

Business Plan & Valuation Presentation

AUDITING



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OUR VISION & MISSION

Our Mission

Nexus Financial Solutions is dedicated to delivering comprehensive accounting, bookkeeping, auditing, and tax consultancy services with exceptional accuracy and reliability. We strive to optimize our clients' financial and tax strategies through personalized, high-quality advisory services. By leveraging our in-depth knowledge and cutting-edge analytical tools, we aim to minimize liabilities and maximize tax efficiency, enabling our clients to navigate complex financial regulations effortlessly. Our firm is committed to empowering clients to make informed financial decisions and achieve their financial objectives with confidence and clarity.

Our Vision

Nexus Financial Solutions envisions becoming the most trusted and innovative tax advisory firm, setting the standard for excellence in tax consultancy and financial planning. By anticipating and responding to evolving tax regulations, we aim to empower our clients with strategic foresight and unmatched expertise. In twenty years, we aspire to have created a legacy of enhancing financial well-being for our clients and to be recognized as the leading authority in tax efficiency and financial strategy development. Our long-term goal is to make complex financial landscapes simple and manageable for everyone.



Summary Financials Dashboard

Key performance indicators
(Base Scenario Y3)

\$ 439,771

Revenue

\$ 178,107

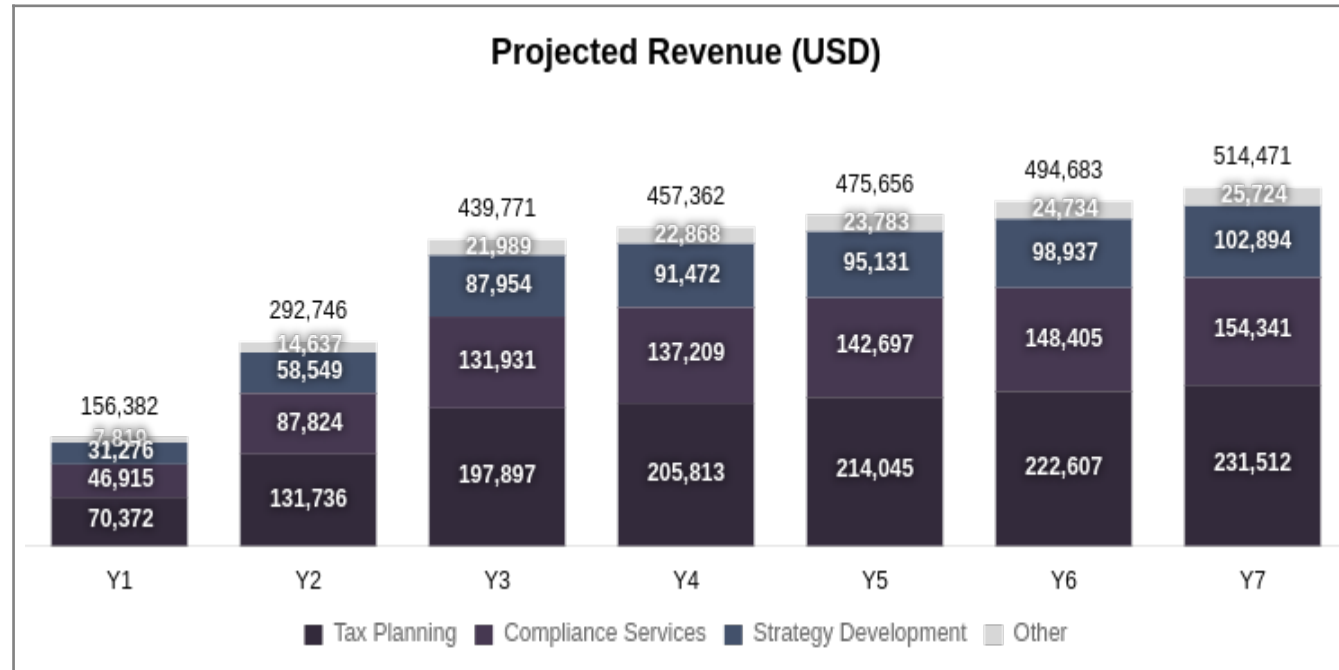
Gross Profit

\$ 95,342

EBITDA

0.00%

Target Market Share

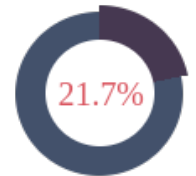


Margins
(Stabilized by Y3)

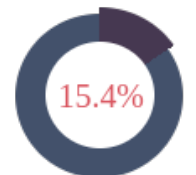
GP Margin



EBITDA Margin



PbT Margin



Project Phases



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

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



About the Company: General Overview



Nexus Financial Solutions is a distinguished financial services firm specializing in accounting, bookkeeping, and auditing activities, as well as tax consultancy. Operating within the professional, scientific, and technical activities sector, Nexus Financial Solutions offers a comprehensive range of tax-related services, including individual and corporate tax planning, compliance, and strategy development. The firm's core mission is to provide tailored tax strategies that optimize tax efficiency and minimize liabilities, thereby assisting clients in navigating the complexities of tax regulations with ease. The dedicated team at Nexus Financial Solutions comprises seasoned tax professionals who utilize in-depth knowledge and advanced analytical tools to deliver actionable insights and proactive solutions. By focusing on personalized service and strategic guidance, Nexus Financial Solutions empowers clients to make informed financial decisions and achieve their financial objectives with confidence.

The Main Phases: Projects & Impacts



Product Impact on Core Stakeholders

Main Stakeholder	Product Benefits
Clients	<ol style="list-style-type: none"> 1. Enhanced tax efficiency and minimized liabilities through personalized tax strategies. 2. Access to expert financial advice for better-informed decision-making. 3. Peace of mind from compliance with complex tax regulations.
Employees	<ol style="list-style-type: none"> 1. Opportunities for professional growth and development in a dynamic and supportive environment. 2. Increased job satisfaction from delivering high-impact, personalized services. 3. Access to advanced analytical tools and continuous learning resources.
Shareholders	<ol style="list-style-type: none"> 1. Steady revenue growth through diversified and expanding service offerings. 2. Enhanced market presence and competitive advantage. 3. Long-term value creation from innovative ventures and new profit streams.
Partners	<ol style="list-style-type: none"> 1. Collaborative opportunities for growth in complementary financial services. 2. Mutual business development and client expansion strategies. 3. Strengthened relationships through shared successes and new market ventures.
Regulatory Bodies	<ol style="list-style-type: none"> 1. Improved compliance and adherence to tax regulations and standards. 2. Enhanced transparency and accountability in tax advisory services. 3. Contribution to the integrity and stability of the financial system.
Local Community	<ol style="list-style-type: none"> 1. Economic growth and job creation through business expansion. 2. Increased financial literacy and awareness from community outreach programs. 3. Localized support and personal interaction in financial planning services.
Industry Network	<ol style="list-style-type: none"> 1. Elevated industry standards and best practices through innovative tax solutions. 2. Collaborative industry growth and knowledge sharing. 3. Enhanced reputation and leadership in the professional, scientific, and technical sector.

Key Performance Components

Competitive Advantage

Expert Tax Advisory

TaxWise Advisors excels in offering specialized and comprehensive tax advisory services, ensuring clients receive optimal tax planning and compliance solutions tailored to their specific needs.

Seasoned Professionals

With a team of experienced tax professionals, TaxWise Advisors delivers in-depth knowledge and expertise, providing clients with actionable insights and proactive financial solutions.

Tailored Tax Strategies

TaxWise Advisors focuses on personalized service, crafting tailored tax strategies to optimize tax efficiency, minimize liabilities, and help clients achieve their financial goals with confidence.

Marketing and Growth Strategy










Nexus Financial Solutions will develop informative blogs, whitepapers, and e-books that focus on tax efficiency and compliance, educating potential clients and establishing credibility in the industry.

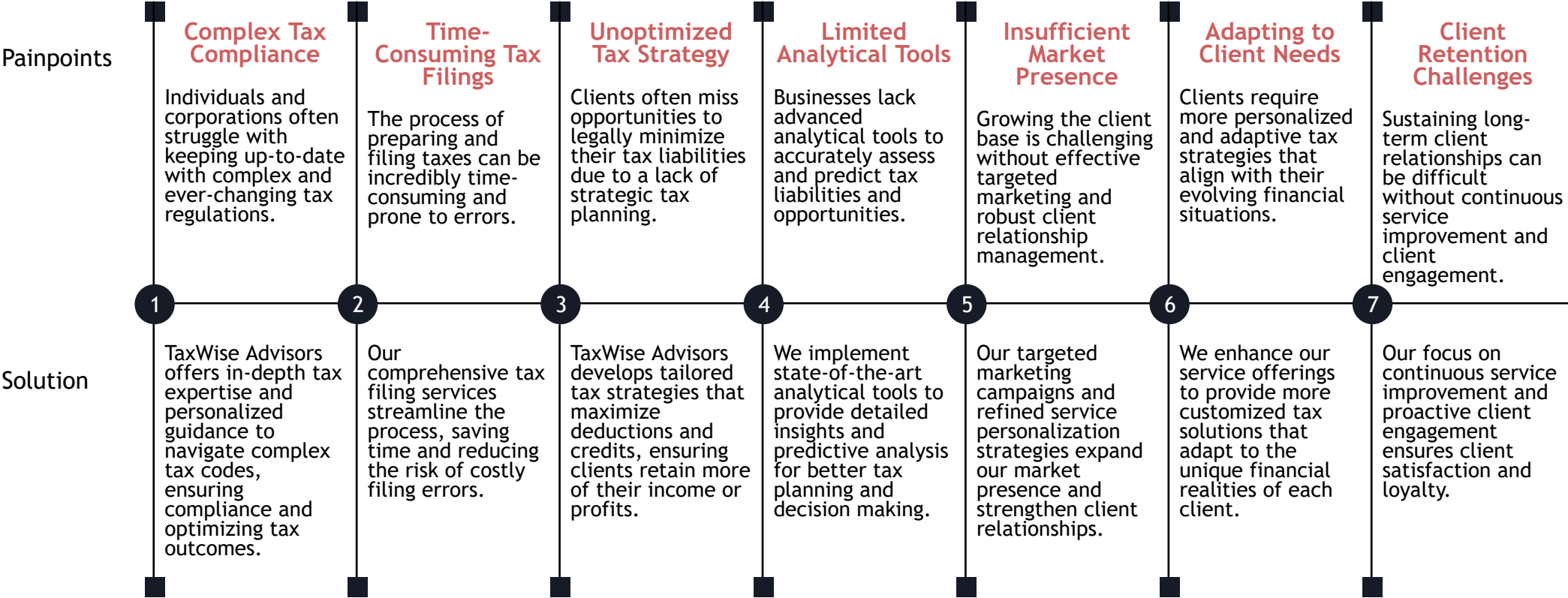
Optimizing website content for search engines to increase organic traffic, making it easier for individuals and businesses to find Nexus Financial Solutions' expertise in tax consultancy services.

Implementing a client referral program that rewards existing clients for bringing in new business, thereby leveraging satisfied customers to fuel growth and expand the client base.

Target Groups


Industries		Description
I	 Individual Tax Clients	Individual clients seeking personalized tax planning and compliance services to optimize their personal finances and minimize tax liabilities.
II	 Small and Medium Enterprises (SMEs)	SMEs in need of comprehensive tax advisory, planning, and compliance services to ensure efficient tax management and regulatory adherence.
III	 Corporate Clients	Large corporations requiring sophisticated tax strategies and compliance solutions to manage complex tax obligations and optimize financial performance.
IV	 High Net-Worth Individuals (HNWIs)	HNWIs looking for bespoke tax planning services to efficiently manage their wealth, investments, and estate planning.
V	 Startups	Early-stage companies needing strategic tax advice to navigate initial financial challenges and take advantage of tax incentives and credits.
VI	 Non-Profit Organizations	Non-profits seeking specialized tax advisory to maintain compliance with tax regulations while maximizing resource allocation for their missions.
VII	 Real Estate Investors	Individuals and entities investing in real estate who require targeted tax strategies to effectively manage property-related tax issues and maximize returns.

Solution from Phase I to Phase IV




Strategic Analysis: SWOT

Strength




Deep industry expertise in tax advisory and planning. Seasoned team with in-depth knowledge of tax regulations. Advanced analytical tools for actionable insights. Tailored tax strategies optimize tax efficiency. Commitment to personalized service and strategic guidance.

Weaknesses




Highly dependent on specialized tax professionals. Vulnerable to regulatory changes. Limited diversification beyond tax services. Potential high operational costs. Risk of over-reliance on key clients.

Opportunities



Expanding services to financial planning and consulting. Leveraging technology for automated and efficient tax processes. Strategic partnerships for broader service offerings. Growing demand for tax advisory amid complex regulations. Entering new geographic markets.

Threats



Evolving tax regulations may require continuous adaptation. Competitive pressures from other financial advisory firms. Economic downturns could impact client budgets. Data security concerns. Potential talent shortages in tax advisory specialty.

Management Team

Overview

Alexander leads Nexus Financial Solutions, focusing on delivering innovative financial services that help clients achieve their financial goals.



Co-Founder & CEO

Mia Fischer



Co-Founder & Chief Financial Officer

Overview

Mia manages financial strategy, ensuring Nexus provides reliable and effective financial solutions tailored to clients' needs.

Overview

Oliver provides expert advice to clients, helping them navigate complex financial decisions with a focus on long-term growth and security.



Senior Financial Advisor

Clara Becker



Client Relationship Manager

Overview

Clara builds strong client relationships, ensuring excellent communication and personalized financial support at every stage.



History & Roadmap



Current Status.

Nexus Financial Solutions will progress through these stages:

- Feb 2024: Conduct in-depth market research on emerging tax trends.
- Jun 2024: Implement advanced digital tools to enhance tax planning efficiency.
- Oct 2024: Expand services to target new client demographics.
- Mar 2025: Establish strategic partnerships with leading financial institutions.
- Aug 2025: Integrate AI solutions for tailored tax advisory services.
- Jan 2026: Global expansion of tax consultancy services.

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	Incorporate the Business	●	Not Started	High	COO 1 month
3	Secure Initial Funding	●	Not Started	High	CFO 2 months
4	Set Up Office Space	●	Not Started	Medium	COO 1 month
5	Establish IT Infrastructure	●	Not Started	High	CTO 3 weeks
6	Hire Initial Staff	●	Not Started	High	CPO 2 months
7	Develop Brand Identity	●	Not Started	Medium	CMO 1 month
8	Establish Accounting Systems	●	Not Started	High	CFO 1 month
Marketing					
1	Develop Brand Identity	●	Not Started	High	CMO 1 month
2	Create a Comprehensive Marketing Plan	●	Not Started	High	CMO 1 month
3	Launch Company Website	●	Not Started	High	CMO 2 months
4	Establish Social Media Presence	●	Not Started	Medium	CMO 1 month
5	Conduct Market Research	●	Not Started	High	CMO 2 months
6	Develop Content Marketing Strategy	●	Not Started	High	CMO 3 months
7	Implement SEO Strategies	●	Not Started	Medium	CMO 3 months
8	Launch Email Marketing Campaign	●	Not Started	Medium	CMO 4 months

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
Phase 1 & Technical Set Up for next Phases					
1	Define service offerings and packages	● Not Started	High	CPO	2 weeks
2	Hire core team of tax professionals	● Not Started	High	CEO	1 month
3	Set up office infrastructure and IT systems	● Not Started	Medium	CTO	2 months
4	Develop client onboarding process	● Not Started	High	COO	1 month
5	Create standard operating procedures for tax services	● Not Started	Medium	CSO	1.5 months
6	Implement a CRM system for client management	● Not Started	Medium	CIO	2 months
7	Establish compliance and quality control measures	● Not Started	High	CFO	1 month
8	Build foundational relationships with initial clients	● Not Started	High	CRO	3 months
Phase 2					
1	Integrate advanced analytical tools	● Not Started	High	CTO	3 months
2	Develop targeted marketing campaigns	● Not Started	High	CMO	2 months
3	Expand client base through networking events	● Not Started	Medium	CRO	4 months
4	Refine personalized tax strategies	● Not Started	High	COO	3 months
5	Enhance digital presence through SEO	● Not Started	Medium	CMO	2 months
6	Develop educational content for clients	● Not Started	Medium	CPO	2 months
7	Implement client feedback system	● Not Started	High	CSO	1 month
8	Form strategic partnerships with complementary businesses	● Not Started	Medium	CBO	4 months

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
Phase 3					
1	Identify new service opportunities	● Not Started	High	CRO	2 months
2	Develop corporate financial consulting framework	● Not Started	High	CFO	3 months
3	Hire specialized consultants	● Not Started	Medium	COO	4 months
4	Integrate financial consulting with existing services	● Not Started	High	CTO	5 months
5	Develop marketing strategy for new services	● Not Started	Medium	CMO	2 months
6	Set pricing models for new services	● Not Started	High	CFO	1 month
7	Develop training programs for new services	● Not Started	Medium	COO	2 months
8	Identify and approach potential clients	● Not Started	High	CRO	3 months
Phase 4					
1	Research Fintech Innovations	● Not Started	High	CTO	3 months
2	Assess International Tax Consultancy Opportunities	● Not Started	High	CEO	4 months
3	Form Strategic Partnerships in New Markets	● Not Started	Medium	CRO	6 months
4	Develop New Fintech Service Prototypes	● Not Started	High	CTO	5 months
5	Conduct Risk Analysis for High-Revenue Ventures	● Not Started	Medium	CSO	3 months
6	Secure Funding for Innovative Ventures	● Not Started	High	CFO	4 months
7	Pilot International Tax Consulting Services	● Not Started	Medium	CBO	7 months
8	Implement Advanced Analytical Tools for Fintech Services	● Not Started	High	CTO	6 months

Core Risks & Mitigation Strategies

1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	Service Quality Consistency	COO	Implement stringent quality control measures and regular training for staff to ensure consistent service delivery across all client engagements.
2	Technology Failures	CTO	Implement robust and redundant technology infrastructure, including regular maintenance and updates to prevent and quickly resolve technology-related issues.
3	Data Security Breaches	CISO	Deploy advanced security measures such as encryption, firewalls, and regular security audits to protect sensitive client data from potential breaches.
4	High Employee Turnover	CHRO	Develop a comprehensive employee retention strategy that includes competitive compensation, career development opportunities, and a supportive work environment.
5	Inadequate Client Relationship Management	CMO	Implement a sophisticated CRM system to manage client interactions effectively and ensure personalized and timely communication with clients.

2. Regulatory and legal risks

#	Risk Type	Area	Mitigation Strategy
1	Tax Law Changes	CRO	Stay updated on tax law changes and adjust strategies accordingly.
2	Non-Compliance Penalties	CFO	Implement strict compliance protocols to avoid penalties.
3	Client Data Privacy	CISO	Ensure robust data security measures to protect client information.
4	Regulatory Reporting Requirements	COO	Maintain accurate records and timely reporting.
5	Licensing and Accreditation	CEO	Ensure all necessary licenses and accreditations are current.

3. Strategic/Market Risk

#	Risk Type	Area	Mitigation Strategy
1	Customer Acquisition Challenges	CMO	Targeted marketing campaigns
2	Market Competition	CSO	Differentiate service offerings
3	Changing Customer Needs	CPO	Regular customer feedback
4	Economic Downturn	CFO	Diversify revenue streams
5	Technological Advancements	CTO	Invest in new technologies

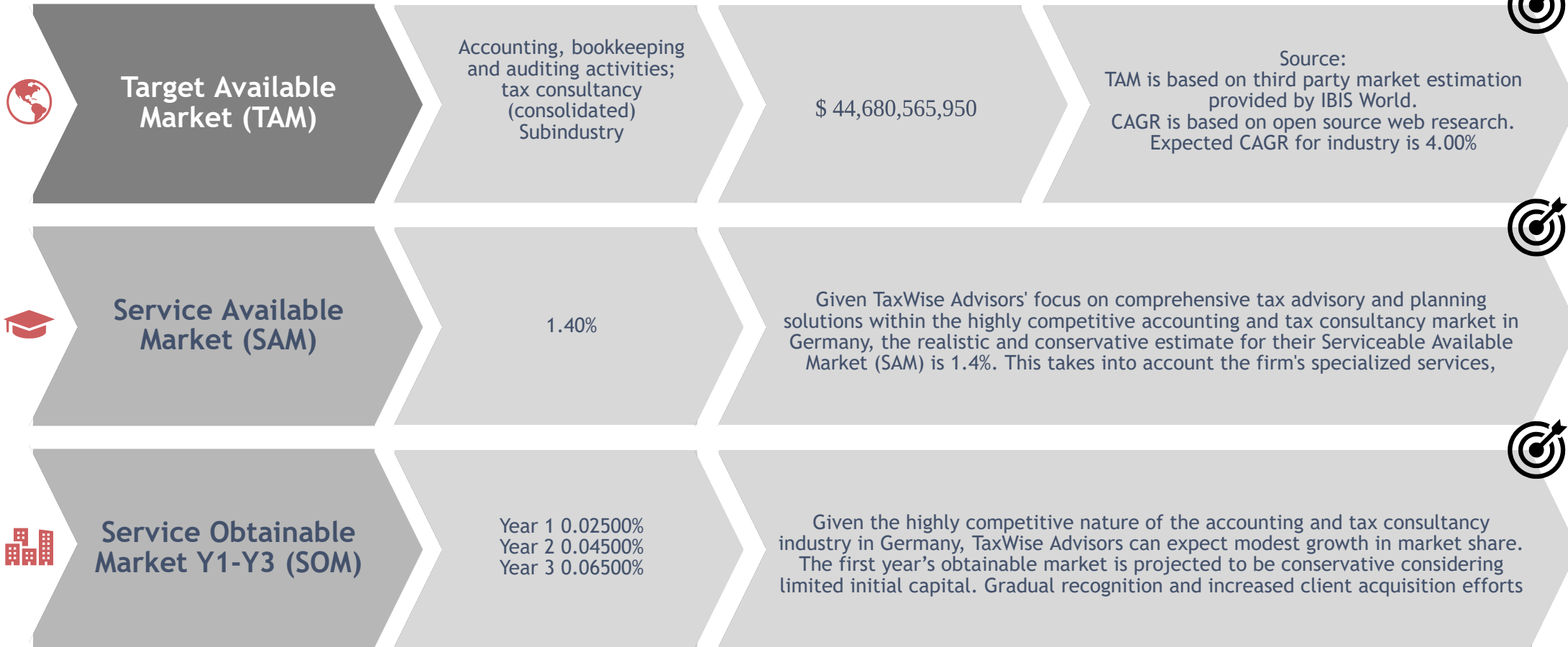
4. Finance risk

#	Risk Type	Area	Mitigation Strategy
1	Funding Shortfalls	CFO	Secure diverse funding sources and maintain cash reserves
2	Client Payment Delays	CFO	Implement strict payment terms and follow-up processes
3	Fluctuating Revenue	CEO	Diversify income streams and adjust pricing strategies
4	Cost Overruns	COO	Implement stringent budget controls and regular financial monitoring
5	Fraud and Financial Misconduct	CRO	Establish robust internal controls and regular audits

5. Other general risk

#	Risk Type	Area	Mitigation Strategy
1	Client data security	CISO	Implement strict data security protocols
2	Talent acquisition challenges	CHRO	Develop robust recruitment and retention strategies
3	Client retention	CMO	Enhance client engagement and satisfaction initiatives
4	Technological advancements	CTO	Stay abreast of technology trends and integrate accordingly
5	Reputation management	CEO	Proactively manage public relations and client communications

Market Overview (TAM, SAM and SOM)



Funding Allocation

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

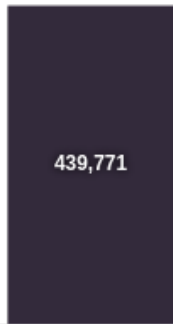
The total investment required is \$ 200,000

Y1 Cash Flow Stream(USD)	Inflows	Outflows
Gross Profit	63,335	
Payroll Expenses		14,074
Rent & Utilities		4,691
Communication Expenses		2,346
Marketing and Branding		2,346
Capex		120,000
Office supplies		1,564
Legal and Professional Fees		1,564
Training and Development		1,282
Representation and Entert.		782
Other Miscellaneous		782
CAPEX & WC shortage Y1		86,096
Buffer		113,904
Total Required Investment(USD)		200,000



Y3 PL formation and Margins

Revenue



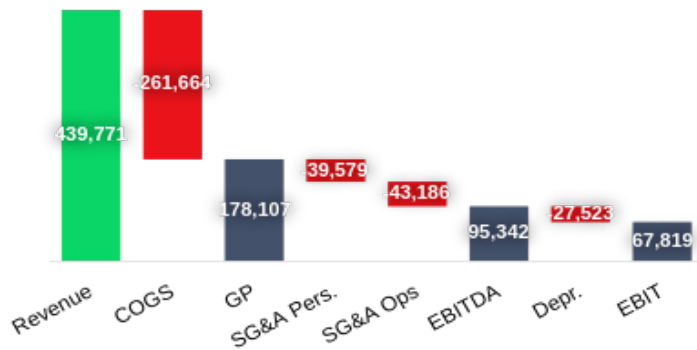
Projected Revenue

- GP 40.5%
- EBITDA 21.7%

Y3

Y3

PnL Formation (Y3 USD)

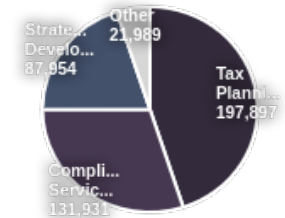
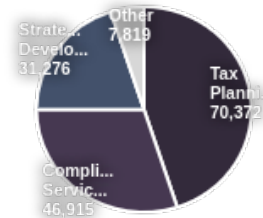


Business Line Breakdown (USD)

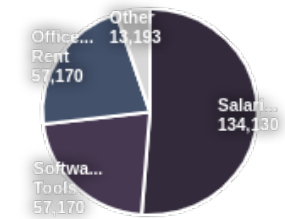
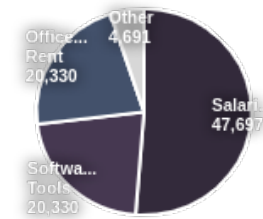
Y1

Y2

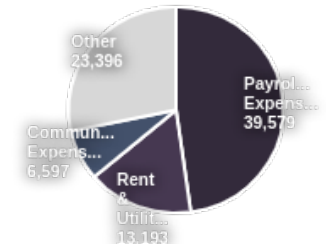
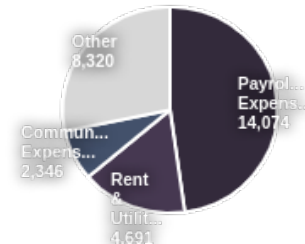
Revenue



COGS



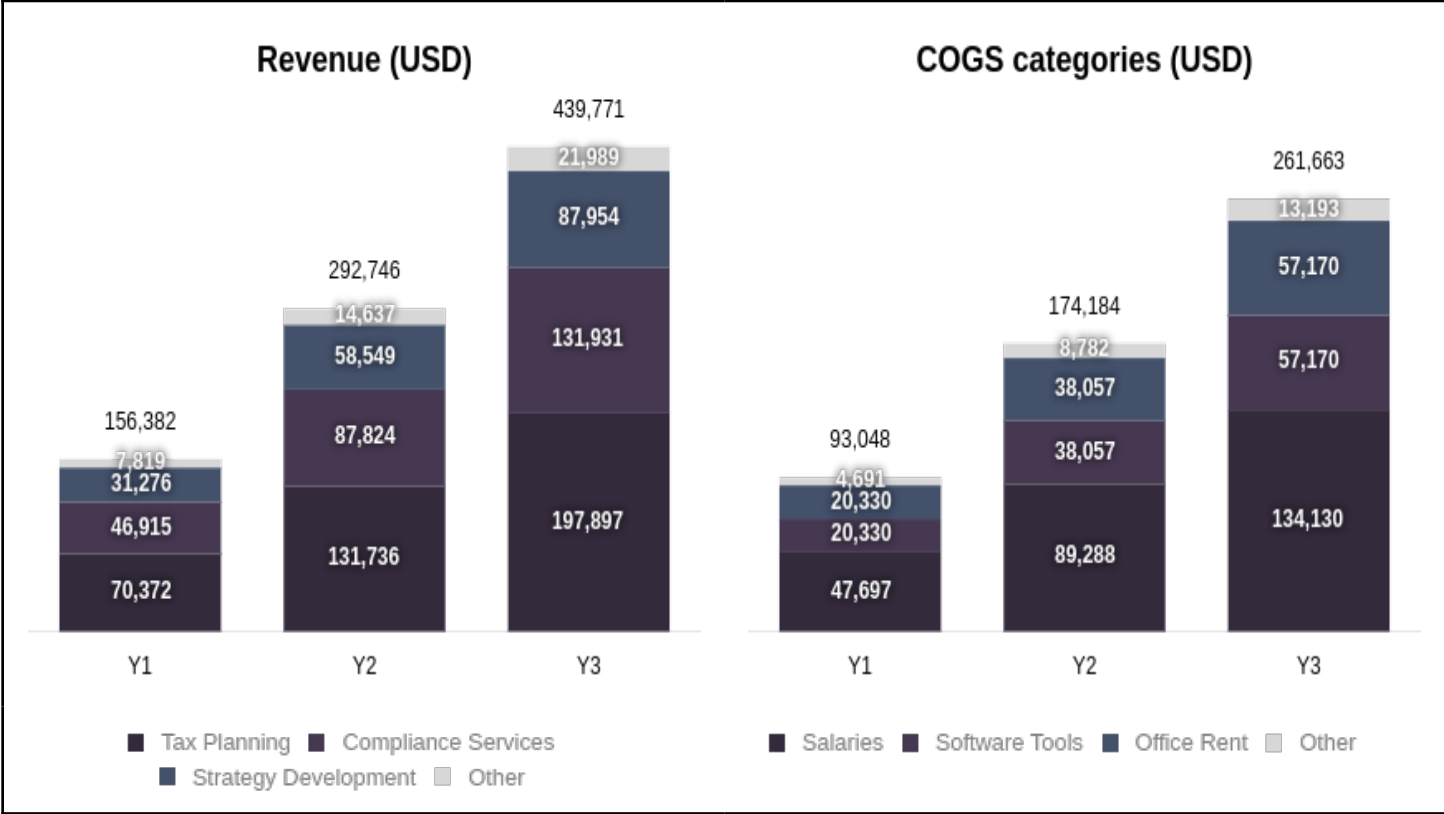
Admin



Revenue Formation Narrative

Nexus Financial Solutions, operating under the brand name TaxWise Advisors, has meticulously estimated its revenue projections based on a comprehensive analysis of the market and competitive landscape. With a Total Addressable Market (TAM) of 44,680,565,950 USD in the German accounting and tax consultancy industry, TaxWise Advisors has determined that their Serviceable Available Market (SAM) stands at a pragmatic 1.4%, emphasizing their niche focus given their specialized services, seasoned team, and capital constraints. The Serviceable Obtainable Market (SOM) for Year 1 is forecasted at a conservative 0.02500%, yielding a revenue of 156,381.981 USD. This conservative estimate reflects the initial market penetration challenges expected in an industry dominated by well-established firms. Significant efforts in client acquisition and market recognition are projected to drive this figure up to 0.04500% in Year 2, translating to 292,747.068 USD in revenue, and further to 0.06500% in Year 3, with revenues reaching 439,771.151 USD. Revenue streams are diversified across four primary lines of business: Tax Planning (45%), Compliance Services (30%), Strategy Development (20%), and Other Services (5%). These percentages underscore the strategic allocation of efforts towards high-demand areas in the firm's service offerings. The incremental growth in SOM percentages indicates a positive trajectory fueled by enhanced reputation, strategic expansions in service offerings, and an increasing client base. Thus, the financial projections for Nexus Financial Solutions are underpinned by a robust narrative of scaling through specialization, gradual market share acquisition, and strategic service diversification.

\$ 439,771 ^{Y3} Projected Revenue **0.00%** Market share



Revenue Calculation Details

Revenue Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Tax Planning	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%
Compliance Services	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%
Strategy Development	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Other	5.00%	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%

Tax Planning	4,398	4,398	4,398	5,278	5,278	5,278	6,451	6,451	6,451	7,330	7,330	7,330	70,372	131,736	197,897
Compliance Services	2,932	2,932	2,932	3,519	3,519	3,519	4,301	4,301	4,301	4,887	4,887	4,887	46,915	87,824	131,931
Strategy Development	1,955	1,955	1,955	2,346	2,346	2,346	2,867	2,867	2,867	3,258	3,258	3,258	31,276	58,549	87,954
Other	489	489	489	586	586	586	717	717	717	814	814	814	7,819	14,637	21,989

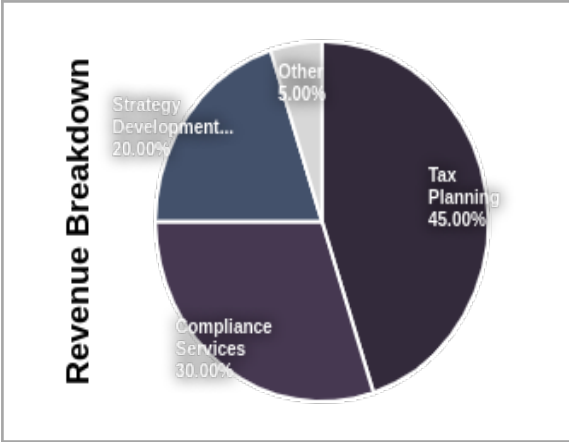
Total Revenue (USD)	9,774	9,774	9,774	11,729	11,729	11,729	14,335	14,335	14,335	16,290	16,290	16,290	156,382	292,747	439,771
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Total revenue is expected to reach \$ 439,771 by year 3.

Main revenue driver are:

- Tax Planning which generates \$ 197,897 by Year 3
- Compliance Services which generates \$ 131,931 by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 67.69 %



COGS Calculation Details

COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Salaries	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%
Software Tools	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
Office Rent	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
Other	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

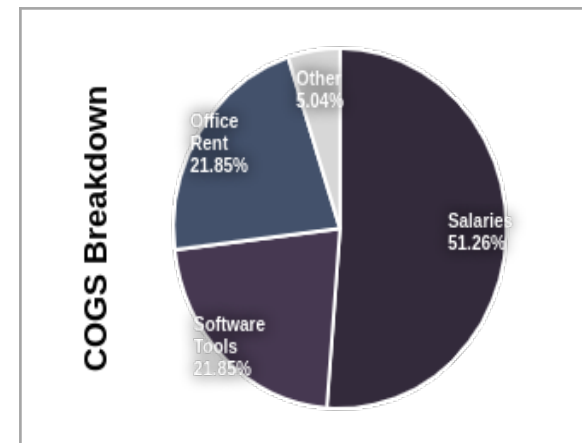
Salaries	2,981	2,981	2,981	3,577	3,577	3,577	4,372	4,372	4,372	4,968	4,968	4,968	47,697	89,288	134,130
Software Tools	1,271	1,271	1,271	1,525	1,525	1,525	1,864	1,864	1,864	2,118	2,118	2,118	20,330	38,057	57,170
Office Rent	1,271	1,271	1,271	1,525	1,525	1,525	1,864	1,864	1,864	2,118	2,118	2,118	20,330	38,057	57,170
Other	293	293	293	352	352	352	430	430	430	489	489	489	4,691	8,782	13,193
Total COGS (USD)	5,815	5,815	5,815	6,979	6,979	6,979	8,529	8,529	8,529	9,692	9,692	9,692	93,047	174,185	261,664

Total COGS is expected to reach \$ 261,664 by year 3.

Main revenue driver are:

- Salaries which generates \$ 134,130 by Year 3
- Software Tools which generates \$ 57,170 by Year 3

Expected CAGR for total COGS in Y1-Y3 is 67.69 %



SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Payroll Expenses	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Rent & Utilities	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Communication Expenses	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Office supplies	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Legal and Professional Fees	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Marketing and Branding	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Representation and Entertainment	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Training and Development	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%	0.82%
Other Miscellaneous	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

Payroll Expenses	880	880	880	1,056	1,056	1,056	1,290	1,290	1,290	1,466	1,466	1,466	14,074	26,347	39,579
Rent & Utilities	293	293	293	352	352	352	430	430	430	489	489	489	4,691	8,782	13,193
Communication Expenses	147	147	147	176	176	176	215	215	215	244	244	244	2,346	4,391	6,597
Office supplies	98	98	98	117	117	117	143	143	143	163	163	163	1,564	2,927	4,398
Legal and Professional Fees	98	98	98	117	117	117	143	143	143	163	163	163	1,564	2,927	4,398
Marketing and Branding	147	147	147	176	176	176	215	215	215	244	244	244	2,346	4,391	6,597
Representation and Entertainment	49	49	49	59	59	59	72	72	72	81	81	81	782	1,464	2,199
Training and Development	80	80	80	96	96	96	118	118	118	134	134	134	1,282	2,401	3,606
Other Miscellaneous	49	49	49	59	59	59	72	72	72	81	81	81	782	1,464	2,199

Total SG&A (USD)	1,839	1,839	1,839	2,207	2,207	2,207	2,698	2,698	2,698	3,066	3,066	3,066	29,431	55,095	82,765
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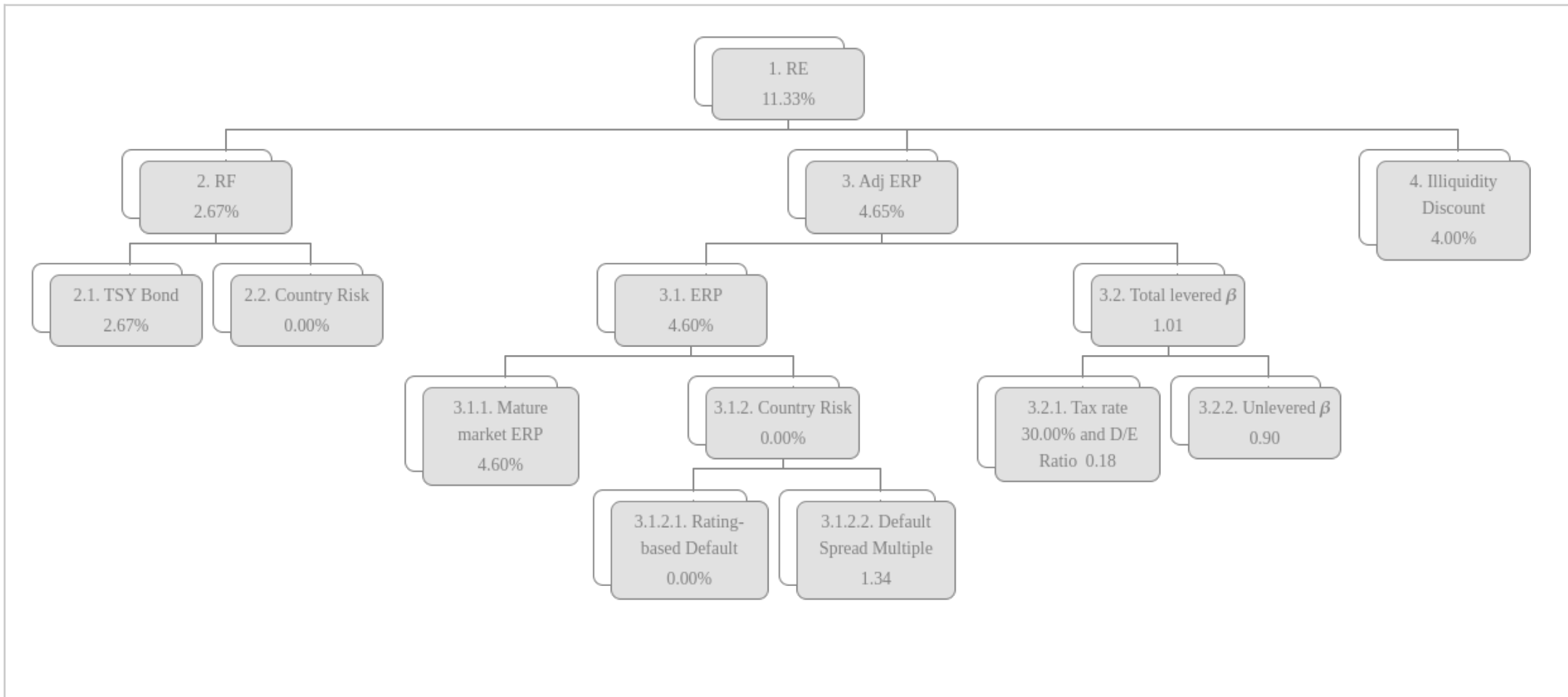
PaT Expectations

1 2 3 4 5 6 7

Financial Projection

Income Statement (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Revenue	9,774	9,774	9,774	11,729	11,729	11,729	14,335	14,335	14,335	16,290	16,290	16,290	156,382	292,747	439,771
Tax Planning	4,398	4,398	4,398	5,278	5,278	5,278	6,451	6,451	6,451	7,330	7,330	7,330	70,372	131,736	197,897
Compliance Services	2,932	2,932	2,932	3,519	3,519	3,519	4,301	4,301	4,301	4,887	4,887	4,887	46,915	87,824	131,931
Strategy Development	1,955	1,955	1,955	2,346	2,346	2,346	2,867	2,867	2,867	3,258	3,258	3,258	31,276	58,549	87,954
Other	489	489	489	586	586	586	717	717	717	814	814	814	7,819	14,637	21,989
COGS	-5,815	-5,815	-5,815	-6,979	-6,979	-6,979	-8,529	-8,529	-8,529	-9,692	-9,692	-9,692	-93,047	-174,185	-261,664
Salaries	-2,981	-2,981	-2,981	-3,577	-3,577	-3,577	-4,372	-4,372	-4,372	-4,968	-4,968	-4,968	-47,697	-89,288	-134,130
Software Tools	-1,271	-1,271	-1,271	-1,525	-1,525	-1,525	-1,864	-1,864	-1,864	-2,118	-2,118	-2,118	-20,330	-38,057	-57,170
Office Rent	-1,271	-1,271	-1,271	-1,525	-1,525	-1,525	-1,864	-1,864	-1,864	-2,118	-2,118	-2,118	-20,330	-38,057	-57,170
Other	-293	-293	-293	-352	-352	-352	-430	-430	-430	-489	-489	-489	-4,691	-8,782	-13,193
Gross Profit	3,958	3,958	3,958	4,750	4,750	4,750	5,806	5,806	5,806	6,597	6,597	6,597	63,335	118,563	178,107
SG&A Personal Expenses	-880	-880	-880	-1,056	-1,056	-1,056	-1,290	-1,290	-1,290	-1,466	-1,466	-1,466	-14,074	-26,347	-39,579
SG&A Operating Expenses	-960	-960	-960	-1,152	-1,152	-1,152	-1,408	-1,408	-1,408	-1,600	-1,600	-1,600	-15,357	-28,748	-43,186
EBITDA	2,119	2,119	2,119	2,543	2,543	2,543	3,108	3,108	3,108	3,532	3,532	3,532	33,904	63,468	95,342
Depreciation	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	27,524	27,524	27,524
EBIT	-175	-175	-175	249	249	249	814	814	814	1,238	1,238	1,238	6,380	35,944	67,819
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit before Tax	-175	-175	-175	249	249	249	814	814	814	1,238	1,238	1,238	6,380	35,944	67,819
Tax	-52	-52	-52	75	75	75	244	244	244	371	371	371	1,914	10,783	20,346
Profit after Tax (USD)	-122	-122	-122	174	174	174	570	570	570	867	867	867	4,466	25,161	47,473

Required Return on Equity Derivation



Cost of Capital: CAPM Inputs

Methodology

Weighted Average Cost of Capital is calculated using Capital Asset Pricing Model (CAPM). Since the company is purely equity funded the WACC is equal to its Required Return on Equity R(E). The main research inputs used in calculations are based on studies published by professor at Stern School of Business Aswath Damodaran. Return on Equity R(E) is $R(E) = R(F) + \beta * (ERP)$, where: R(F) is Risk Free Rate. The basis for calculation of R(F) is the average of the yield of USD 30 Year TSY Bond. The horizon. ERP is Mature Market Equity Risk Premium. It incorporates market estimates for Rating-Based Default Spread and Default Spread Multiple (β) is average equity betas of corresponding industries. Despite the company has no debt, the unlevered beta was levered with industry average figures to reflect the long-term D/E ration in the capital structure. Additionally, Illiquidity Risk Premium of 4% is added to the estimated Return on Equity to reflect risk associated with firm being Privately Held vs Publicly Traded Companies.

Additional Assumptions

To calculate the companies Firm Value, its future Free Cash Flow to Equity (FCFE) is discounted using estimated Required Return on Equity.

The 3rd-year projected cash flow is used as a representation of the long-term Free Cash Flow to the Equity (FCFE). This approach may understate the valuation because cash flows are expected to grow more aggressively in the first 10 years, and the growth from years 4 to 10 is not reflected in this calculation. Long-term growth rate of 5% is applied.

After discounting the cashflows and measuring the Firm Value it is adjusted to historical estimate of Start-up firm's survival rate. The allows to incorporate risk of start-ups fails.

Survival of new establishments founded in 1998

	Proportion of firms that were started in 1998 that survived through						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Natural resources	82.33%	69.54%	59.41%	49.56%	43.43%	39.96%	36.68%
Construction	80.69%	65.73%	53.56%	42.59%	36.96%	33.36%	29.96%
Manufacturing	84.19%	68.67%	56.98%	47.41%	40.88%	37.03%	33.91%
Transportation	82.58%	66.82%	54.70%	44.68%	38.21%	34.12%	31.02%
Information	80.75%	62.85%	49.49%	37.70%	31.24%	28.29%	24.78%
Financial activities	84.09%	69.57%	58.56%	49.24%	43.93%	40.34%	36.90%
Business services	82.32%	66.82%	55.13%	44.28%	38.11%	34.46%	31.08%
Health services	85.59%	72.83%	63.73%	55.37%	50.09%	46.47%	43.71%
Leisure	81.15%	64.99%	53.61%	43.76%	38.11%	34.54%	31.40%
Other services	80.72%	64.81%	53.32%	43.88%	37.05%	32.33%	28.77%
All firms	81.24%	65.77%	54.29%	44.36%	38.29%	34.44%	31.18%

http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html

<https://pages.stern.nyu.edu/~adamodar/pdfiles/papers/younggrowth.pdf>

<http://pages.stern.nyu.edu/~adamodar/>

Business Valuation

	(USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
DCF	Profit after Tax	4,466	25,161	47,473	49,372	51,347	53,401	55,537
	Growth% Y4-Y7				4.00%	4.00%	4.00%	4.00%
	Growth% Y7 -->	3.50%						
	WACC	11.33%						
	PV Y1-Y7 at Y0	4,011	20,300	34,404	32,139	30,023	28,046	26,200
	PV Y7 --> Y0	346,317						
	NPV (USD)	521,440						

Average Survival Rate for 3 Years 50%

Final Valuation \$ 260,720

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 11.33 % 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.

Financial and Technical

b \$ - Billions of \$
 B2B - Business to Business
 B2C - Business to Customer
 CAPEX - Capital Expenditure
 CAPM - Capital Asset Pricing Model
 COGS - Cost of goods sold
 DCF - Discounted cash flow
 Depr. - Depreciation
 EBIT - Earnings before interest and taxes
 EBITDA - Earnings before interest, taxes, depreciation, and amortization
 EBT - Earnings Before Tax
 ERP - Equity Risk Premium
 ETA - Estimated Time of Arrival
 EV - Enterprise Value
 FA (Tangible and Intangible) - Fixed assets (tangible and intangible)
 FX - Foreign Exchange
 FY - Fiscal year
 GP - gross profit
 k \$ - Thousands of \$
 LLM - Large Language Model
 LFY - Last fiscal year
 m \$ - Millions of \$
 MTD - Month-to-date
 MVP - Minimum Viable Product
 NFT - Non-Fungible Token
 NPV - Net present value
 OPEX - Operating Expense
 P&L - A profit and loss (P&L) statement
 PaT - Profit after Tax
 POC - Proof of Concept
 PPE - Property, plant, and equipment
 SG&A - Sales, General and Administrative
 TSY bond rate - Treasury bond rate
 WACC - Weighted average cost of capital
 YTD - Year-to-date

Organisational Structure

CBDO - Chief Business Development Officer
 CEO - Chief Executive Officer
 CPO - Chief Product Officer
 CFO - Chief Financial Officer
 CTO - Chief Technology Officer
 C-level - Chief level
 Eng - Engineer
 Dev - Developer
 HR - Human Resources

Other

Av - Average
 EoP - End of Period
 LE - Legal Entity
 PE - Private Equity
 TOM - Target Operating Model

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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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