Business Plan
& Valuation Presentation

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

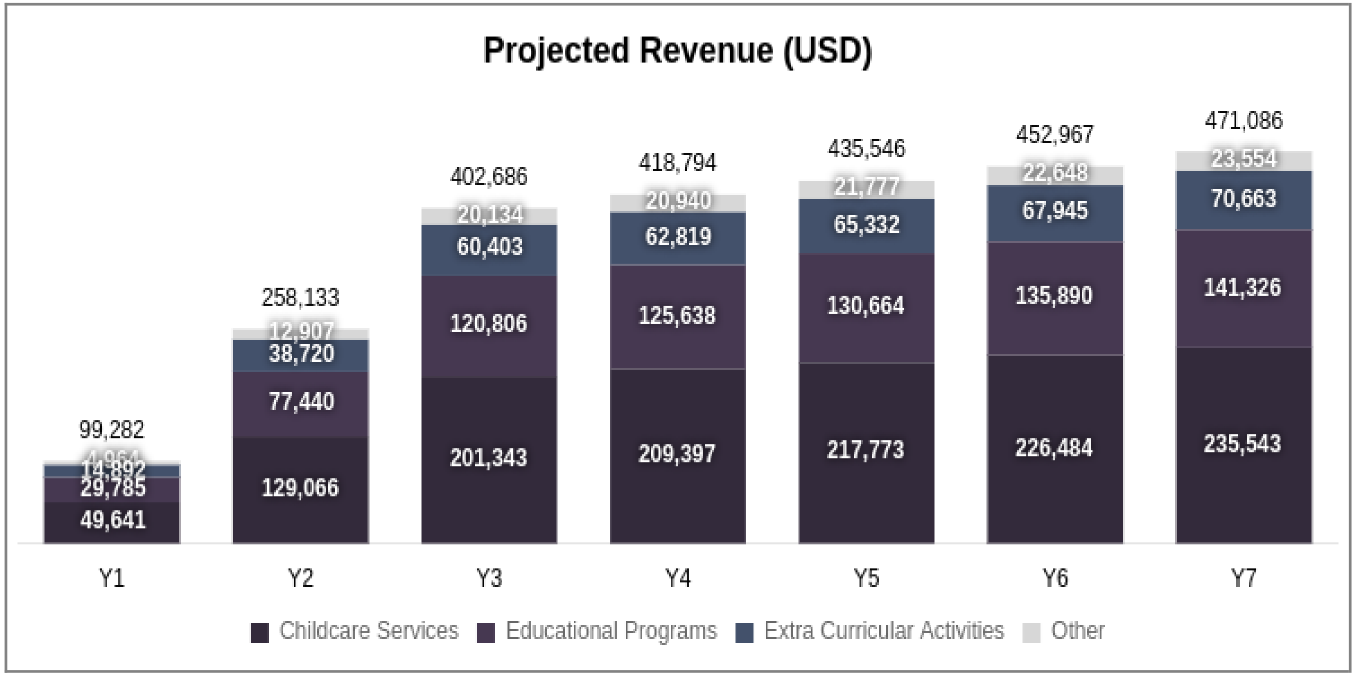
Gross Profit

$ 116,699

EBITDA

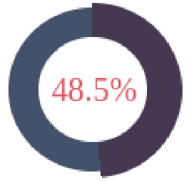
0.02%

Target Market Share

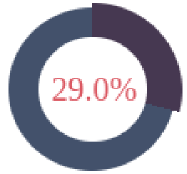


Margins
(Stabilized by Y3)

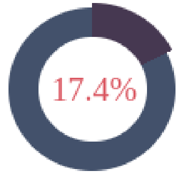
GP Margin



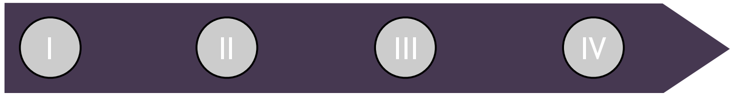
EBITDA Margin



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.

The Main Phases: Projects & Impacts

01 Foundation Establishment

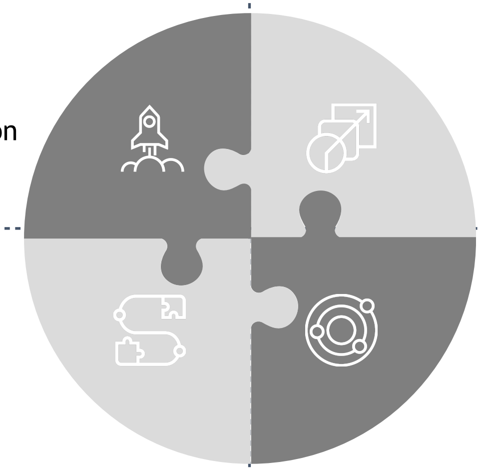
Phase I.

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.

Sources: Company's Prop Assessment

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

Painpoints / **Solution**

1. Lack of Quality Childcare Options

Painpoint: Parents struggle to find reliable, high-quality childcare services that meet their standards.

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.

2. Limited Early Childhood Education Programs

Painpoint: Many childcare facilities lack structured educational programs catering to early childhood development.

Solution: LittleStars Learning Center implements a robust curriculum focused on early childhood education, ensuring comprehensive cognitive and social development for children.

3. Insufficient Individualized Attention

Painpoint: Children often do not receive the personalized care and attention they need in larger childcare settings.

Solution: 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.

4. Limited Access to Advanced Educational Tools

Painpoint: Parents often find childcare centers lacking in modern and engaging educational tools.

Solution: LittleStars Learning Center integrates advanced educational tools and resources, providing a stimulating learning environment for children.

5. Undertrained Staff

Painpoint: The quality of childcare can be compromised due to insufficiently trained staff.

Solution: LittleStars Learning Center invests in continuous staff training and professional development, ensuring a high standard of care and education.

6. Lack of Enriching Activities

Painpoint: Many childcare programs lack diverse and enriching activities that engage children's curiosity and creativity.

Solution: 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.

7. Difficulty in Engaging a Broader User Base

Painpoint: Childcare centers often struggle to attract a diverse user base due to limited service offerings.

Solution: 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.

Sources: Company's Prop Assessment

Pestel: Analysis

P	E	S	T	E	L
Political 7 / 10	Economic 6 / 10	Social 9 / 10	Technological 9 / 10	Environmental 8 / 10	Legal 7 / 10
Regulation Compliance: Adherence to both local and federal childcare regulations.	**Parental Income:** Economic conditions impacting parental ability to afford daycare.	**Demographics:** Local population growth impacting demand for childcare services.	**Digital Tools:** Integration of digital tools for education and communication with parents.	**Sustainable Practices:** Implementing eco-friendly practices and reducing waste.	**Child Safety Laws:** Compliance with child safety and protection laws.
Funding Programs: Availability of government funding for early childhood education.	**Operational Costs:** Fluctuating operating expenses, including wages, rent, and utilities.	**Parental Expectations:** Increasing demand for high-quality, modern childcare practices.	**Security Systems:** Advanced security measures ensuring child safety.	**Healthy Environment:** Maintaining clean and safe facilities for children.	**Labor Laws:** Adhering to childcare worker labor laws.

LittleStars Learning Center is positioned to thrive by adapting to regulatory, economic, and technological changes. With strong parental support and a focus on safety, the center can continue to provide exceptional care and education while meeting future challenges.

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?

LittleStars Learning Center can exploit the opportunity by offering individualized attention and a safe, stimulating environment for early childhood education and care.

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

Few firms provide such a focused approach to creativity, social development, and individualized attention in daycare centers.

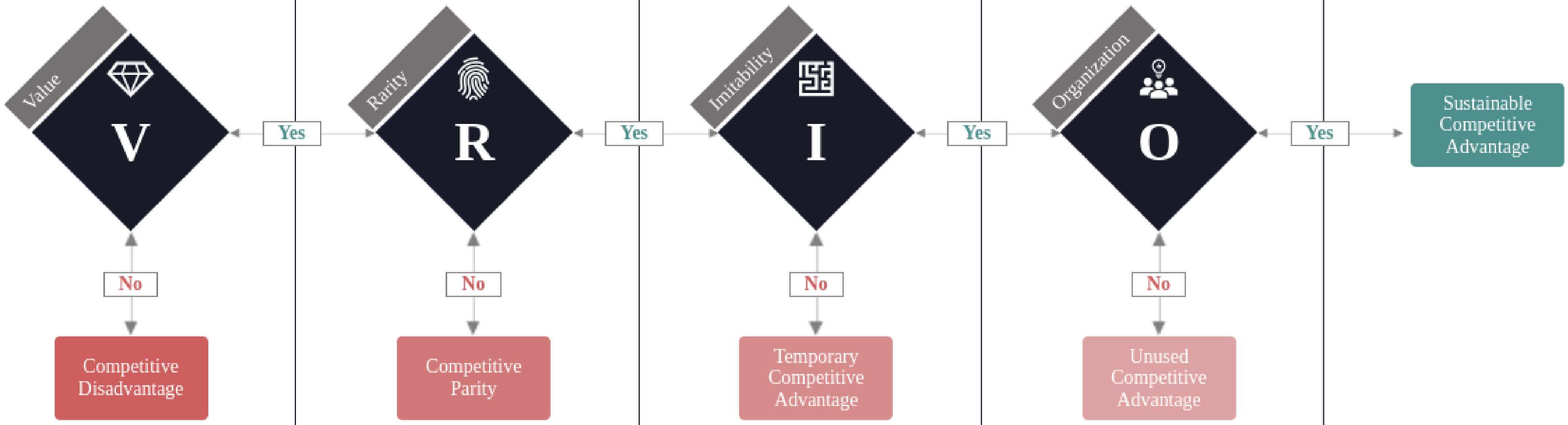
Is the resource or capability costly for other firms to imitate?

The expertise and dedication of experienced and caring educators at LittleStars make it costly and challenging for others to replicate the same quality of service.

Is the firm organized to exploit the resource or capability?

LittleStars is well-organized to leverage its nurturing environment and experienced staff to maintain high-quality early childhood education and care.

LittleStars Learning Center has valuable, rare, and costly-to-imitate resources and capabilities. The firm is organized to fully utilize these strengths, ensuring a sustainable competitive advantage.

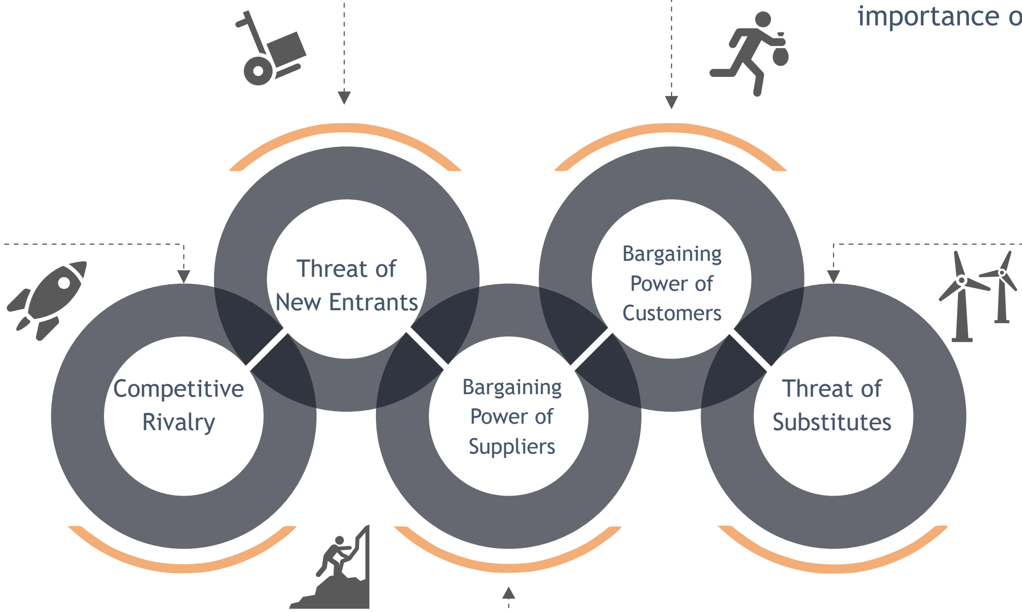


Porter’s Five Forces: Analysis

Barriers to entry are low, entrance of new daycares is fairly straightforward.

Parents have various choices for daycares, emphasizing the importance of quality services.

Moderate number of local daycare facilities competing for similar target demographics.



Alternative early childhood education options like nannies or family care are available.

Suppliers have limited influence; diverse options exist for educational materials and services.

LittleStars Learning Center operates in a competitive market but can succeed by emphasizing quality, individualized care, and educational excellence.

High
Moderate
Low

Management Team

Mads Jensen

Co-Founder & CEO

Overview

Mads leads LittleStars, focusing on creating a safe, nurturing environment where children can thrive and develop essential skills.

Sanne Petersen

Co-Founder & Director of Education

Overview

Sanne ensures that LittleStars offers high-quality early childhood education, fostering a love for learning in every child

Lars Thomsen

Operations Manager

Overview

Lars manages daily operations, overseeing staff and resources to maintain a smooth and supportive environment for both children and parents.

Freja Andersen

Parent Relations Manager

Overview

Freja builds strong relationships with parents, ensuring clear communication and that every child's needs are met with care and attention

History & Roadmap

Community Outreach
Expand partnerships with community organizations for broader impact.

Technology Integration
Integrate tech tools to enhance interactive learning experiences.

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

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

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

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 & Mitigation 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 & Mitigation 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. (consolidated) 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		221,228
Buffer		78,772
Total Required Investment(USD)		300,000

Payroll Expenses
3.69%

Rent & Utilities
1.29%

Marketing and Branding
0.48%

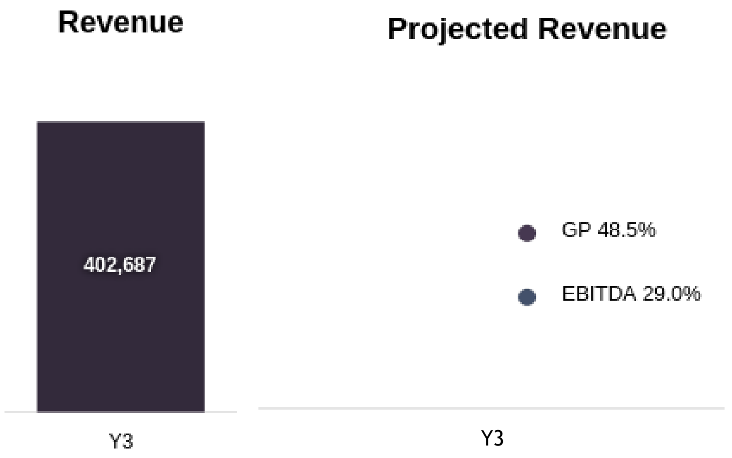
Communication Expenses
0.33%

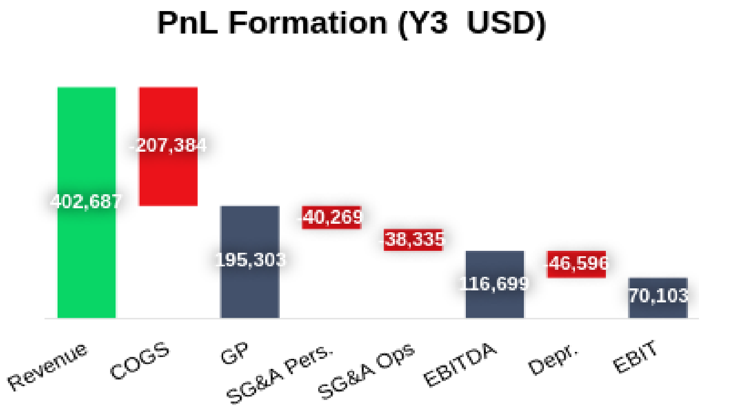
Capex
92.81%

Other
1.41%

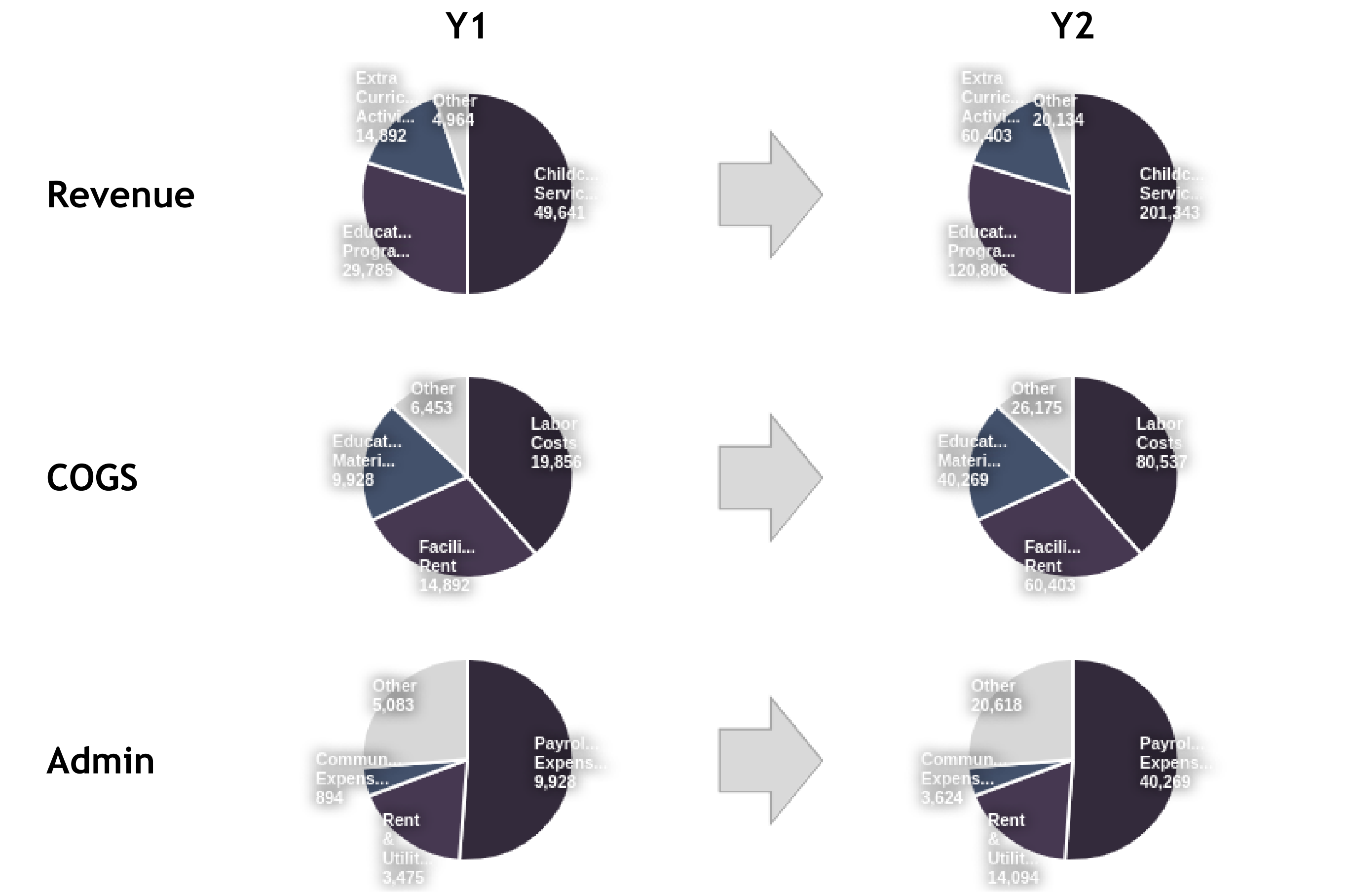
Financials Dashboard

Y3 PL formation and Margins





Business Line Breakdown (USD)



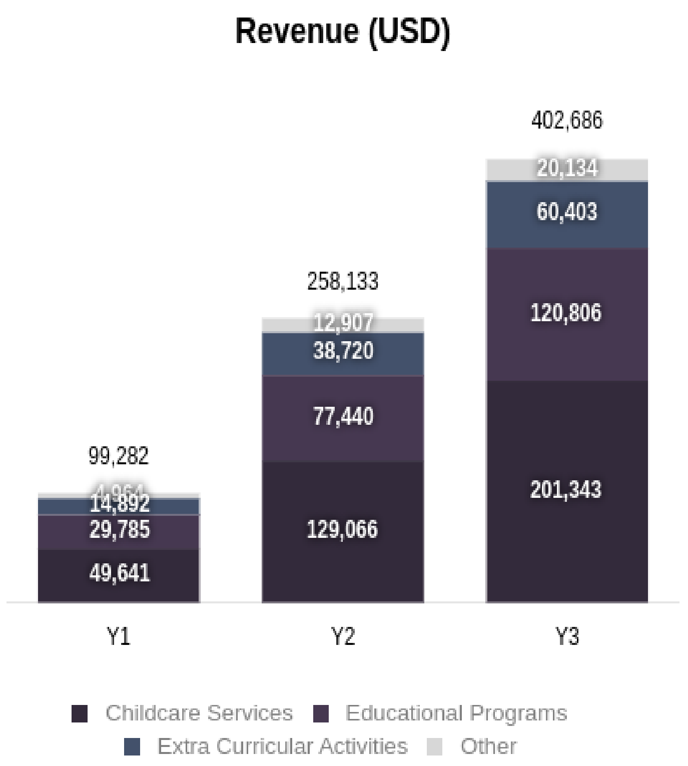
LS Learning Center

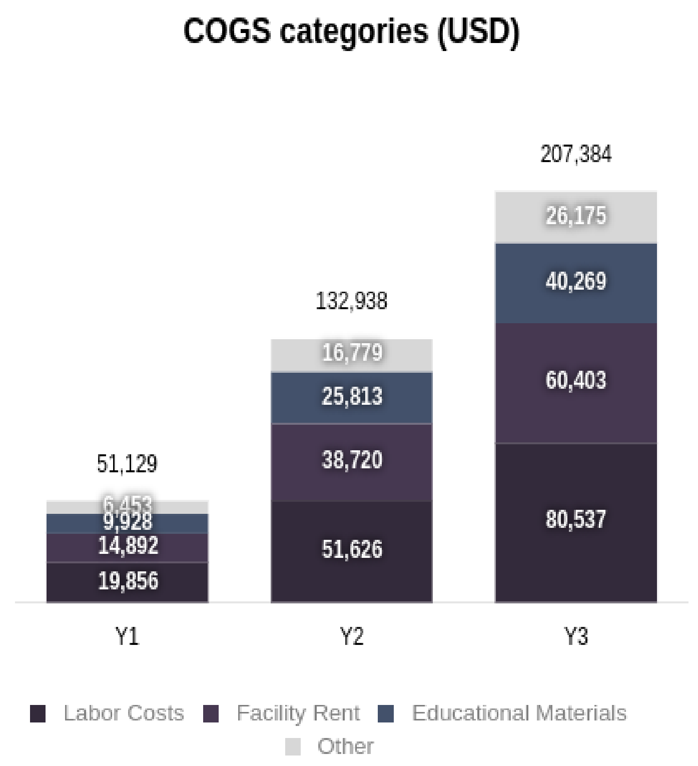
Revenue Formation Narrative

$ 402,687 Y3 Projected Revenue

0.02% Market share

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.





Revenue Calculation Details

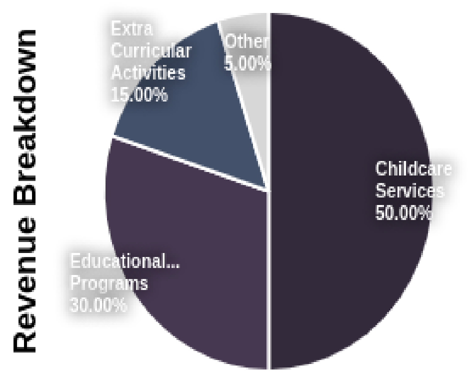
Revenue Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Childcare Services	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*
Educational Programs	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*	*30.00%*
Extra Curricular Activities	*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%*
Other	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*
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
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 %

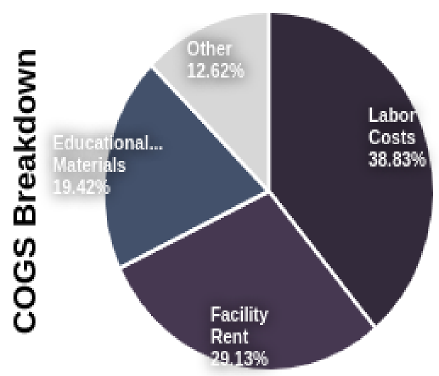


COGS Calculation Details

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%*

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
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

Balance Sheet Statement

Balance Sheet (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Cash & Cash Equivalents	42,398	44,196	45,296	46,272	48,430	49,657	50,718	53,355	55,295	57,110	60,107	59,846	59,846	113,810	150,522
Accounts Receivable	6,205	6,205	6,205	7,446	7,446	7,446	9,101	9,101	9,101	10,342	10,342	10,342	10,342	26,889	41,947
Inventory	3,196	3,196	3,835	3,835	3,835	4,687	4,687	4,687	5,326	5,326	5,326	8,309	8,309	12,961	21,602
Prepaid Expenses	295	295	354	354	354	433	433	433	492	492	492	768	768	1,198	1,997
Deferred Tax Assets	459	917	1,376	1,755	2,135	2,514	2,788	3,062	3,336	3,531	3,726	3,921	3,921	-	-
Current Assets	52,552	54,809	57,066	59,662	62,200	64,737	67,727	70,639	73,550	76,801	79,993	83,185	83,185	154,859	216,067
CAPEX 1	74,375	73,750	73,125	72,500	71,875	71,250	70,625	70,000	69,375	68,750	68,125	67,500	67,500	60,000	52,500
CAPEX 2	78,667	77,333	76,000	74,667	73,333	72,000	70,667	69,333	68,000	66,667	65,333	64,000	64,000	48,000	32,000
CAPEX 3	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
CAPEX 4	44,464	43,929	43,393	42,857	42,321	41,786	41,250	40,714	40,179	39,643	39,107	38,571	38,571	32,143	25,714
Non-Current Assets	246,117	242,234	238,351	234,468	230,585	226,702	222,819	218,937	215,054	211,171	207,288	203,405	203,405	156,810	160,214
Total Assets	298,669	297,043	295,417	294,131	292,785	291,440	290,547	289,575	288,604	287,972	287,281	286,590	286,590	311,668	376,282
Accounts Payable	295	295	295	354	354	354	433	433	433	492	492	492	492	1,280	1,997
Short-Term Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	2,285	11,502
Current Liabilities	295	295	295	354	354	354	433	433	433	492	492	492	492	3,565	13,498
Loans and other borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	295	295	295	354	354	354	433	433	433	492	492	492	492	3,565	13,498
Paid-In Capital	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-13,902	8,103
Current Period Earnings	-1,626	-3,252	-4,878	-6,224	-7,569	-8,915	-9,886	-10,858	-11,829	-12,520	-13,211	-13,902	-13,902	22,005	54,681
Total Equity	298,374	296,748	295,122	293,776	292,431	291,085	290,114	289,142	288,171	287,480	286,789	286,098	286,098	308,103	362,783

Sources: Company's Prop Planning

Cash Flow Statement - Direct

Cash Flow Statement - Direct (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Initial Balance	46,509	42,398	44,196	45,296	46,272	48,430	49,657	50,718	53,355	55,295	57,110	60,107	-	59,846	113,810
Cash from sales of goods/services	-	6,205	6,205	6,205	7,446	7,446	7,446	9,101	9,101	9,101	10,342	10,342	88,940	241,585	387,629
Payments to employees/vendors	-4,112	-4,407	-5,046	-5,229	-5,288	-6,140	-6,385	-6,463	-7,103	-7,286	-7,345	-10,327	-78,326	-187,191	-293,912
Advances paid/received	-	-	-59	-	-	-79	-	-	-59	-	-	-276	-768	-430	-799
Taxes paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-6,207
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CF from Operating Activities	-4,112	1,798	1,100	976	2,158	1,227	1,061	2,637	1,939	1,815	2,997	-261	9,846	53,965	86,711
Acquisition of															
CAPEX 1	-	-	-	-	-	-	-	-	-	-	-	-	-75,000	-	-
CAPEX 2	-	-	-	-	-	-	-	-	-	-	-	-	-80,000	-	-
CAPEX 3	-	-	-	-	-	-	-	-	-	-	-	-	-50,000	-	-50,000
CAPEX 4	-	-	-	-	-	-	-	-	-	-	-	-	-45,000	-	-
CF from Investing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-250,000	-	-50,000
Loans received / paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments received / paid	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-
CF from Financing activities	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-
Ending Balance	42,398	44,196	45,296	46,272	48,430	49,657	50,718	53,355	55,295	57,110	60,107	59,846	59,846	113,810	150,522

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

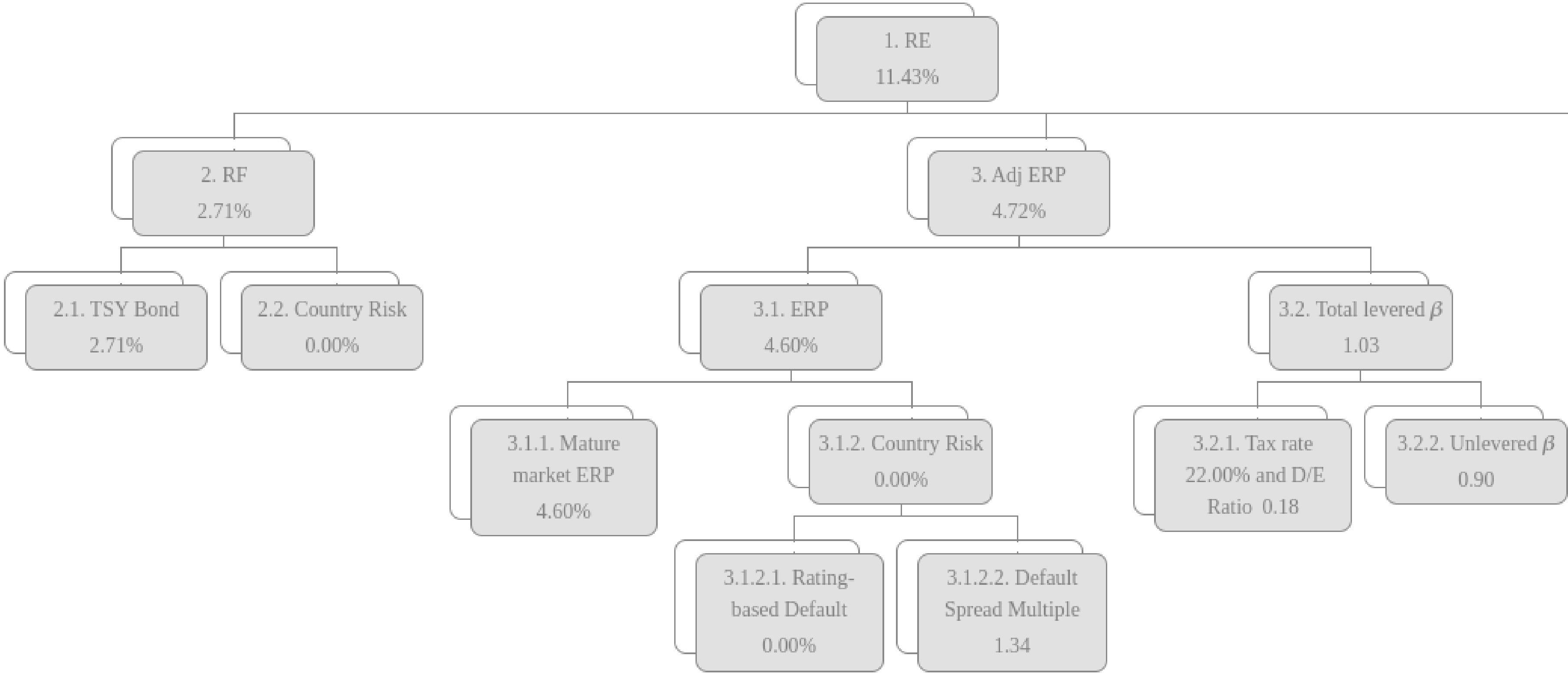
Cash Flow Statement - Indirect (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Initial Balance	46,509	42,398	44,196	45,296	46,272	48,430	49,657	50,718	53,355	55,295	57,110	60,107	-	59,846	113,810
EBIT	-2,085	-2,085	-2,085	-1,725	-1,725	-1,725	-1,246	-1,246	-1,246	-886	-886	-886	-17,823	28,212	70,103
Δ Receivables & Prepaids	-6,205	-	-59	-1,241	-	-79	-1,655	-	-59	-1,241	-	-276	-11,110	-16,977	-15,856
Δ Payables	295	-	-	59	-	-	79	-	-	59	-	-	492	788	717
Δ Inventory	-	-	-639	-	-	-852	-	-	-639	-	-	-2,983	-8,309	-4,653	-8,641
Δ 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
Tax Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-6,207
Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CF from Operating Activities	-4,112	1,798	1,100	976	2,158	1,227	1,061	2,637	1,939	1,815	2,997	-261	9,846	53,965	86,711
Acquisition of															
CAPEX 1	-	-	-	-	-	-	-	-	-	-	-	-	-75,000	-	-
CAPEX 2	-	-	-	-	-	-	-	-	-	-	-	-	-80,000	-	-
CAPEX 3	-	-	-	-	-	-	-	-	-	-	-	-	-50,000	-	-50,000
CAPEX 4	-	-	-	-	-	-	-	-	-	-	-	-	-45,000	-	-
CF from Investing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-250,000	-	-50,000
Loans received / paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments received / paid	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-
CF from Financing activities	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-
Ending Balance	42,398	44,196	45,296	46,272	48,430	49,657	50,718	53,355	55,295	57,110	60,107	59,846	59,846	113,810	150,522

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.

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

	(USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
DCF	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	39,520	36,884	34,424	32,129	29,986
	PV Y7 --> Y0	391,305						
	NPV (USD)	569,494						

Average Survival Rate for 3 Years	50%
Final Valuation	**$ 284,747**

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.

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%

Sources: Company's Prop Information

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	$ 402,687	$ 463,090	$ 342,284	$ 402,687	$ 402,687	$ 402,687	$ 402,687
	Gross Profit Y3	$ 195,303	$ 224,598	$ 166,008	$ 236,780	$ 153,826	$ 195,303	$ 195,303
	GP Margin	49%	49%	49%	59%	38%	49%	49%
	EBITDA Y3	$ 116,699	$ 134,203	$ 99,194	$ 158,175	$ 75,222	$ 116,699	$ 116,699
	EBITDA Margin	29%	29%	29%	39%	19%	29%	29%
	Net Profit Y3	$ 54,681	$ 68,334	$ 41,027	$ 87,032	$ 22,329	$ 54,681	$ 54,681
	Profit Margin	14%	15%	12%	22%	6%	14%	14%
	Final Valuation	$ 284,747	$ 360,228	$ 209,266	$ 463,596	$ 105,898	$ 339,381	$ 244,015

Stress Test: Growth Under Pressure

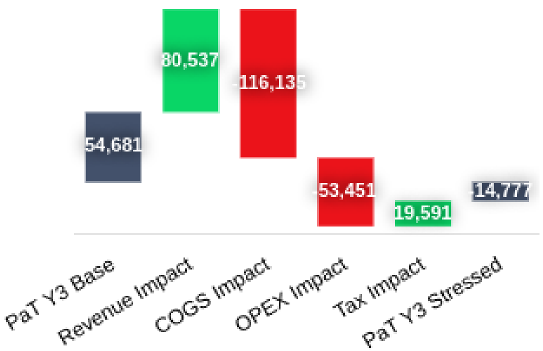
Stress tests provide a comprehensive view of how businesses might perform under extreme conditions, enabling better preparation for the uncertainties of real-world challenges.

Scenario Name	Story
Growth Under Pressure	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.

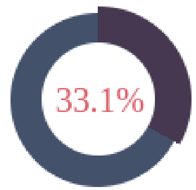
KPIs impact

Revenue Higher by 20%	**COGS** Higher by 30%
OPEX Higher by 40%	**Discount Rate** unaffected

Results

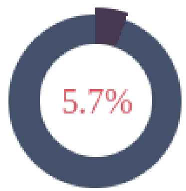


-$ 99,233 Valuation	**$ 483,224** Revenue Y3
$ 27,650 EBITDA	**-$ 14,777** Profit After Tax



Gross Profit Margin Y3

EBITDA Margin Y3



Stress Test: The Perfect Storm

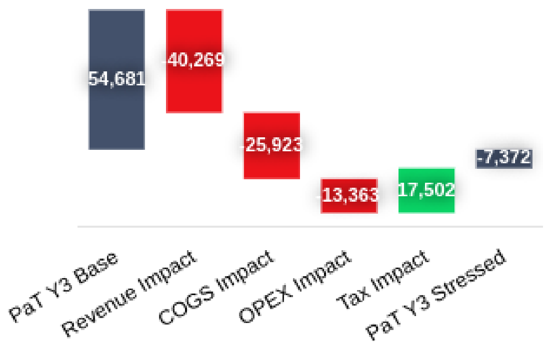
Stress tests provide a comprehensive view of how businesses might perform under extreme conditions, enabling better preparation for the uncertainties of real-world challenges.

Scenario Name	Story
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.

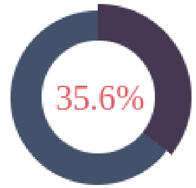
KPIs impact

Revenue Lower by 10%	**COGS** Higher by 25%
OPEX Higher by 30%	**Discount Rate** Higher by 10%

Results

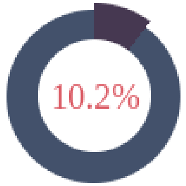


-$ 52,541 **Valuation**	$ 362,418 **Revenue Y3**
$ 37,144 **EBITDA**	-$ 7,372 **Profit After Tax**



Gross Profit Margin Y3

EBITDA Margin Y3



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	$ 79,425	$ 89,354	$ 94,318	$ 104,246	$ 109,210	$ 119,138	$ 90,346	$ 93,325	$ 96,303	$ 102,260	$ 105,239	$ 108,217
	Y2	$ 206,506	$ 232,319	$ 245,226	$ 271,039	$ 283,946	$ 309,759	$ 234,901	$ 242,645	$ 250,388	$ 265,876	$ 273,620	$ 281,364
	Y3	$ 322,149	$ 362,418	$ 382,552	$ 422,821	$ 442,955	$ 483,224	$ 366,445	$ 378,525	$ 390,606	$ 414,767	$ 426,848	$ 438,928
Gross Profit	Y1	$ 38,521	$ 43,336	$ 45,744	$ 50,559	$ 52,967	$ 57,782	$ 43,818	$ 45,263	$ 46,707	$ 49,596	$ 51,041	$ 52,485
	Y2	$ 100,155	$ 112,675	$ 118,935	$ 131,454	$ 137,714	$ 150,233	$ 113,927	$ 117,683	$ 121,438	$ 128,950	$ 132,706	$ 136,462
	Y3	$ 156,242	$ 175,773	$ 185,538	$ 205,068	$ 214,833	$ 234,364	$ 177,726	$ 183,585	$ 189,444	$ 201,162	$ 207,021	$ 212,880
GP Margin	Y1	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%
	Y2	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%
	Y3	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%
EBITDA	Y1	$ 23,017	$ 25,895	$ 27,333	$ 30,210	$ 31,649	$ 34,526	$ 26,182	$ 27,046	$ 27,909	$ 29,635	$ 30,498	$ 31,361
	Y2	$ 59,845	$ 67,326	$ 71,066	$ 78,547	$ 82,287	$ 89,768	$ 68,074	$ 70,318	$ 72,563	$ 77,051	$ 79,295	$ 81,539
	Y3	$ 93,359	$ 105,029	$ 110,864	$ 122,534	$ 128,368	$ 140,038	$ 106,196	$ 109,697	$ 113,198	$ 120,200	$ 123,700	$ 127,201
EBITDA 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%
Net Profit	Y1	-$ 18,391	-$ 16,146	-$ 15,024	-$ 12,780	-$ 11,658	-$ 9,414	-$ 15,922	-$ 15,249	-$ 14,576	-$ 13,229	-$ 12,556	-$ 11,882
	Y2	$ 10,335	$ 16,170	$ 19,088	$ 24,922	$ 27,840	$ 33,675	$ 16,754	$ 18,504	$ 20,255	$ 23,755	$ 25,506	$ 27,256
	Y3	$ 36,476	$ 45,578	$ 50,129	$ 59,232	$ 63,783	$ 72,886	$ 46,488	$ 49,219	$ 51,950	$ 57,411	$ 60,142	$ 62,873
Profit Margin	Y1	-23%	-18%	-16%	-12%	-11%	-8%	-18%	-16%	-15%	-13%	-12%	-11%
	Y2	5%	7%	8%	9%	10%	11%	7%	8%	8%	9%	9%	10%
	Y3	11%	13%	13%	14%	14%	15%	13%	13%	13%	14%	14%	14%
Final Valuation		$ 184,105	$ 234,426	$ 259,586	$ 309,907	$ 335,068	$ 385,388	$ 239,458	$ 254,554	$ 269,651	$ 299,843	$ 314,939	$ 330,035

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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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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