
Business Plan
& Valuation Presentation
LittleStars Learning Center

Contents

OUR VISION & MISSION

Our Mission

LittleStars Learning Center is dedicated to providing high-quality early childhood education and care in a nurturing and innovative environment. We strive to offer a safe and stimulating space where children can explore, learn, and grow through engaging activities and educational programs. Our mission is rooted in individualized attention, creativity, and social development, supported by a team of experienced and caring educators. We aim to foster a positive and enriching experience, ensuring each child receives the support they need to reach their full potential while giving parents peace of mind.

Our Vision

LittleStars Learning Center aspires to be a leader in early childhood education by creating a future where every child has the opportunity to thrive in a nurturing and innovative environment. We envision a world where our tailored educational programs inspire creativity, foster social development, and lay a strong foundation for lifelong learning. Our long-term goal is to expand our reach and impact, continually evolving to meet the diverse needs of our community, ensuring that all children have access to the essential resources and support they need to achieve their fullest potential.

Summary Financials Dashboard

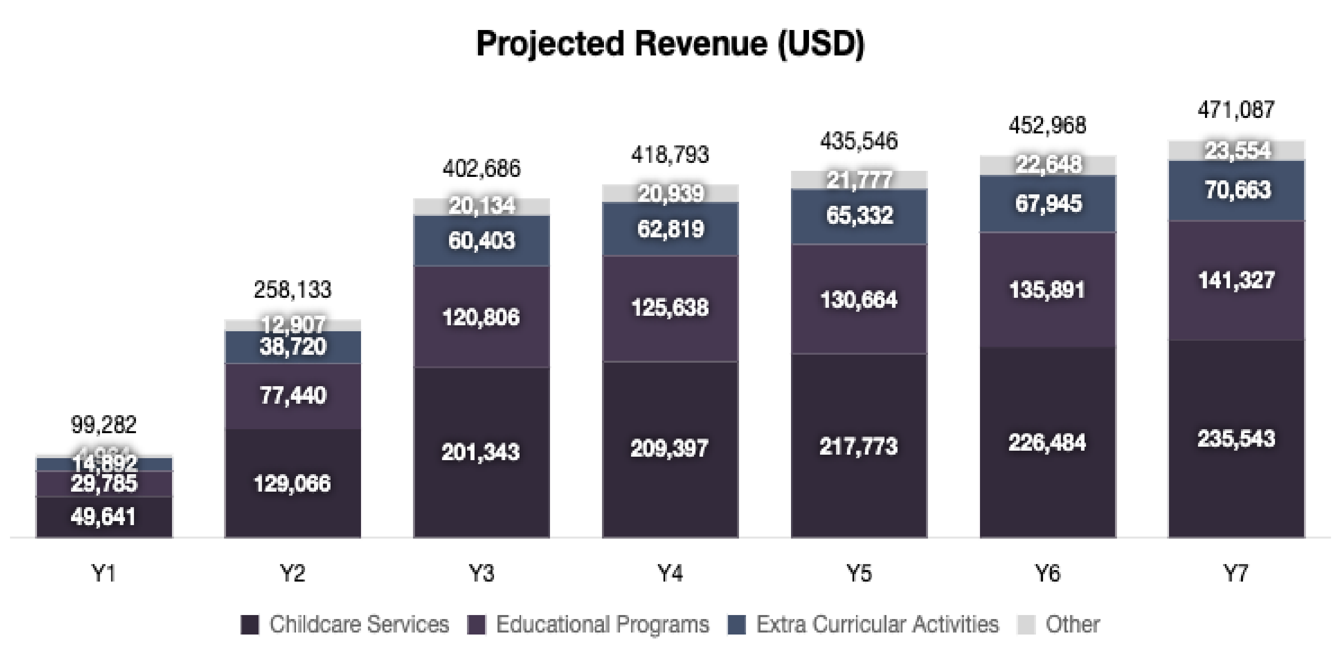
Key performance indicators
(Base Scenario Y3)

$ 402,687
Revenue

$ 195,303
Gross Profit

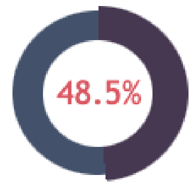
$ 116,699
EBITDA

0.60%
Target Market Share

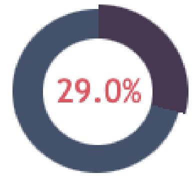


Margins
(Stabilized by Y3)

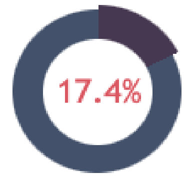
GP Margin



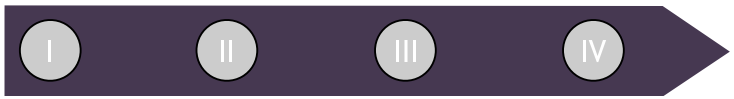
EBITDA Margin



PbT Margin



Project Phases



Foundation Establishment
Enhanced Offerings
Diversification
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 $ 300.000

Y1 CAPEX $ 250.000

WC $ 16.506

About the Company: General Overview

LittleStars Learning Center is a nurturing and innovative day care facility dedicated to providing high- quality early childhood education and care. The center operates within the professional, scientific, and technical activities sector, specifically focusing on activities not elsewhere classified. LittleStars offers a safe and stimulating environment where children can explore, learn, and grow through a variety of engaging activities and educational programs. The emphasis is on individualized attention, creativity, and social development, all supported by a team of experienced and caring educators. The center's commitment to fostering a positive and enriching experience ensures that each child receives the support they need to reach their full potential, providing parents with peace of mind. In this way, LittleStars Learning Center blends innovative educational techniques with a nurturing atmosphere to help shape the future of young learners.

Sources: Company's Prop Vision

The Main Phases: Projects & Impacts

01 Foundation Establishment

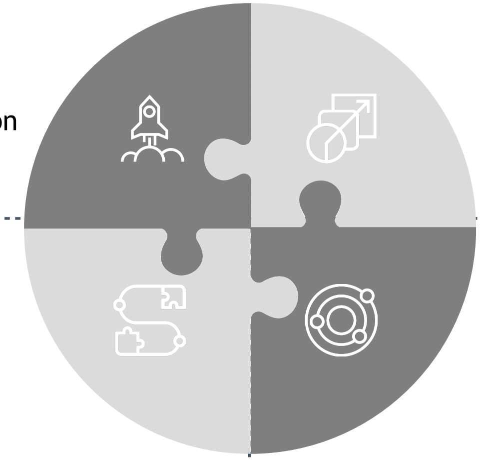
Phase I.

Launch LittleStars Learning Center with a focus on foundational offerings like day care services and early childhood education programs, establishing a reputation for quality and care.

02 Enhanced Offerings

Phase II.

Expand and refine core services by integrating advanced educational tools, increasing staff training, and enriching activity programs to attract a broader user base and strengthen market presence.



Diversification 03

Phase III.

Introduce additional revenue streams such as after-school programs, summer camps, and specialized workshops. Develop strategic partnerships to enhance service offerings and drive new growth.

Innovative Ventures 04

Phase IV.

Explore high-risk, high-reward opportunities like virtual learning platforms, franchise models, and international expansion. Embrace cutting-edge educational technologies to stay ahead in the industry.

Product Impact on Core Stakeholders

Main Stakeholder	Product Benefits
Children	1. Benefit from high-quality early childhood education and care that fosters intellectual and social growth. 2. Access to a safe, stimulating environment that encourages exploration and creativity. 3. Personalized attention that supports individual developmental needs and potentials.
Parents	1. Assurance of their children's safety and well-being in a nurturing, secure setting. 2. Convenience and peace of mind knowing their children are receiving quality care and education. 3. Enhanced work-life balance supported by reliable and comprehensive child care services.
Educators	1. Opportunities for professional development through increased training and access to advanced educational tools. 2. A supportive work environment that values their expertise and commitment to child development. 3. Job stability and satisfaction from working in a well-respected, quality-driven institution.
Local Community	1. Strengthening of community bonds through the creation of a trusted local educational institution. 2. Job creation and local economic development through employment opportunities at the center. 3. Improved local educational standards and resources benefiting the broader community.
Investors	1. Attractive returns on investment through strategic growth and diversification of services. 2. Long-term financial stability bolstered by innovative ventures and expanding customer base. 3. Investment in a socially responsible enterprise contributing positively to early childhood education.
Partners	1. Mutually beneficial collaborations that enhance service offerings and market reach. 2. Opportunities for co-branded initiatives, shared resources, and expertise. 3. Strengthened alliances leading to innovation and growth potential.
Regulatory Bodies	1. Assurance of high standards of care and education meeting regulatory requirements. 2. Contribution to community welfare and early childhood development through compliant operations. 3. Partnership in developing and refining standards for quality early childhood education.

Key Performance Components

Competitive Advantage

Individualized Attention

LittleStars Learning Center prioritizes individualized attention, ensuring each child receives personalized care and educational support tailored to their unique needs.

Experienced Educators

The center employs a team of experienced and caring educators dedicated to fostering creativity and social development, ensuring a high-quality learning experience.

Safe & Stimulating Environment

LittleStars offers a safe and stimulating environment where children can explore, learn, and grow through engaging activities and educational programs.

Marketing and Growth Strategy

Utilize social media, SEO, and content marketing to reach and convert parents seeking quality day care services.

Engage with local communities and parents through events, workshops, and partnerships to build trust and visibility.

Implement a referral incentive program to encourage satisfied parents to recommend LittleStars to friends and family.

Target Groups

	Industries	Description
I	Parents of Young Children	Parents seeking reliable and high-quality day care services for their young children as they balance work and family responsibilities.
II	Early Childhood Educators	Qualified educators looking for employment opportunities in a nurturing and innovative day care facility that values professional growth and development.
III	Local Communities	Community members interested in accessible and enriching early childhood education programs to support child development within the local area.
IV	Corporate Partners	Businesses looking to collaborate on child care solutions for their employees, enhancing work-life balance and overall job satisfaction.
V	Government and Non-profit Organizations	Organizations focused on child welfare and education, interested in collaborating on programs to support early childhood development.
VI	Educational Technology Providers	Companies offering advanced educational tools and resources that can be integrated into LittleStars Learning Center's curriculum to enhance learning experiences.
VII	Prospective Franchisees	Individuals or entities interested in investing in and opening LittleStars Learning Center franchises to expand the brand's reach and impact.

Sources: Company's Prop Assessment

Painpoints & Solutions

Solution from Phase I to Phase IV

	1	2	3	4	5	6	7
Painpoints	**Lack of Quality Childcare Options** Parents struggle to find reliable, high-quality childcare services that meet their standards.	**Limited Early Childhood Education Programs** Many childcare facilities lack structured educational programs catering to early childhood development.	**Insufficient Individualized Attention** Children often do not receive the personalized care and attention they need in larger childcare settings.	**Limited Access to Advanced Educational Tools** Parents often find childcare centers lacking in modern and engaging educational tools.	**Undertrained Staff** The quality of childcare can be compromised due to insufficiently trained staff.	**Lack of Enriching Activities** Many childcare programs lack diverse and enriching activities that engage children's curiosity and creativity.	**Difficulty in Engaging a Broader User Base** Childcare centers often struggle to attract a diverse user base due to limited service offerings.
Solution	LittleStars Learning Center offers exceptional day care services with a focus on safety, individualized attention, and early childhood education, providing parents with peace of mind.	LittleStars Learning Center implements a robust curriculum focused on early childhood education, ensuring comprehensive cognitive and social development for children.	With a low teacher-to-child ratio, LittleStars Learning Center ensures that every child gets the individual attention they deserve, fostering a nurturing and supportive environment.	LittleStars Learning Center integrates advanced educational tools and resources, providing a stimulating learning environment for children.	LittleStars Learning Center invests in continuous staff training and professional development, ensuring a high standard of care and education.	LittleStars Learning Center offers a variety of enriching programs and activities, from arts and crafts to outdoor play, catering to the interests and developmental needs of all children.	By continuously expanding and refining its core services, LittleStars Learning Center broadens its appeal, effectively reaching a more diverse demographic.

Strategic Analysis: SWOT

Strength	Experienced and caring educators ensure high-quality care. Individualized attention supports personalized growth. Innovative educational programs engage children effectively. Safe, stimulating environment fosters exploration and learning. Strong commitment to social and creative development.
Weaknesses	High operational costs can limit resource allocation. Limited brand recognition in a competitive market. Dependence on full enrollment for financial stability. Staff turnover affects consistency of care. High parent service expectations can be challenging to meet.
Opportunities	Rising demand for quality early childhood education. Potential for expanding services or locations. Growing awareness of early education's importance. Partnerships with local schools and organizations. Government funding and grants for early education.
Threats	Economic downturns may reduce enrollment. Intense competition from other daycare centers. Regulatory changes affecting operations. Health and safety concerns in childcare environments. Potential staff shortages impact service quality.

History & Roadmap

May 2025

Community Outreach
Expand partnerships with community organizations for broader impact.

Feb 2025

Technology Integration
Integrate tech tools to enhance interactive learning experiences.

Nov 2024

Family Engagement
Launch initiatives to involve parents in their child's learning.

Aug 2024

Staff Training
Implement advanced training sessions for educators and support staff.

May 2024

Curriculum Development
Introduce customized learning programs to enhance creativity and growth.

Feb 2024

Infrastructure Enhancement
Upgrade facilities for a more stimulating learning environment.

Current Status.

LittleStars Learning Center's roadmap focuses on upgrading its educational environment and programs. Beginning in February 2024, the center will enhance its infrastructure for a better learning atmosphere. By May 2024, customized learning programs will be introduced. Staff will receive advanced training by August 2024. November 2024 will see new family engagement initiatives. By February 2025, technology will be integrated to make learning interactive. Finally, by May 2025, community outreach initiatives will expand partnerships and impact. This comprehensive roadmap ensures a nurturing and innovative approach to early childhood education.

Organizational and Marketing Tasks

#	Check List Item	Status	Priority	Area	ETA
General Planning and Organization					
1	Develop Business Plan	Not Started	High	CEO	2 weeks
2	Register Business Name and Legal Entity	Not Started	High	CFO	1 month
3	Secure Initial Funding	Not Started	High	CFO	2 months
4	Draft Operational and Service Policies	Not Started	Medium	COO	3 weeks
5	Find and Lease Facility	Not Started	High	COO	1 month
6	Hire Key Staff	Not Started	High	CPO	2 months
7	Configure and Set Up IT and Educational Infrastructure	Not Started	Medium	CTO	1 month
8	Develop Emergency and Health Safety Procedures	Not Started	Medium	CSO	1.5 months
Marketing					
1	Develop a Comprehensive Marketing Plan	Not Started	High	CMO	2 weeks
2	Create Brand Identity and Logo	Not Started	High	CMO	3 weeks
3	Establish Social Media Presence	Not Started	Medium	CMO	1 month
4	Design and Launch Company Website	Not Started	High	CMO	1.5 months
5	Create and Distribute Promotional Materials	Not Started	Medium	CMO	2 months
6	Initiate Local Advertising Campaigns	Not Started	Medium	CRO	2.5 months
7	Develop Partnerships with Local Businesses	Not Started	High	CBO	3 months
8	Organize Community Outreach Events	Not Started	Medium	COO	4 months

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
Phase 1 & Technical Set Up for next Phases					
1	Secure Facility Lease	Not Started	High	CFO	2 months
2	Hire Core Staff	Not Started	High	COO	3 months
3	Acquire Necessary Licenses and Permits	Not Started	High	CEO	2 months
4	Develop Safety and Cleanliness Protocols	Not Started	High	CSO	1 month
5	Create Initial Curriculum	Not Started	High	CPO	2 months
6	Set Up Classrooms and Activity Areas	Not Started	Medium	COO	1 month
7	Establish Enrollment Processes	Not Started	Medium	CBO	1 month
8	Launch Opening Event	Not Started	Low	CMO	4 months
Phase 2					
1	Integrate Advanced Educational Tools	Not Started	High	CTO	3 months
2	Increase Staff Training Programs	Not Started	High	COO	4 months
3	Enhance Activity Programs	Not Started	Medium	CPO	2 months
4	Upgrade Facility Equipment	Not Started	Medium	CFO	5 months
5	Implement Feedback System from Parents	Not Started	High	CMO	2 months
6	Develop Curriculum Enhancements	Not Started	High	CSO	3 months
7	Increase Community Outreach	Not Started	Medium	CRO	4 months
8	Refine Enrollment Process	Not Started	Low	COO	3 months

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
Phase 3					
1	Launch After-School Programs	Not Started	High	COO	3 months
2	Organize Summer Camps	Not Started	High	CPO	4 months
3	Develop Specialized Workshops	Not Started	Medium	COO	5 months
4	Form Strategic Partnerships	Not Started	High	CRO	6 months
5	Expand Revenue Streams	Not Started	High	CFO	4 months
6	Hire Additional Educators	Not Started	Medium	COO	3 months
7	Enhance Marketing for New Programs	Not Started	High	CMO	2 months
8	Conduct Market Analysis for New Services	Not Started	Medium	CSO	3 months
Phase 4					
1	Develop Virtual Learning Platform	Not Started	High	CTO	6 months
2	Explore Franchise Model	Not Started	High	CEO	9 months
3	Research International Expansion Opportunities	Not Started	Medium	CSO	12 months
4	Integrate Cutting-Edge Educational Technologies	Not Started	High	CIO	8 months
5	Pilot Virtual Learning Programs	Not Started	Medium	COO	10 months
6	Secure Funding for Innovative Ventures	Not Started	High	CFO	5 months
7	Partnership Development for International Markets	Not Started	Medium	CBO	11 months
8	Evaluate High-Risk Opportunities	Not Started	Low	CRO	7 months

Core Risks & Migration Strategies

1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	Staff Turnover	COO	Implement competitive salary packages and provide continuous professional development and training to enhance employee satisfaction and retention.
2	Facility Maintenance	COO	Establish a regular maintenance schedule and set up emergency repair protocols to ensure the facility remains safe and functional.
3	Health and Safety	CSO	Develop comprehensive health and safety policies, conduct regular drills, and ensure all staff are trained in emergency procedures.
4	Supplies and Inventory Management	COO	Implement an inventory tracking system and establish reliable supplier relationships to ensure timely restocking of essential supplies.
5	Technology Failures	CTO	Implement robust and redundant technology infrastructure and conduct regular maintenance checks to minimize downtime.

2. Regulatory and legal risks

#	Risk Type	Area	Mitigation Strategy
1	Licensing Compliance	COO	Regular audits to ensure compliance with local and state regulations.
2	Staff Certification	CPO	Ensure all staff maintain necessary certifications and training.
3	Health and Safety Regulations	CSO	Implement safety protocols and regular training for staff.
4	Data Privacy Laws	CIO	Adopt strong data protection measures and regular audits.
5	Advertising Standards	CMO	Ensure all marketing materials comply with regulations.

Sources: Company's Prop Assessment

Core Risks & Migration Strategies

3. Strategic/Market Risk

#	Risk Type	Area	Mitigation Strategy
1	Changing Market Demands	CMO	Conduct regular market surveys.
2	Increased Competition	CSO	Develop unique selling propositions.
3	Poor Brand Positioning	CMO	Enhance marketing and branding efforts.
4	Technology Obsolescence	CTO	Invest in continuous tech upgrades.
5	Economic Downturns	CFO	Create a financial buffer.

4. Finance risk

#	Risk Type	Area	Mitigation Strategy
1	Cash Flow Issues	CFO	Maintain a healthy cash reserve and optimize billing processes.
2	Funding Shortages	CFO	Diversify revenue streams and secure backup financing options.
3	Budget Overruns	COO	Implement strict budget controls and regular financial reviews.
4	Economic Downturn	CEO	Adjust pricing models and explore cost-saving measures.
5	High Development Costs	CIO	Prioritize investments and seek cost-effective solutions.

5. Other general risk

#	Risk Type	Area	Mitigation Strategy
1	Staff Turnover	COO	Implement retention programs and improve workplace culture
2	Parent Satisfaction	CPO	Regularly collect feedback and address concerns promptly
3	Brand Reputation	CMO	Invest in positive PR and monitor social media
4	Technological Adoption	CTO	Offer training and ensure ease of use for new tech
5	Competition	CSO	Continuously innovate and highlight unique offerings

Market Overview (TAM, SAM and SOM)

Target Available Market (TAM)	Other professional, scientific and technical activities n.e.c. Subindustry	$ 1,654,695,174	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 4.00%
Service Available Market (SAM)	1.50%	LittleStars Learning Center, an SME in the early childhood education sector, has constrained capital but rich potential within Denmark's professional, scientific, and technical activities market. Their focus on individualized attention and innovative programs taps into a growing niche. However, given their size and	
Service Obtainable Market Y1-Y3 (SOM)	Year 1 0.40000% Year 2 1.00000% Year 3 1.50000%	LittleStars Learning Center operates in a niche market within Denmark's professional and technical activities sector. With a focus on high-quality early childhood education and a robust capital of 300,000, the center can expect modest market penetration due to competition and industry concentration. The	

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 $ 300,000

Y1 Cash Flow Streem(USD)	Inflows	Outlows
Gross Profit	48,152	
Payroll Expenses		9,928
Rent & Utilities		3,475
Marketing and Branding		1,291
Communication Expenses		894
Capex		250,000
Other Miscellaneous		894
Office supplies		794
Training and Development		794
Legal and Professional Fees		695
Representation and Entert.		616
CAPEX & WC shortage Y1		221,229
Buffer		78,771
Total Required Investment(USD)		300,000

Payroll Expenses
3.69%

Rent & Utilities
1.29%

Marketing and Branding
0.48%

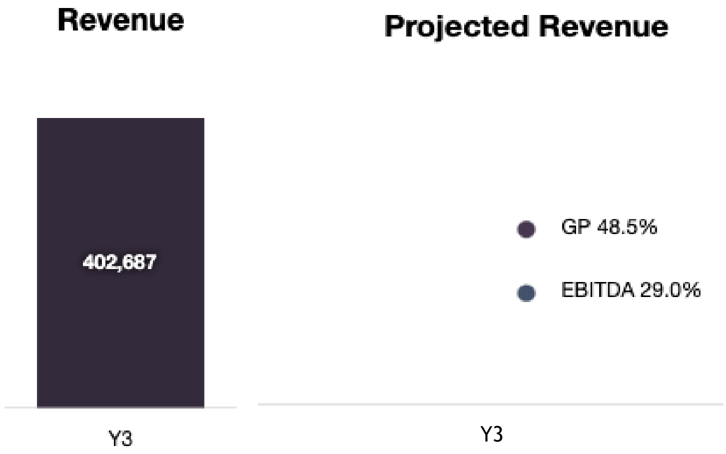
Communication Expenses
0.33%

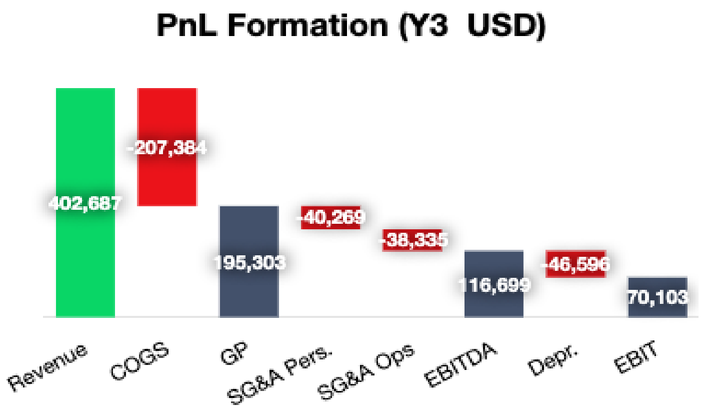
Capex
92.81%

Other
1.41%

Financials Dashboard

Y3 PL formation and Margins





Business Line Breakdown (USD)

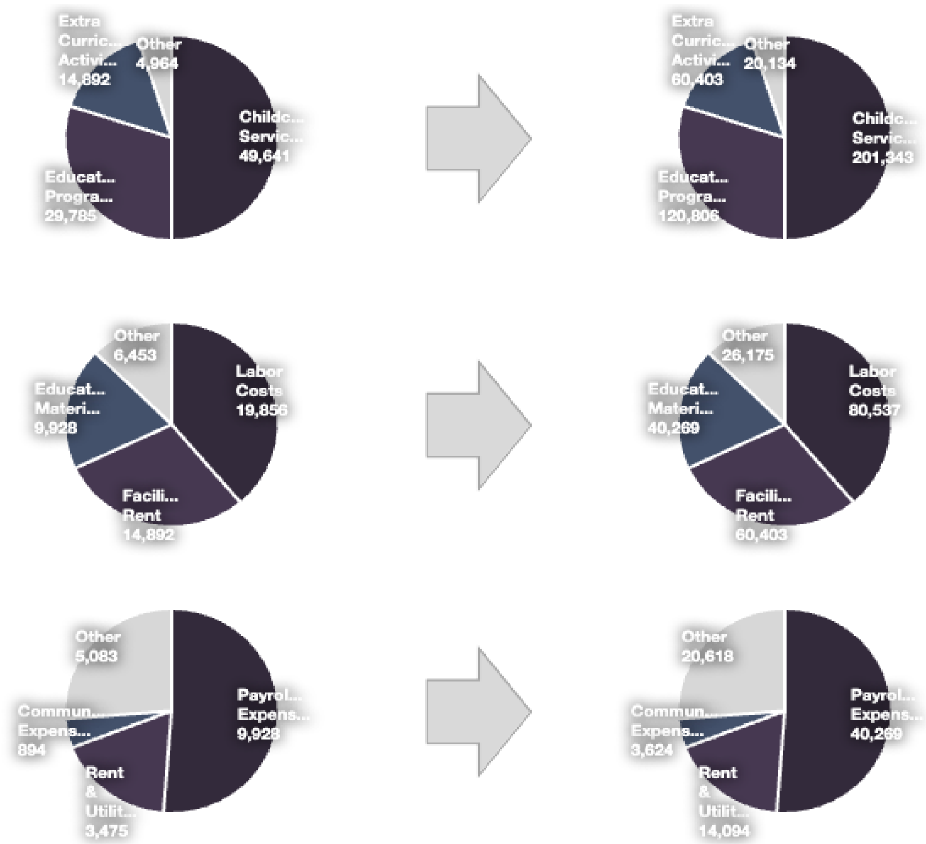
Y1

Y2

Revenue

COGS

Admin



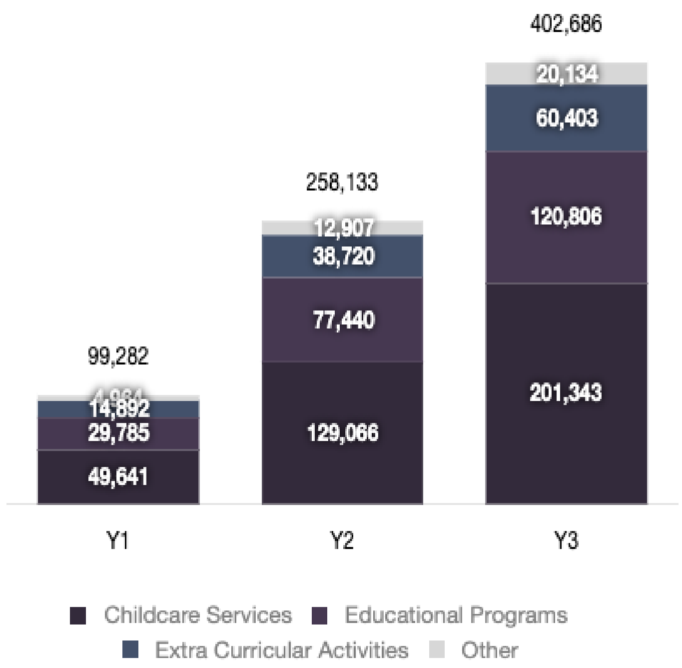
Revenue Formation Narrative

LittleStars Learning Center is strategically positioned in the early childhood education market, aiming to capitalize on its comprehensive educational programs and individualized attention. Our Total Addressable Market (TAM) stands at 1,654,695,174 USD , reflecting the extensive demand in the Professional, Scientific, and Technical Activities sector. We estimate our Serviceable Addressable Market (SAM) to be 1.5% of this TAM, reaching about 24,820,427.61 USD . This estimation is based on our specialized offerings, scaling capabilities, and market potential, yet acknowledges our capital constraints and size relative to larger competitors. Our narrative around SAM is based on the growing niche we serve despite our current limited resources and a calculated approach reflecting our growth potential within Denmark. For our Serviceable Obtainable Market (SOM), we project steady and realistic growth in the first three years. In Year 1, we estimate obtaining 0.004% of the TAM, equating to revenues of 99,281.71 USD . This modest penetration takes into account market entry challenges and initial operational scaling. For Year 2, we anticipate expanding our market share to 0.01%, yielding 258,132.447 USD in revenue as we gain foothold and increase brand awareness. By Year 3, our focus on robust early childhood education programs should enable us to capture 0.015% of the TAM, translating to 402,686.618 USD in revenue, demonstrating our capacity for sustained growth amidst competition. Our revenue streams are diversified across four primary lines of business: Childcare Services (50% of total revenue), Educational Programs (30%), Extra Curricular Activities (15%), and Other (5%). These proportions underscore our commitment to holistic child development through a blend of care, education, and enrichment activities, all aimed at scaling our operational and financial footprints.

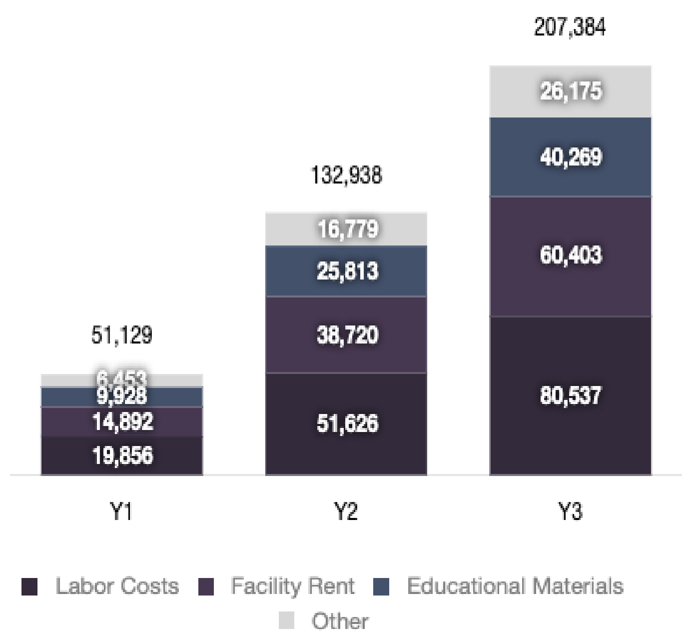
$ 402,687 Y3 Projected Revenue

0.60% Market share

Revenue (USD)



COGS categories (USD)

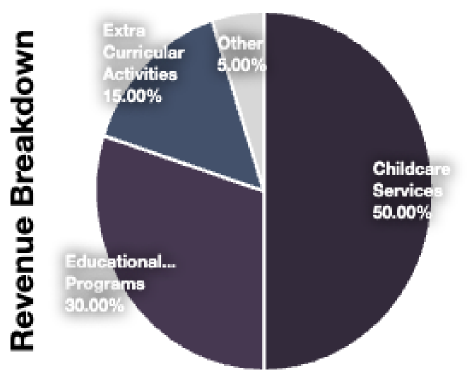


Revenue Calculation Details

Revenue Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Childcare Services	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*	*50 %*
Educational Programs	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*	*30 %*
Extra Curricular Activities	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*	*15 %*
Other	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*	*5 %*
Childcare Services	3,103	3,103	3,103	3,723	3,723	3,723	4,550	4,550	4,550	5,171	5,171	5,171	49,641	129,066	201,343
storeRevenueLOB.value?.res2?.name	1,862	1,862	1,862	2,234	2,234	2,234	2,730	2,730	2,730	3,103	3,103	3,103	29,785	77,440	120,806
Extra Curricular Activities	931	931	931	1,117	1,117	1,117	1,365	1,365	1,365	1,551	1,551	1,551	14,892	38,720	60,403
Other	310	310	310	372	372	372	455	455	455	517	517	517	4,964	12,907	20,134
Total Revenue (USD)	**6,205**	**6,205**	**6,205**	**7,446**	**7,446**	**7,446**	**9,101**	**9,101**	**9,101**	**10,342**	**10,342**	**10,342**	**99,282**	**258,132**	**402,687**

Total revenue is expected to reach $ 402,687 by year 3.
Main revenue driver are:
- Childcare Services which generates $ 201,343 by Year 3
- Educational Programs which generates $ 120,806 by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 101.40 %



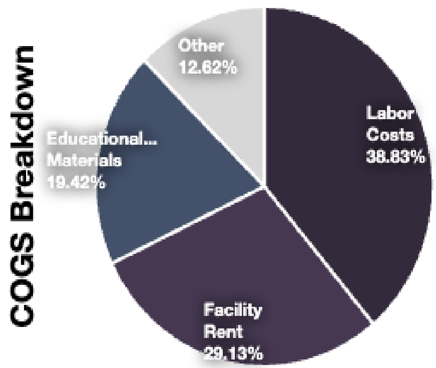
COGS Calculation Details

COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Labor Costs	*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%*
Facility Rent	*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%*
Educational Materials	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*	*10.00%*
Other	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*	*6.50%*
Labor Costs	1,241	1,241	1,241	1,489	1,489	1,489	1,820	1,820	1,820	2,068	2,068	2,068	19,856	51,626	80,537
Facility Rent	931	931	931	1,117	1,117	1,117	1,365	1,365	1,365	1,551	1,551	1,551	14,892	38,720	60,403
Educational Materials	621	621	621	745	745	745	910	910	910	1,034	1,034	1,034	9,928	25,813	40,269
Other	403	403	403	484	484	484	592	592	592	672	672	672	6,453	16,779	26,175
Total COGS (USD)	**3,196**	**3,196**	**3,196**	**3,835**	**3,835**	**3,835**	**4,687**	**4,687**	**4,687**	**5,326**	**5,326**	**5,326**	**51,130**	**132,938**	**207,384**

Total COGS is expected to reach $ 207,384 by year 3.
Main revenue driver are:

- Labor Costs which generates $ 80,537 by Year 3
- Facility Rent which generates $ 60,403 by Year 3

Expected CAGR for total COGS in Y1-Y3 is 101.40 %



SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Payroll Expenses	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Rent & Utilities	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Communication Expenses	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
Office supplies	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%
Legal and Professional Fees	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Marketing and Branding	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
Representation and Entertainment	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%	0.62%
Training and Development	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%
Other Miscellaneous	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
Payroll Expenses	621	621	621	745	745	745	910	910	910	1,034	1,034	1,034	9,928	25,813	40,269
Rent & Utilities	217	217	217	261	261	261	319	319	319	362	362	362	3,475	9,035	14,094
Communication Expenses	56	56	56	67	67	67	82	82	82	93	93	93	894	2,323	3,624
Office supplies	50	50	50	60	60	60	73	73	73	83	83	83	794	2,065	3,221
Legal and Professional Fees	43	43	43	52	52	52	64	64	64	72	72	72	695	1,807	2,819
Marketing and Branding	81	81	81	97	97	97	118	118	118	134	134	134	1,291	3,356	5,235
Representation and Entertainment	38	38	38	46	46	46	56	56	56	64	64	64	616	1,600	2,497
Training and Development	50	50	50	60	60	60	73	73	73	83	83	83	794	2,065	3,221
Other Miscellaneous	56	56	56	67	67	67	82	82	82	93	93	93	894	2,323	3,624
Total SG&A (USD)	**1,211**	**1,211**	**1,211**	**1,453**	**1,453**	**1,453**	**1,776**	**1,776**	**1,776**	**2,019**	**2,019**	**2,019**	**19,380**	**50,387**	**78,604**

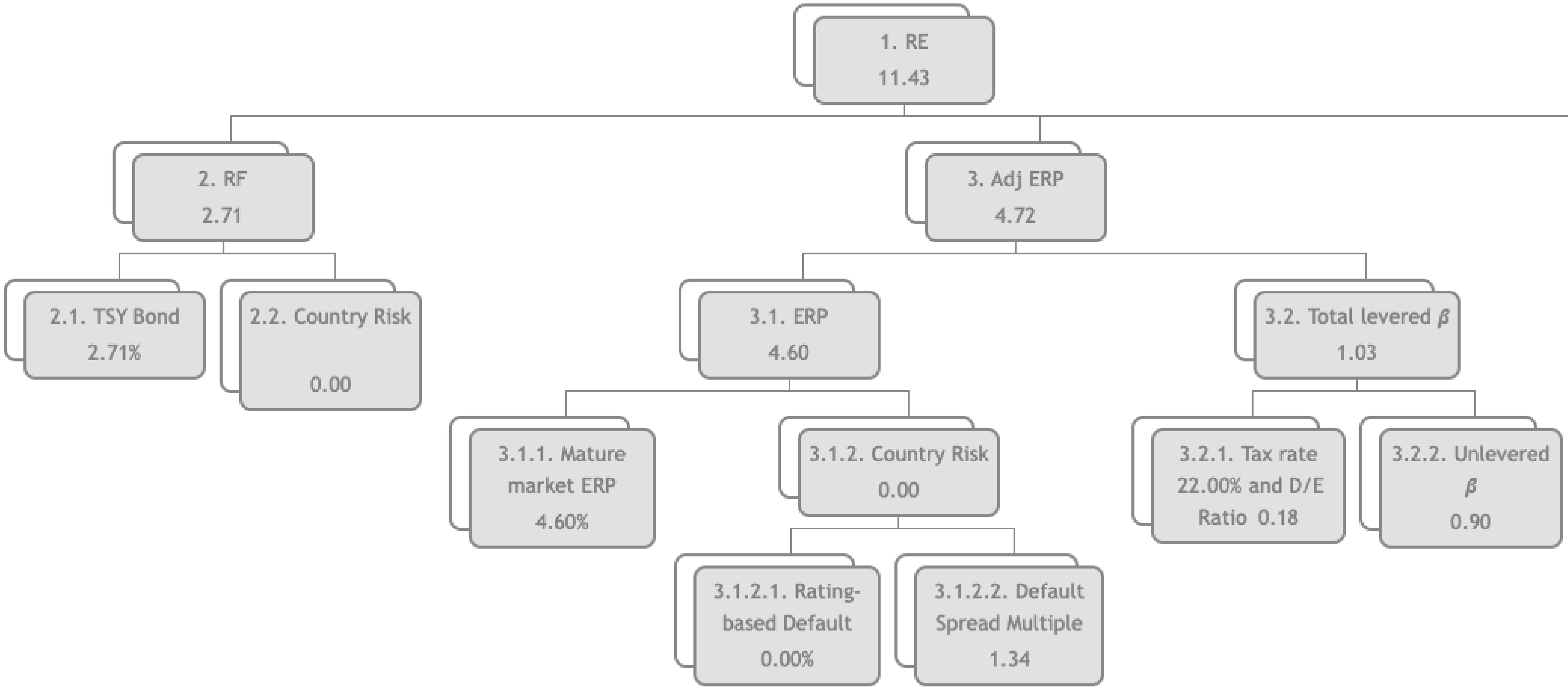
PaT Expectations

Income Statement (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Revenue	6,205	6,205	6,205	7,446	7,446	7,446	9,101	9,101	9,101	10,342	10,342	10,342	99,282	258,132	402,687
Childcare Services	3,103	3,103	3,103	3,723	3,723	3,723	4,550	4,550	4,550	5,171	5,171	5,171	49,641	129,066	201,343
Educational Programs	1,862	1,862	1,862	2,234	2,234	2,234	2,730	2,730	2,730	3,103	3,103	3,103	29,785	77,440	120,806
Extra Curricular Activities	931	931	931	1,117	1,117	1,117	1,365	1,365	1,365	1,551	1,551	1,551	14,892	38,720	60,403
Other	310	310	310	372	372	372	455	455	455	517	517	517	4,964	12,907	20,134
COGS	-3,196	-3,196	-3,196	-3,835	-3,835	-3,835	-4,687	-4,687	-4,687	-5,326	-5,326	-5,326	-51,130	-132,938	-207,384
Labor Costs	-1,241	-1,241	-1,241	-1,489	-1,489	-1,489	-1,820	-1,820	-1,820	-2,068	-2,068	-2,068	-19,856	-51,626	-80,537
Facility Rent	-931	-931	-931	-1,117	-1,117	-1,117	-1,365	-1,365	-1,365	-1,551	-1,551	-1,551	-14,892	-38,720	-60,403
Educational Materials	-621	-621	-621	-745	-745	-745	-910	-910	-910	-1,034	-1,034	-1,034	-9,928	-25,813	-40,269
Other	-403	-403	-403	-484	-484	-484	-592	-592	-592	-672	-672	-672	-6,453	-16,779	-26,175
Gross Profit	3,009	3,009	3,009	3,611	3,611	3,611	4,414	4,414	4,414	5,016	5,016	5,016	48,152	125,194	195,303
SG&A Personal Expenses	-621	-621	-621	-745	-745	-745	-910	-910	-910	-1,034	-1,034	-1,034	-9,928	-25,813	-40,269
SG&A Operating Expenses	-591	-591	-591	-709	-709	-709	-866	-866	-866	-985	-985	-985	-9,452	-24,574	-38,336
EBITDA	1,798	1,798	1,798	2,158	2,158	2,158	2,637	2,637	2,637	2,997	2,997	2,997	28,772	74,807	116,699
Depreciation	-3,883	-3,883	-3,883	-3,883	-3,883	-3,883	-3,883	-3,883	-3,883	-3,883	-3,883	-3,883	-46,595	-46,595	-46,595
EBIT	-2,085	-2,085	-2,085	-1,725	-1,725	-1,725	-1,246	-1,246	-1,246	-886	-886	-886	-17,823	28,212	70,103
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit before Tax	-2,085	-2,085	-2,085	-1,725	-1,725	-1,725	-1,246	-1,246	-1,246	-886	-886	-886	-17,823	28,212	70,103
Tax	459	459	459	380	380	380	274	274	274	195	195	195	3,921	-6,207	-15,423
Profit after Tax (USD)	-1,626	-1,626	-1,626	-1,346	-1,346	-1,346	-972	-972	-972	-691	-691	-691	-13,902	22,005	54,681

Sources: Company's Prop Planning

Cost of Capital Estimation

Required Return on Equity Derivation



Sources: Aswath Damodaran, Investing.com

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	(USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
	Profit after Tax	-13,902	22,005	54,681	56,868	59,143	61,508	63,969
	Growth% Y4-Y7				4.00%	4.00%	4.00%	4.00%
	Growth% Y7 -->	3.50%						
	WACC	11.43%						
	PV Y1-Y7 at Y0	-12,476	17,722	39,521	36,886	34,426	32,131	29,988
	PV Y7 --> Y0	391,398						
	NPV (USD)	569,596						

Average Survival Rate for 3 Years	50%

Final Valuation	$ 284,798

The valuation is conducted using the Discounted Cash Flow (DCF) method. In this method, the projected cash flows for a period of 7 years, along with a terminal value, are discounted at a rate of 11.43 % to determine the Firm Value.

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

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

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

Sources: Business Valuation

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

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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.

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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