

Business Plan & Valuation Presentation

AUDITING



Contents

	Part 1 Executive Summary	3 - 4
	Company & Product Overview	5 - 15
	Check List & Risk Overview	16 - 21
	Users, Market & Investment	22 - 23
	Part 2 Financial Projection	24 - 32
	Business Valuation	33 - 35
	Stress Test, Scenario Analysis & Simulations	36 - 40
	Glossary & Disclaimer	41 - 42

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

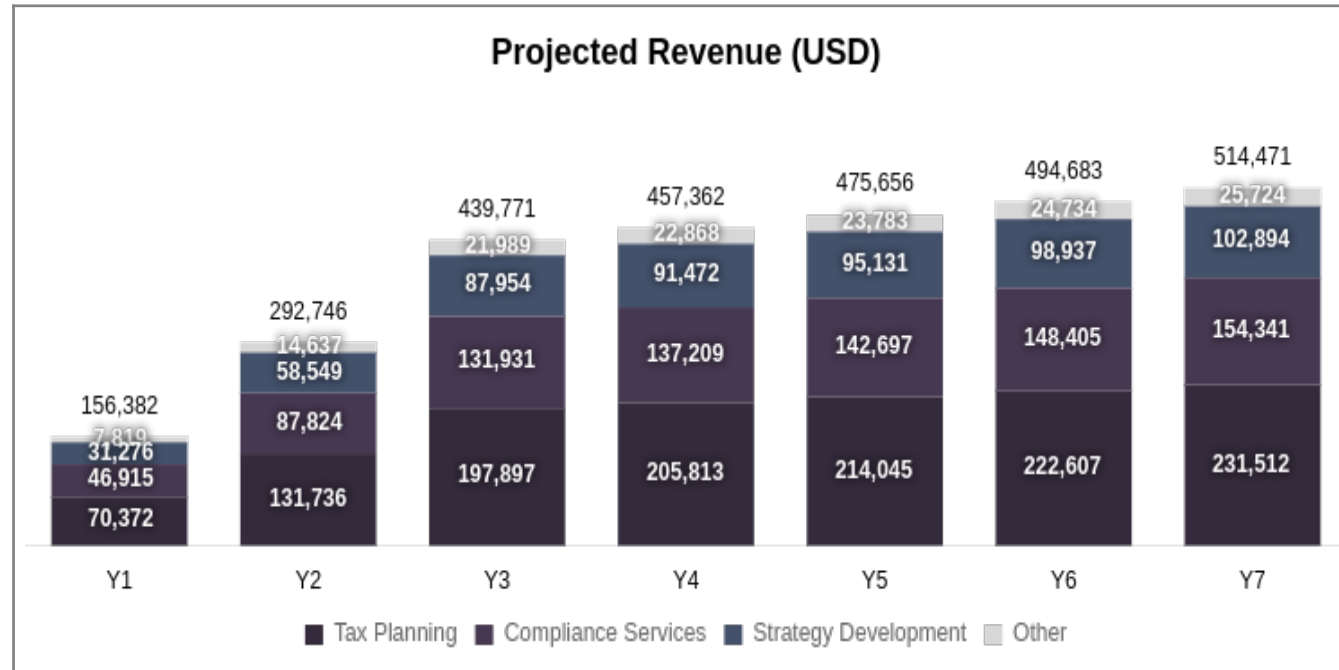
Gross Profit

\$ 95,342

EBITDA

0.00%

Target Market Share

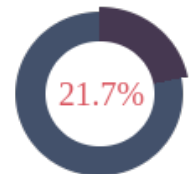


Margins
(Stabilized by Y3)

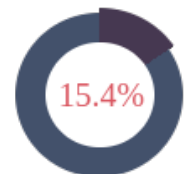
GP Margin



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










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.

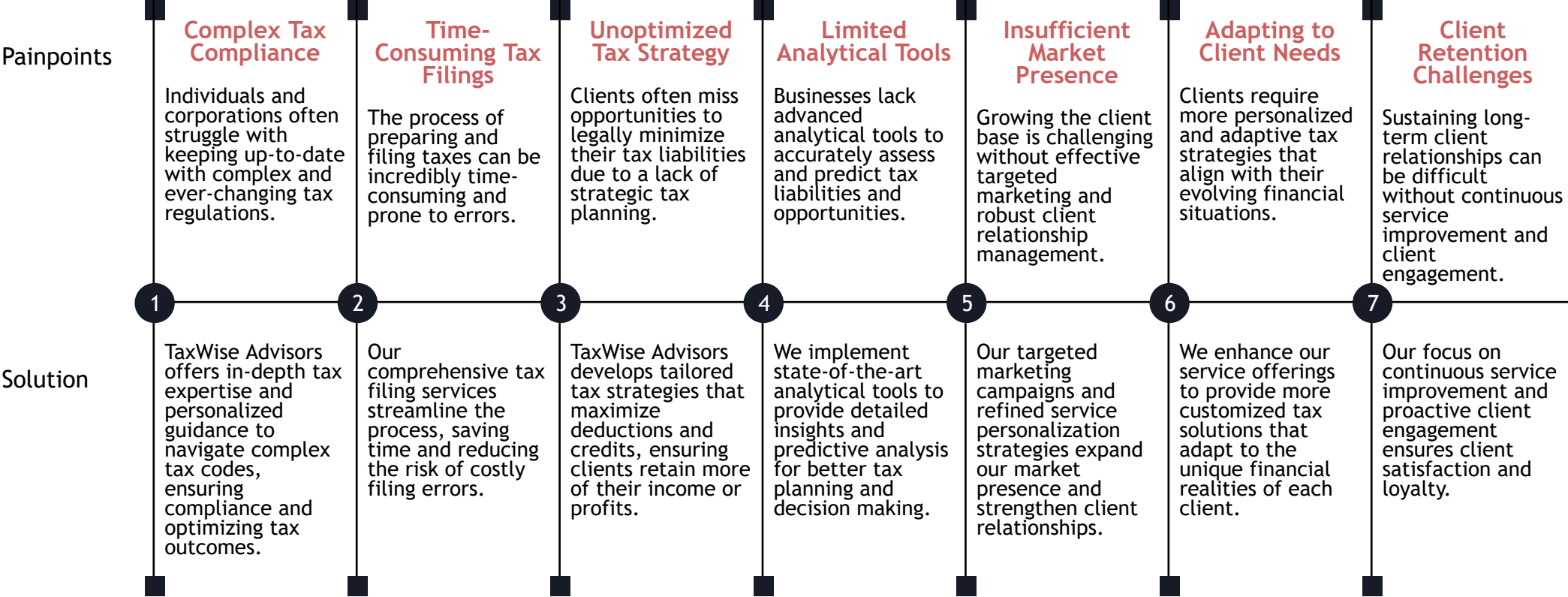
Nexus Financial Solutions will develop informative blogs, whitepapers, and e-books that focus on tax efficiency and compliance, educating potential clients and establishing credibility in the industry.

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.

Pestel: Analysis

 P	 E	 S	 T	 E	 L						
Political	7 / 10	Economic	7 / 10	Social	6 / 10	Technological	7 / 10	Environmental	5 / 10	Legal	7 / 10
<p>Regulatory changes: Shifting tax laws affect service demand</p> <p>Political stability: Stable government enhances business operations</p>	<p>Economic cycles: Economy affects client financial activities</p> <p>Interest rates: High rates impact investment decisions</p>	<p>Demographic shifts: Growing demand for tax services</p> <p>Client education: Educated clients seek detailed advisory services</p>	<p>Tech advancements: Automated solutions improve accuracy</p> <p>Cybersecurity: Client data protection essential</p>	<p>Sustainability trends: Clients prefer eco-friendly companies</p> <p>Resource efficiency: Efficient resource management reduces costs</p>	<p>Tax regulations: Frequent changes necessitate advisor expertise</p> <p>Compliance: Strict requirements impact operational processes</p>						

Nexus Financial Solutions operates in a dynamic environment influenced by tax regulation changes, economic cycles, and technological advancements. By strategically addressing PESTEL factors, the company can enhance service delivery and remain competitive.

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?

The firm's capabilities in tax advisory and planning enable it to help clients optimize tax efficiency and minimize liabilities, addressing their complex regulatory needs.

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

The specialized knowledge and advanced analytical tools are controlled by few firms, setting the company apart in the professional services industry.

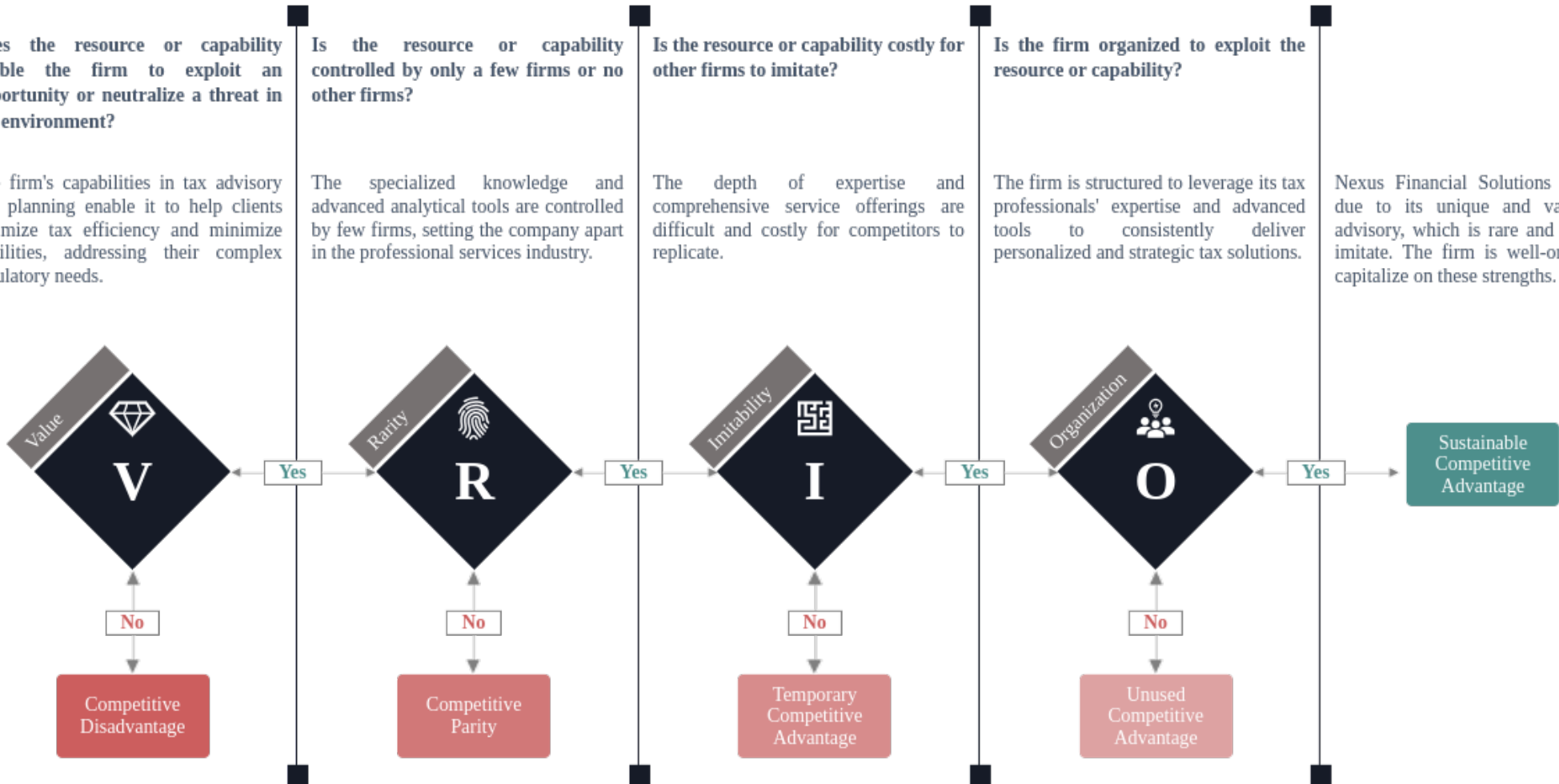
Is the resource or capability costly for other firms to imitate?

The depth of expertise and comprehensive service offerings are difficult and costly for competitors to replicate.

Is the firm organized to exploit the resource or capability?

The firm is structured to leverage its tax professionals' expertise and advanced tools to consistently deliver personalized and strategic tax solutions.

Nexus Financial Solutions stands out due to its unique and valuable tax advisory, which is rare and difficult to imitate. The firm is well-organized to capitalize on these strengths.



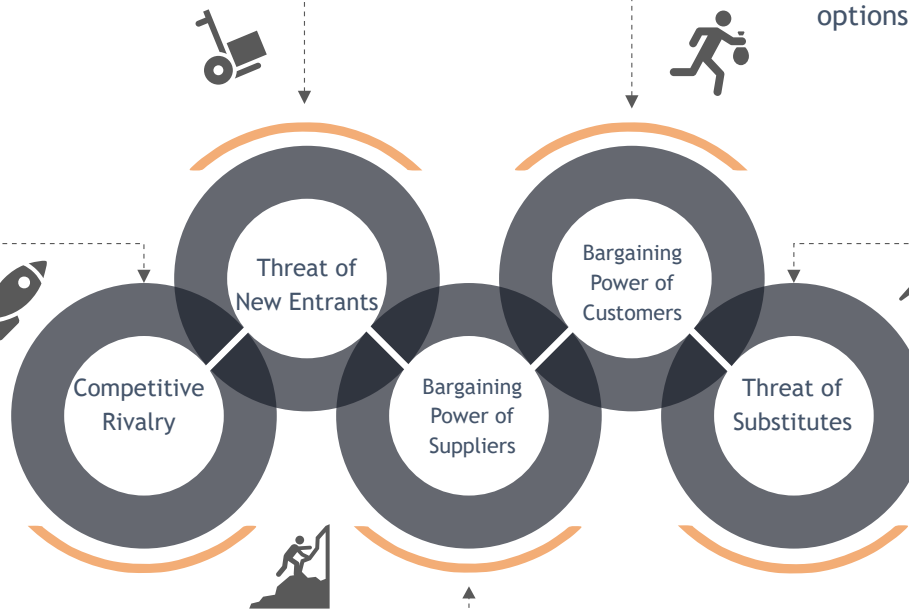
Porter's Five Forces: Analysis

High entry barriers due to expertise and reputation requirements lower new entrant threat.

Customers have high bargaining power due to numerous service options available.

Numerous firms in accounting and tax consultancy create a highly competitive environment.

Automation and software can potentially substitute traditional tax consultancy services.



Supplier power is low due to a generic level of supplied materials and services.

Nexus Financial Solutions faces a highly competitive environment with significant pressure from customers, but maintains barriers against new entrants.

High
Moderate
Low

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

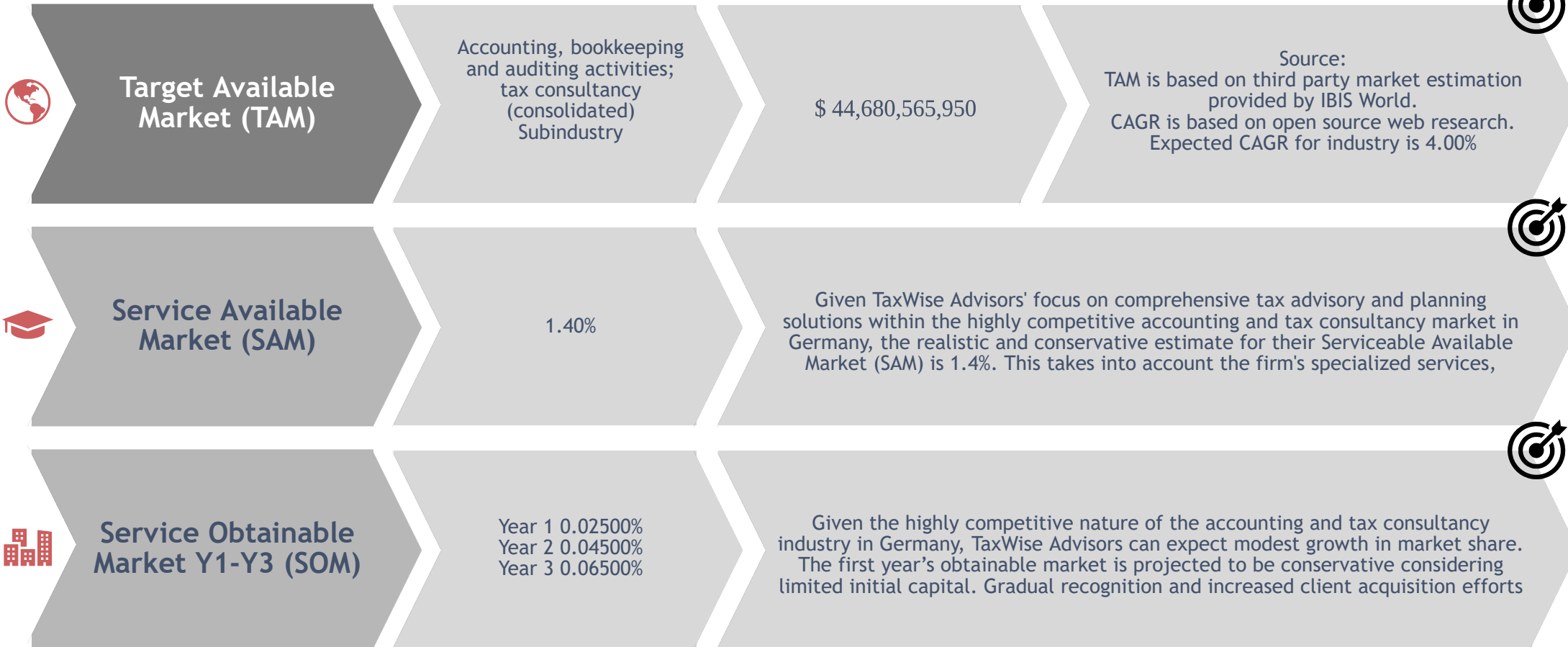
4. Finance risk

#	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.

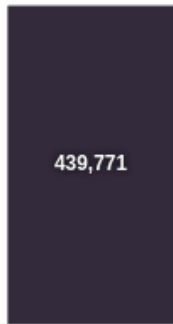
The total investment required is \$ 200,000

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



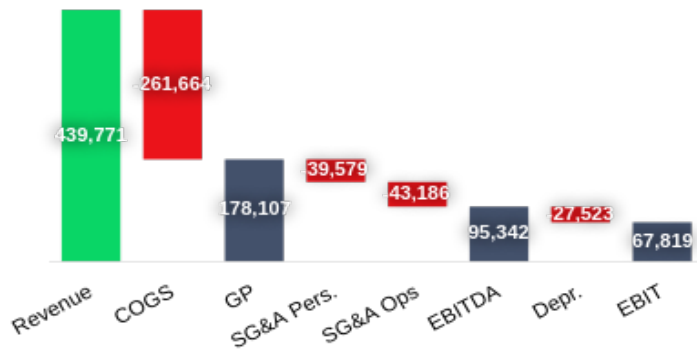
Projected Revenue

- GP 40.5%
- EBITDA 21.7%

Y3

Y3

PnL Formation (Y3 USD)

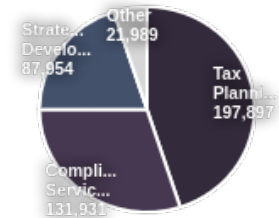
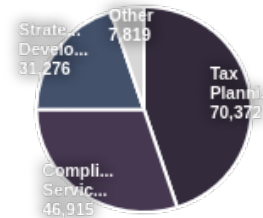


Business Line Breakdown (USD)

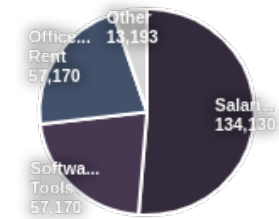
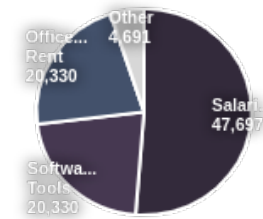
Y1

Y2

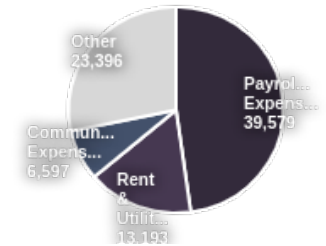
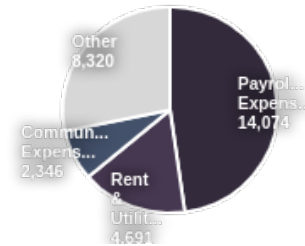
Revenue



COGS



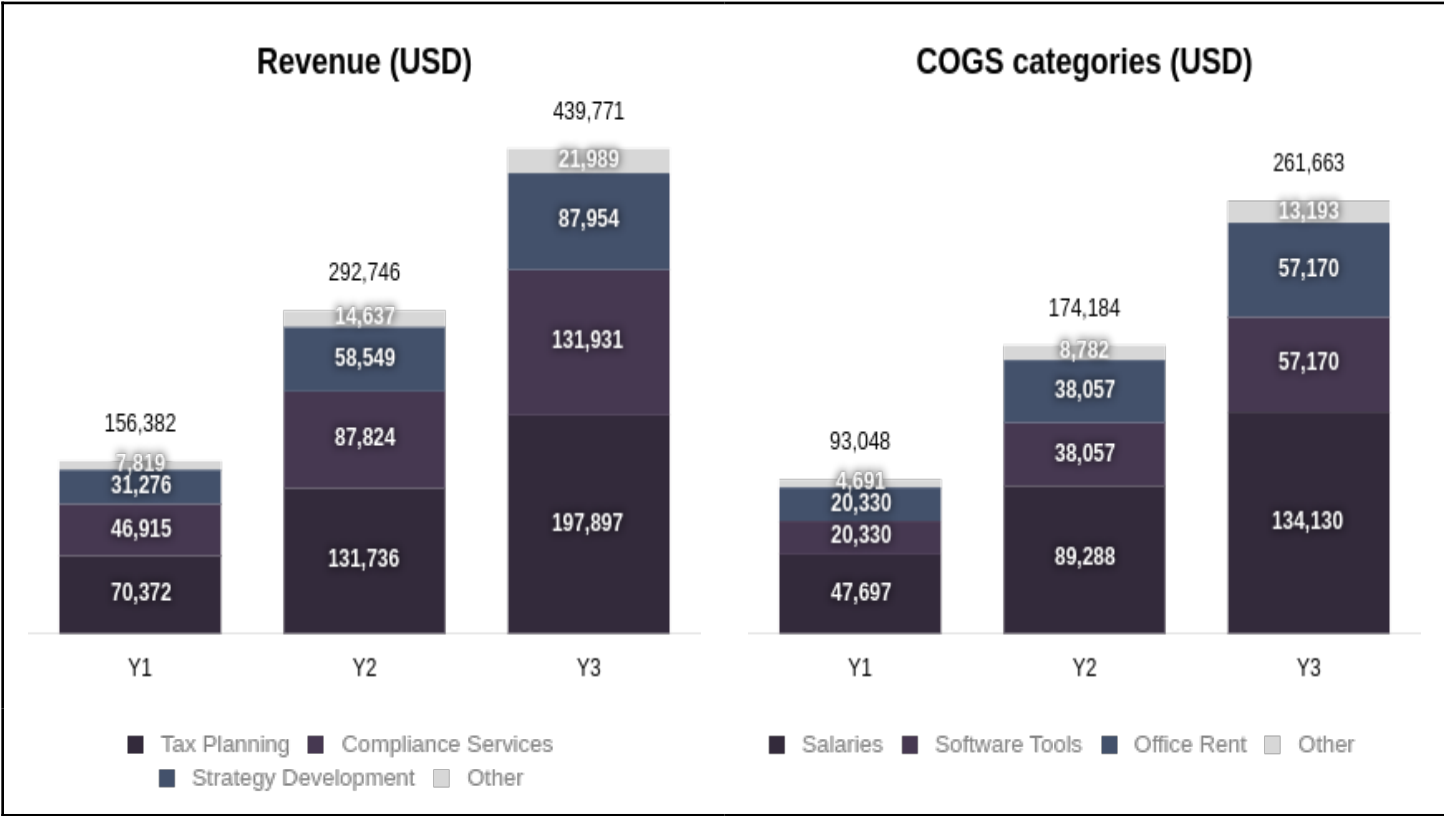
Admin



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

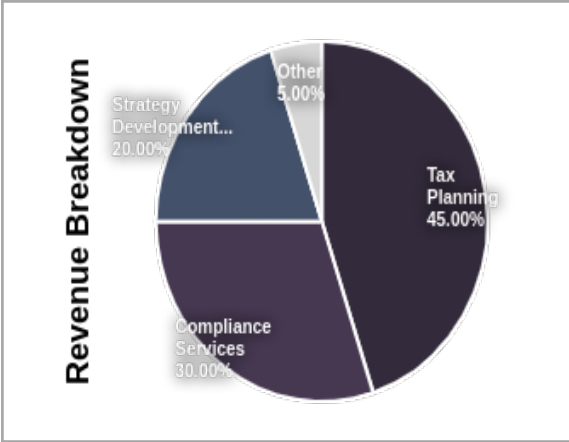
Total Revenue (USD)	9,774	9,774	9,774	11,729	11,729	11,729	14,335	14,335	14,335	16,290	16,290	16,290	156,382	292,747	439,771
----------------------------	--------------	--------------	--------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------	----------------	----------------	----------------

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%

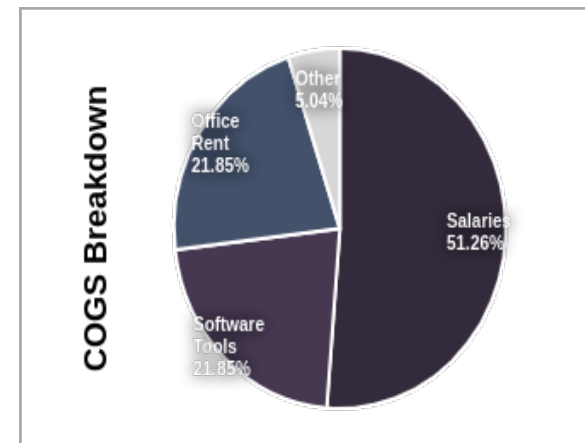
Salaries	2,981	2,981	2,981	3,577	3,577	3,577	4,372	4,372	4,372	4,968	4,968	4,968	47,697	89,288	134,130
Software Tools	1,271	1,271	1,271	1,525	1,525	1,525	1,864	1,864	1,864	2,118	2,118	2,118	20,330	38,057	57,170
Office Rent	1,271	1,271	1,271	1,525	1,525	1,525	1,864	1,864	1,864	2,118	2,118	2,118	20,330	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
-----------------------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	---------------	---------------	---------------

PaT Expectations

1 2 3 4 5 6 7 8

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

Balance Sheet Statement

1 2 3 4 5 6 7 8

Financial Projection

Balance Sheet (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Cash & Cash Equivalents	66,530	68,649	69,509	70,193	72,735	73,599	74,229	77,337	79,185	80,858	84,390	86,629	86,629	128,756	136,950
Accounts Receivable	9,774	9,774	9,774	11,729	11,729	11,729	14,335	14,335	14,335	16,290	16,290	16,290	16,290	30,494	45,809
Inventory	5,815	5,815	6,979	6,979	6,979	8,529	8,529	8,529	9,692	9,692	9,692	10,887	10,887	16,354	27,257
Prepaid Expenses	480	480	576	576	576	704	704	704	800	800	800	898	898	1,350	2,249
Deferred Tax Assets	52	105	157	82	8	-	-	-	-	-	-	-	-	-	-
Current Assets	82,651	84,823	86,994	89,558	92,026	94,561	97,797	100,905	104,013	107,640	111,172	114,703	114,703	176,955	212,266
CAPEX 1	29,500	29,000	28,500	28,000	27,500	27,000	26,500	26,000	25,500	25,000	24,500	24,000	24,000	18,000	12,000
CAPEX 2	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 3	19,762	19,524	19,286	19,048	18,810	18,571	18,333	18,095	17,857	17,619	17,381	17,143	17,143	14,286	11,429
CAPEX 4	19,833	19,667	19,500	19,333	19,167	19,000	18,833	18,667	18,500	18,333	18,167	18,000	18,000	16,000	14,000
Non-Current Assets	117,706	115,413	113,119	110,825	108,532	106,238	103,944	101,651	99,357	97,063	94,770	92,476	92,476	64,952	87,429
Total Assets	200,358	200,235	200,113	200,383	200,558	200,799	201,741	202,556	203,370	204,704	205,942	207,180	207,180	241,907	299,694
Accounts Payable	480	480	480	576	576	576	704	704	704	800	800	800	800	1,497	2,249
Short-Term Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-	67	311	556	800	1,171	1,543	1,914	1,914	10,783	20,346
Current Liabilities	480	480	480	576	576	643	1,015	1,259	1,504	1,971	2,342	2,714	2,714	12,280	22,595
Loans and other borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	480	480	480	576	576	643	1,015	1,259	1,504	1,971	2,342	2,714	2,714	12,280	22,595
Paid-In Capital	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	4,466	29,626
Current Period Earnings	-122	-245	-367	-192	-18	156	726	1,296	1,866	2,733	3,599	4,466	4,466	25,161	47,473
Total Equity	199,878	199,755	199,633	199,808	199,982	200,156	200,726	201,296	201,866	202,733	203,599	204,466	204,466	229,626	277,099

Cash Flow Statement - Direct

1 2 3 4 5 6 7 8

Financial Projection

Cash Flow Statement - Direct (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Initial Balance	73,705	66,530	68,649	69,509	70,193	72,735	73,599	74,229	77,337	79,185	80,858	84,390	-	86,629	128,756
Cash from sales of goods/services	-	9,774	9,774	9,774	11,729	11,729	11,729	14,335	14,335	14,335	16,290	16,290	140,092	278,542	424,456
Payments to employees/vendors	-7,175	-7,655	-8,818	-9,090	-9,186	-10,737	-11,099	-11,227	-12,390	-12,662	-12,758	-13,952	-132,565	-234,050	-354,579
Advances paid/received	-	-	-96	-	-	-128	-	-	-96	-	-	-99	-898	-451	-900
Taxes paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-1,914	-10,783
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CF from Operating Activities	-7,175	2,119	860	684	2,543	864	629	3,108	1,849	1,673	3,532	2,239	6,629	42,128	58,194
Acquisition of															
CAPEX 1	-	-	-	-	-	-	-	-	-	-	-	-	-30,000	-	-
CAPEX 2	-	-	-	-	-	-	-	-	-	-	-	-	-50,000	-	-50,000
CAPEX 3	-	-	-	-	-	-	-	-	-	-	-	-	-20,000	-	-
CAPEX 4	-	-	-	-	-	-	-	-	-	-	-	-	-20,000	-	-
CF from Investing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-120,000	-	-50,000
Loans received / paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments received / paid	-	-	-	-	-	-	-	-	-	-	-	-	200,000	-	-
CF from Financing activities	-	-	-	-	-	-	-	-	-	-	-	-	200,000	-	-
Ending Balance	66,530	68,649	69,509	70,193	72,735	73,599	74,229	77,337	79,185	80,858	84,390	86,629	86,629	128,756	136,950

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

1 2 3 4 5 6 7 8

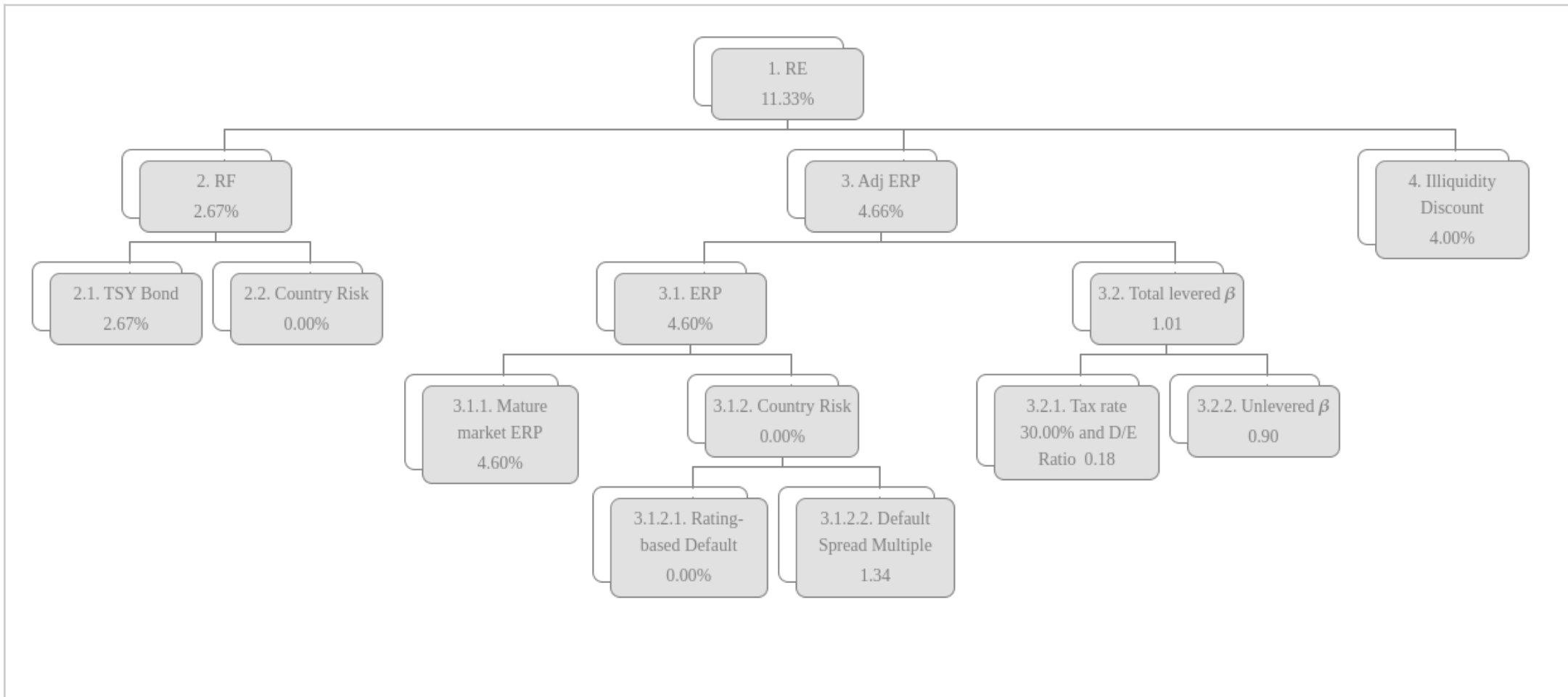
Financial Projection

Cash Flow Statement - Indirect (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Initial Balance	73,705	66,530	68,649	69,509	70,193	72,735	73,599	74,229	77,337	79,185	80,858	84,390	-	86,629	128,756
EBIT	-175	-175	-175	249	249	249	814	814	814	1,238	1,238	1,238	6,380	35,944	67,819
Δ Receivables & Prepaids	-9,774	-	-96	-1,955	-	-128	-2,606	-	-96	-1,955	-	-99	-17,188	-14,656	-16,215
Δ Payables	480	-	-	96	-	-	128	-	-	96	-	-	800	697	752
Δ Inventory	-	-	-1,163	-	-	-1,551	-	-	-1,163	-	-	-1,194	-10,887	-5,467	-10,903
Δ 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
Tax Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-1,914	-10,783
Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CF from Operating Activities	-7,175	2,119	860	684	2,543	864	629	3,108	1,849	1,673	3,532	2,239	6,629	42,128	58,194
Acquisition of															
CAPEX 1	-	-	-	-	-	-	-	-	-	-	-	-	-30,000	-	-
CAPEX 2	-	-	-	-	-	-	-	-	-	-	-	-	-50,000	-	-50,000
CAPEX 3	-	-	-	-	-	-	-	-	-	-	-	-	-20,000	-	-
CAPEX 4	-	-	-	-	-	-	-	-	-	-	-	-	-20,000	-	-
CF from Investing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-120,000	-	-50,000
Loans received / paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments received / paid	-	-	-	-	-	-	-	-	-	-	-	-	200,000	-	-
CF from Financing activities	-	-	-	-	-	-	-	-	-	-	-	-	200,000	-	-
Ending Balance	66,530	68,649	69,509	70,193	72,735	73,599	74,229	77,337	79,185	80,858	84,390	86,629	86,629	128,756	136,950

Assumptions:

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

Required Return on Equity Derivation



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	20,299	34,403	32,137	30,021	28,044	26,197
	PV Y7 --> Y0	346,208						
	NPV (USD)	521,320						

Average Survival Rate for 3 Years 50%

Final Valuation \$ 260,660

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.

Scenario Analysis: Narrative

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

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

Scenario Analysis: Results

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

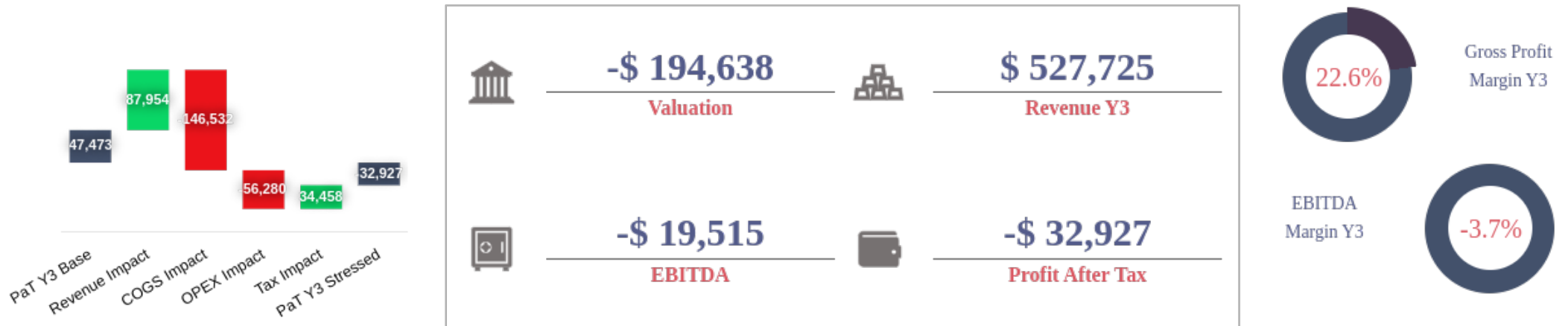
Scenario Analysis		Revenue		COGS		Discount Rate		
	KPIs	Base	Positive	Negative	Positive	Negative	Positive	Negative
Input	Revenue	no impact	15%	-15%	no impact	no impact	no impact	no impact
	COGS	no impact	no impact	no impact	-20%	20%	no impact	no impact
	RoE	no impact	no impact	no impact	no impact	no impact	-10%	10%
Output	Revenue Y3	\$ 439,771	\$ 505,737	\$ 373,805	\$ 439,771	\$ 439,771	\$ 439,771	\$ 439,771
	Gross Profit Y3	\$ 178,107	\$ 204,823	\$ 151,391	\$ 230,440	\$ 125,775	\$ 178,107	\$ 178,107
	GP Margin	41%	41%	41%	52%	29%	41%	41%
	EBITDA Y3	\$ 95,342	\$ 109,644	\$ 81,041	\$ 147,675	\$ 43,010	\$ 95,342	\$ 95,342
	EBITDA Margin	22%	22%	22%	34%	10%	22%	22%
	Net Profit Y3	\$ 47,473	\$ 57,484	\$ 37,462	\$ 84,106	\$ 10,840	\$ 47,473	\$ 47,473
	Profit Margin	11%	11%	10%	19%	2%	11%	11%
Final Valuation	\$ 260,660	\$ 317,351	\$ 203,969	\$ 468,108	\$ 53,212	\$ 309,054	\$ 224,590	

Stress Test: Growth Under Pressure

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

Scenario Name	Story	KPIs impact	
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.	Revenue Higher by 20%	COGS Higher by 30%
		OPEX Higher by 40%	Discount Rate unaffected

Results



Stress Test: The Perfect Storm

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

Scenario Name

Story

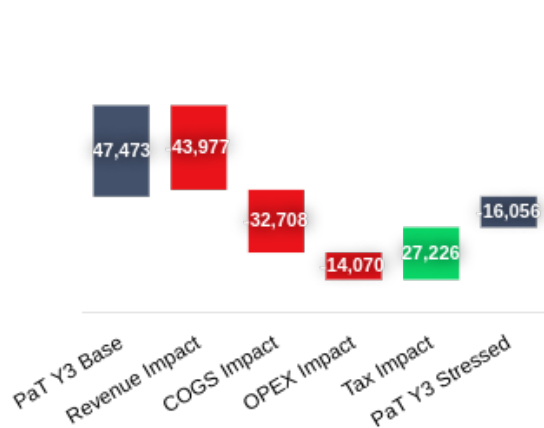
KPIs impact

The Perfect Storm

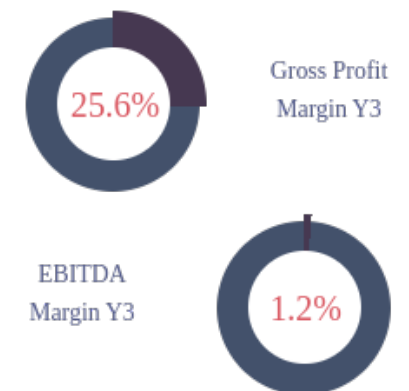
This scenario simulates the convergence of adverse market conditions and rising operational challenges. A sharp downturn in market demand coincides with increased costs due to inflation and supply chain disruptions. The combination results in a dual hit to both top-line revenue and operational margins.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

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

Results



	-\$ 86,751 Valuation		\$ 395,794 Revenue Y3
	\$ 4,587 EBITDA		-\$ 16,056 Profit After Tax



Sensitivity Analysis: SAM & SOM

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

		SAM						SOM					
		-20%	-10%	-5%	5%	10%	20%	-9%	-6%	-3%	3%	6%	9%
Revenue	Y1	\$ 125,106	\$ 140,744	\$ 148,563	\$ 164,201	\$ 172,020	\$ 187,658	\$ 142,308	\$ 146,999	\$ 151,691	\$ 161,073	\$ 165,765	\$ 170,456
	Y2	\$ 234,198	\$ 263,472	\$ 278,110	\$ 307,384	\$ 322,022	\$ 351,296	\$ 266,400	\$ 275,182	\$ 283,965	\$ 301,529	\$ 310,312	\$ 319,094
	Y3	\$ 351,817	\$ 395,794	\$ 417,783	\$ 461,760	\$ 483,748	\$ 527,725	\$ 400,192	\$ 413,385	\$ 426,578	\$ 452,964	\$ 466,157	\$ 479,351
Gross Profit	Y1	\$ 50,668	\$ 57,001	\$ 60,168	\$ 66,501	\$ 69,668	\$ 76,002	\$ 57,635	\$ 59,535	\$ 61,435	\$ 65,235	\$ 67,135	\$ 69,035
	Y2	\$ 94,850	\$ 106,706	\$ 112,634	\$ 124,491	\$ 130,419	\$ 142,275	\$ 107,892	\$ 111,449	\$ 115,006	\$ 122,119	\$ 125,676	\$ 129,233
	Y3	\$ 142,486	\$ 160,297	\$ 169,202	\$ 187,013	\$ 195,918	\$ 213,729	\$ 162,078	\$ 167,421	\$ 172,764	\$ 183,451	\$ 188,794	\$ 194,137
GP Margin	Y1	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%
	Y2	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%
	Y3	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%
EBITDA	Y1	\$ 27,123	\$ 30,513	\$ 32,208	\$ 35,599	\$ 37,294	\$ 40,684	\$ 30,852	\$ 31,869	\$ 32,887	\$ 34,921	\$ 35,938	\$ 36,955
	Y2	\$ 50,774	\$ 57,121	\$ 60,294	\$ 66,641	\$ 69,814	\$ 76,161	\$ 57,755	\$ 59,660	\$ 61,564	\$ 65,372	\$ 67,276	\$ 69,180
	Y3	\$ 76,274	\$ 85,808	\$ 90,575	\$ 100,110	\$ 104,877	\$ 114,411	\$ 86,762	\$ 89,622	\$ 92,482	\$ 98,203	\$ 101,063	\$ 103,923
EBITDA Margin	Y1	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%
	Y2	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%
	Y3	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%
Net Profit	Y1	-\$ 281	\$ 2,093	\$ 3,279	\$ 5,652	\$ 6,839	\$ 9,212	\$ 2,330	\$ 3,042	\$ 3,754	\$ 5,178	\$ 5,890	\$ 6,602
	Y2	\$ 16,275	\$ 20,718	\$ 22,939	\$ 27,382	\$ 29,603	\$ 34,046	\$ 21,162	\$ 22,495	\$ 23,828	\$ 26,493	\$ 27,826	\$ 29,159
	Y3	\$ 34,125	\$ 40,799	\$ 44,136	\$ 50,810	\$ 54,147	\$ 60,821	\$ 41,466	\$ 43,469	\$ 45,471	\$ 49,475	\$ 51,477	\$ 53,480
Profit Margin	Y1	-0%	1%	2%	3%	4%	5%	2%	2%	2%	3%	4%	4%
	Y2	7%	8%	8%	9%	9%	10%	8%	8%	8%	9%	9%	9%
	Y3	10%	10%	11%	11%	11%	12%	10%	11%	11%	11%	11%	11%
Final Valuation		\$ 185,072	\$ 222,866	\$ 241,763	\$ 279,557	\$ 298,454	\$ 336,248	\$ 226,645	\$ 237,984	\$ 249,322	\$ 271,998	\$ 283,336	\$ 294,674

Financial and Technical

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

Organisational Structure

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

Other

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

Disclaimer

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

Please note that the valuation results presented here are based on the Discounted Cash Flow (DCF) method and various assumptions, including projected cash flows, growth rates, discount rates, and survival rates. These assumptions are subject to change and may not accurately reflect future market conditions or the performance of the business.

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.

Investors and stakeholders are advised to conduct their own independent research, seek professional advice, and carefully consider their individual investment objectives, risk tolerance, and financial situation before making any investment decisions. The information provided in this presentation should not be relied upon as the sole basis for making investment decisions.

Furthermore, no representation or warranty, express or implied, is made regarding the accuracy, completeness, reliability, or availability of the information and analysis presented in this presentation. We disclaim any liability for any loss or damage, including but not limited to indirect or consequential loss information provided.

Past performance is not indicative of future results. Any historical financial information included in this presentation is provided for reference purposes only and may not reflect the current financial position or performance of the business.

The valuation presentation is intended solely for the recipient's use and may not be reproduced, redistributed, or disclosed, in whole or in part, without the prior written consent of the company.

If you have any questions or concerns about this presentation or its contents, please contact our office at info@nexusfinancial.de or call us at +49 30 234 5678 .