisition of															
CAPEX 1	-	-	-	-	-	-	-	-	-	-	-	-	-200,000	-	-
CAPEX 2	-	-	-	-	-	-	-	-	-	-	-	-	-100,000	-	-
CAPEX 3	-	-	-	-	-	-	-	-	-	-	-	-	-75,000	-	-
CAPEX 4	-	-	-	-	-	-	-	-	-	-	-	-	-50,000	-	-50,000
<b>CF from Investing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-425,000</b>	<b>-</b>	<b>-50,000</b>
Loans received / paid	-	-	-	-	-	-	-	-	-	-	-	-	227,651	-	-
Investments received / paid	-	-	-	-	-	-	-	-	-	-	-	-	250,000	-	-
<b>CF from Financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>477,651</b>	<b>-</b>	<b>-</b>
<b>Ending Balance</b>	<b>26,342</b>	<b>27,059</b>	<b>25,262</b>	<b>23,230</b>	<b>24,431</b>	<b>22,282</b>	<b>19,818</b>	<b>21,666</b>	<b>21,000</b>	<b>20,099</b>	<b>22,431</b>	<b>12,188</b>	<b>12,188</b>	<b>12,208</b>	<b>25,744</b>

## Assumptions:

- invoices are paid in 30 days;
- inventory is built for the next month;
- salaries are paid in the same month;
- half of admin expenses except salaries is prepaid;
- half of admin expenses except salaries is paid in 30 days;
- interest expenses are paid in the next month.



# Cash Flow Statement - Indirect

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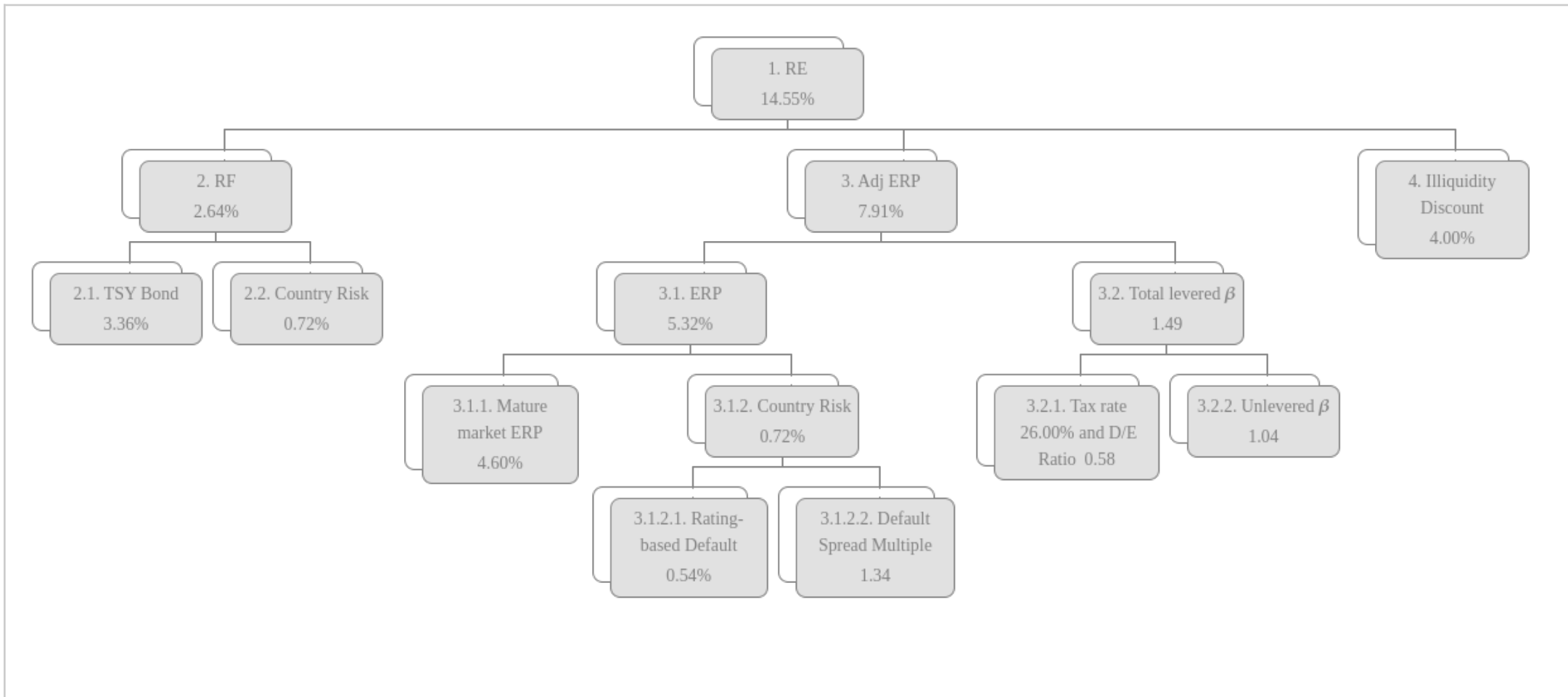
Financial Projection

Cash Flow Statement - Indirect (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
<b>Initial Balance</b>	-	26,342	27,059	25,262	23,230	24,431	22,282	19,818	21,666	21,000	20,099	22,431	-	12,188	12,208
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
Δ Receivables & Prepaids	-16,832	-	-133	-3,366	-	-177	-4,489	-	-133	-3,366	-	-665	-29,827	-48,791	-87,384
Δ Payables	665	-	-	133	-	-	177	-	-	133	-	-	1,108	1,848	3,352
Δ Inventory	-	-	-2,380	-	-	-3,173	-	-	-2,380	-	-	-11,910	-31,744	-35,998	-45,161
Δ 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
Tax Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-7,542
Interest Expenses	-	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-1,707	-18,781	-20,489	-20,489
<b>CF from Operating Activities</b>	<b>-13,743</b>	<b>716</b>	<b>-1,797</b>	<b>-2,032</b>	<b>1,201</b>	<b>-2,150</b>	<b>-2,464</b>	<b>1,848</b>	<b>-665</b>	<b>-901</b>	<b>2,332</b>	<b>-10,243</b>	<b>-40,463</b>	<b>20</b>	<b>63,537</b>
Acquisition of															
CAPEX 1	-	-	-	-	-	-	-	-	-	-	-	-	-200,000	-	-
CAPEX 2	-	-	-	-	-	-	-	-	-	-	-	-	-100,000	-	-
CAPEX 3	-	-	-	-	-	-	-	-	-	-	-	-	-75,000	-	-
CAPEX 4	-	-	-	-	-	-	-	-	-	-	-	-	-50,000	-	-50,000
<b>CF from Investing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-425,000</b>	<b>-</b>	<b>-50,000</b>
Loans received / paid	-	-	-	-	-	-	-	-	-	-	-	-	227,651	-	-
Investments received / paid	-	-	-	-	-	-	-	-	-	-	-	-	250,000	-	-
<b>CF from Financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>477,651</b>	<b>-</b>	<b>-</b>
<b>Ending Balance</b>	<b>26,342</b>	<b>27,059</b>	<b>25,262</b>	<b>23,230</b>	<b>24,431</b>	<b>22,282</b>	<b>19,818</b>	<b>21,666</b>	<b>21,000</b>	<b>20,099</b>	<b>22,431</b>	<b>12,188</b>	<b>12,188</b>	<b>12,208</b>	<b>25,744</b>

## Assumptions:

- invoices are paid in 30 days;
- inventory is built for the next month;
- salaries are paid in the same month;
- half of admin expenses except salaries is prepaid;
- half of admin expenses except salaries is paid in 30 days;
- interest expenses are paid in the next month.

## 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

	(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			
	<b>NPV (USD)</b>				<b>815,405</b>			

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.

# Scenario Analysis: Narrative

Scenario analysis explores how external and internal factors influence key assumptions in financial planning. By analyzing potential positive and negative outcomes, company can better anticipate risks and opportunities when evaluating their future cash flows and overall valuation.

KPI	Scenario	Narrative	KPI affected by
Revenue	Positive	This scenario reflects a favorable market environment or a strategic breakthrough, leading to higher projected revenue. It showcases the potential rewards of scaling and innovative approaches.	higher by 15%
	Negative	This scenario accounts for challenging conditions such as economic downturns or market disruptions, forecasting a potential revenue decrease. It emphasizes the importance of adaptability and risk management.	lower by 15%
COGS	Positive	This scenario demonstrates the benefits of operational efficiency or cost-saving strategies, resulting in reduced COGS. It highlights the value of innovation in supply chain and operations.	lower by 20%
	Negative	This scenario addresses rising costs due to external pressures, resulting in an increase in COGS. It underlines the need for proactive cost-control measures.	higher by 20%
Discount Rate (RoE)	Positive	This scenario assumes a decrease in the discount rate (RoE) due to improved market conditions, lower perceived risk, or favorable macroeconomic factors. A lower discount rate increases the present value of future cash flows, enhancing the company's valuation.	lower by 10%
	Negative	This scenario models an increase in the discount rate (RoE) driven by higher market risk, macroeconomic instability, or industry-specific challenges. A higher discount rate reduces the present value of future cash flows, decreasing the company's valuation.	higher by 10%

# Scenario Analysis: Results

Scenario analysis explores how external and internal factors influence key assumptions in financial planning. By analyzing potential positive and negative outcomes, company can better anticipate risks and opportunities when evaluating their future cash flows and overall valuation.

Scenario Analysis		Revenue		COGS		Discount Rate		
	KPIs	Base	Positive	Negative	Positive	Negative	Positive	Negative
Input	Revenue	no impact	15%	-15%	no impact	no impact	no impact	no impact
	COGS	no impact	no impact	no impact	-20%	20%	no impact	no impact
	RoE	no impact	no impact	no impact	no impact	no impact	-10%	10%
Output	Revenue Y3	\$ 1,533,058	\$ 1,763,017	\$ 1,303,099	\$ 1,533,058	\$ 1,533,058	\$ 1,533,058	\$ 1,533,058
	Gross Profit Y3	\$ 449,186	\$ 516,564	\$ 381,808	\$ 665,960	\$ 232,412	\$ 449,186	\$ 449,186
	GP Margin	29%	29%	29%	43%	15%	29%	29%
	EBITDA Y3	\$ 220,760	\$ 253,874	\$ 187,646	\$ 437,535	\$ 3,986	\$ 220,760	\$ 220,760
	EBITDA Margin	14%	14%	14%	29%	0%	14%	14%
	Net Profit Y3	\$ 108,276	\$ 132,781	\$ 83,772	\$ 268,689	-\$ 52,137	\$ 108,276	\$ 108,276
	Profit Margin	7%	8%	6%	18%	-3%	7%	7%
	Final Valuation	\$ 407,702	\$ 506,981	\$ 308,424	\$ 1,057,610	-\$ 242,205	\$ 483,752	\$ 349,794

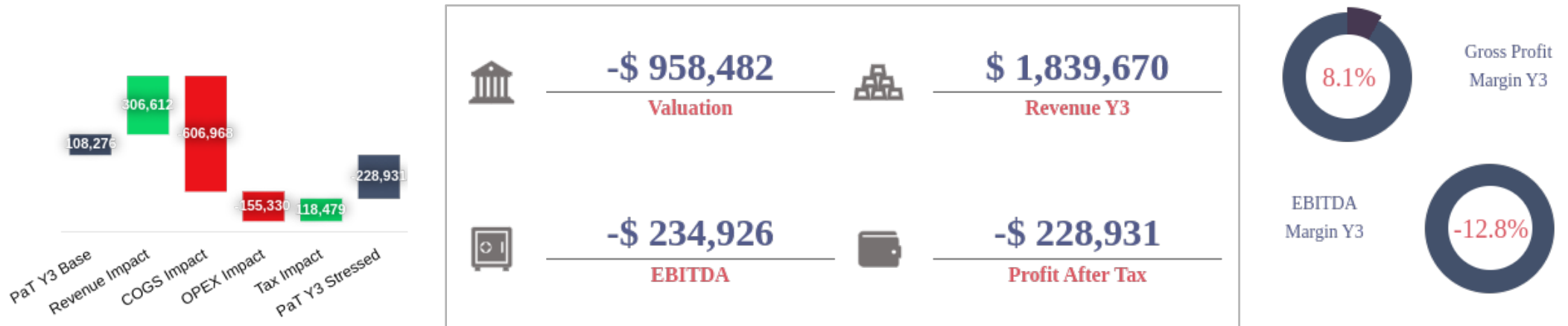


# Stress Test: Growth Under Pressure

Stress tests provide a comprehensive view of how businesses might perform under extreme conditions, enabling better preparation for the uncertainties of real-world challenges.

Scenario Name	Story	KPIs impact	
<b>Growth Under Pressure</b>	This scenario explores the challenges of managing rapid growth while dealing with operational bottlenecks. A surge in demand and revenue places significant strain on supply chains and internal processes. Despite achieving higher sales volumes, inefficiencies in scaling lead to increased costs and a heightened risk perception, keeping the discount rate elevated. 'Growth Under Pressure' examines how businesses can balance seizing growth opportunities while investing in infrastructure, talent, and systems to support scalability.	<b>Revenue</b> Higher by 20%	<b>COGS</b> Higher by 30%
		<b>OPEX</b> Higher by 40%	<b>Discount Rate</b> unaffected

## Results



# Stress Test: The Perfect Storm

Stress tests provide a comprehensive view of how businesses might perform under extreme conditions, enabling better preparation for the uncertainties of real-world challenges.

## Scenario Name

## Story

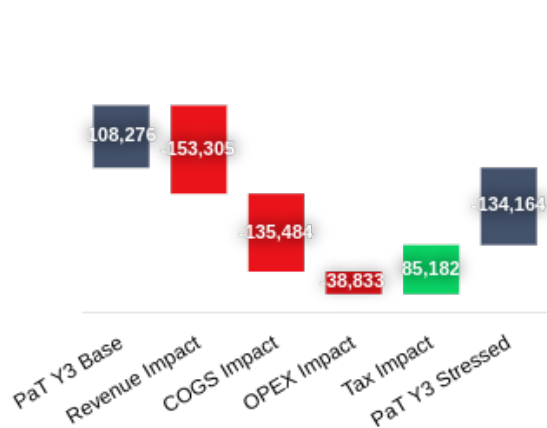
## KPIs impact

# The Perfect Storm

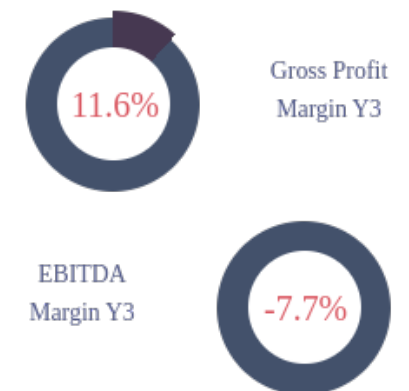
This scenario simulates the convergence of adverse market conditions and rising operational challenges. A sharp downturn in market demand coincides with increased costs due to inflation and supply chain disruptions. The combination results in a dual hit to both top-line revenue and operational margins. Additionally, external factors such as economic instability elevate the discount rate, amplifying the pressure on future cash flows. Businesses facing 'The Perfect Storm' must focus on resilience through diversified revenue streams, cost-control measures, and contingency planning.

<b>Revenue</b> Lower by 10%	<b>COGS</b> Higher by 25%
<b>OPEX</b> Higher by 30%	<b>Discount Rate</b> Higher by 10%

## Results



	<b>-\$ 501,603</b> Valuation		<b>\$ 1,379,752</b> Revenue Y3
	<b>-\$ 106,862</b> EBITDA		<b>-\$ 134,164</b> Profit After Tax



# Sensitivity Analysis: SAM & SOM

This sensitivity analysis evaluates the potential impact of changes in Serviceable Addressable Market (SAM) and Serviceable Obtainable Market (SOM) on key financial metrics. By simulating percentage variations in SAM and SOM, this analysis helps identify how shifts in market assumptions affect revenue, profitability, and overall valuation.

		SAM						SOM					
		-20%	-10%	-5%	5%	10%	20%	-9%	-6%	-3%	3%	6%	9%
Revenue	Y1	\$ 215,452	\$ 242,383	\$ 255,849	\$ 282,780	\$ 296,246	\$ 323,177	\$ 245,076	\$ 253,156	\$ 261,235	\$ 277,394	\$ 285,473	\$ 293,553
	Y2	\$ 574,717	\$ 646,557	\$ 682,477	\$ 754,316	\$ 790,236	\$ 862,076	\$ 653,741	\$ 675,293	\$ 696,845	\$ 739,948	\$ 761,500	\$ 783,052
	Y3	\$ 1,226,447	\$ 1,379,752	\$ 1,456,405	\$ 1,609,711	\$ 1,686,364	\$ 1,839,670	\$ 1,395,083	\$ 1,441,075	\$ 1,487,066	\$ 1,579,050	\$ 1,625,042	\$ 1,671,033
Gross Profit	Y1	\$ 63,127	\$ 71,018	\$ 74,964	\$ 82,855	\$ 86,800	\$ 94,691	\$ 71,807	\$ 74,175	\$ 76,542	\$ 81,276	\$ 83,644	\$ 86,011
	Y2	\$ 168,392	\$ 189,441	\$ 199,966	\$ 221,015	\$ 231,539	\$ 252,588	\$ 191,546	\$ 197,861	\$ 204,175	\$ 216,805	\$ 223,120	\$ 229,434
	Y3	\$ 359,349	\$ 404,267	\$ 426,727	\$ 471,645	\$ 494,105	\$ 539,023	\$ 408,759	\$ 422,235	\$ 435,710	\$ 462,662	\$ 476,137	\$ 489,613
GP Margin	Y1	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%
	Y2	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%
	Y3	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%
EBITDA	Y1	\$ 31,025	\$ 34,903	\$ 36,842	\$ 40,720	\$ 42,659	\$ 46,538	\$ 35,291	\$ 36,454	\$ 37,618	\$ 39,945	\$ 41,108	\$ 42,272
	Y2	\$ 82,759	\$ 93,104	\$ 98,277	\$ 108,622	\$ 113,794	\$ 124,139	\$ 94,139	\$ 97,242	\$ 100,346	\$ 106,553	\$ 109,656	\$ 112,760
	Y3	\$ 176,608	\$ 198,684	\$ 209,722	\$ 231,798	\$ 242,836	\$ 264,912	\$ 200,892	\$ 207,515	\$ 214,138	\$ 227,383	\$ 234,006	\$ 240,629
EBITDA Margin	Y1	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%
	Y2	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%
	Y3	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%
Net Profit	Y1	-\$ 32,128	-\$ 29,258	-\$ 27,823	-\$ 24,953	-\$ 23,518	-\$ 20,649	-\$ 28,971	-\$ 28,110	-\$ 27,249	-\$ 25,527	-\$ 24,666	-\$ 23,805
	Y2	\$ 6,156	\$ 13,811	\$ 17,638	\$ 25,294	\$ 29,121	\$ 36,776	\$ 14,576	\$ 16,873	\$ 19,169	\$ 23,763	\$ 26,059	\$ 28,356
	Y3	\$ 75,604	\$ 91,940	\$ 100,108	\$ 116,444	\$ 124,613	\$ 140,949	\$ 93,574	\$ 98,475	\$ 103,375	\$ 113,177	\$ 118,078	\$ 122,979
Profit Margin	Y1	-15%	-12%	-11%	-9%	-8%	-6%	-12%	-11%	-10%	-9%	-9%	-8%
	Y2	1%	2%	3%	3%	4%	4%	2%	2%	3%	3%	3%	4%
	Y3	6%	7%	7%	7%	7%	8%	7%	7%	7%	7%	7%	7%
Final Valuation		\$ 275,331	\$ 341,517	\$ 374,609	\$ 440,795	\$ 473,888	\$ 540,074	\$ 348,135	\$ 367,991	\$ 387,847	\$ 427,558	\$ 447,414	\$ 467,270

## 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

# Disclaimer

The following information and valuation analysis are provided for informational purposes only and do not constitute financial or investment advice. This presentation is based on assumptions, projections, and historical data, which are subject to inherent uncertainties and risks.

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.

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