

# Business Plan & Valuation Presentation



# 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

ByteLogistics exists to revolutionize the logistics and supply chain industry by providing SMEs with cutting-edge, data-driven solutions that optimize routes, reduce delivery times, and boost transparency. By harnessing the power of advanced analytics, IoT, and machine learning, we aim to make logistics a simple and painless process for businesses, regardless of their scale. Our relentless pursuit of customer satisfaction drives us to consistently redefine the standards of goods transportation, setting new benchmarks for efficiency and reliability across the United States.

## Our Vision

ByteLogistics envisions becoming the foremost authority in logistics innovation, leveraging advanced analytics, IoT, and machine learning to set new industry standards. We aspire to create a future where logistics is effortless, seamless, and highly efficient, making us the preferred choice for businesses of all scales. By continually redefining the boundaries of logistics and warehousing, ByteLogistics aims to lead the industry towards a smarter, more connected, and customer-centric future, elevating the standards of goods transportation nationwide.

# Summary Financials Dashboard

Key performance indicators  
(Base Scenario Y3)

**\$ 748,150**

Revenue

**\$ 187,935**

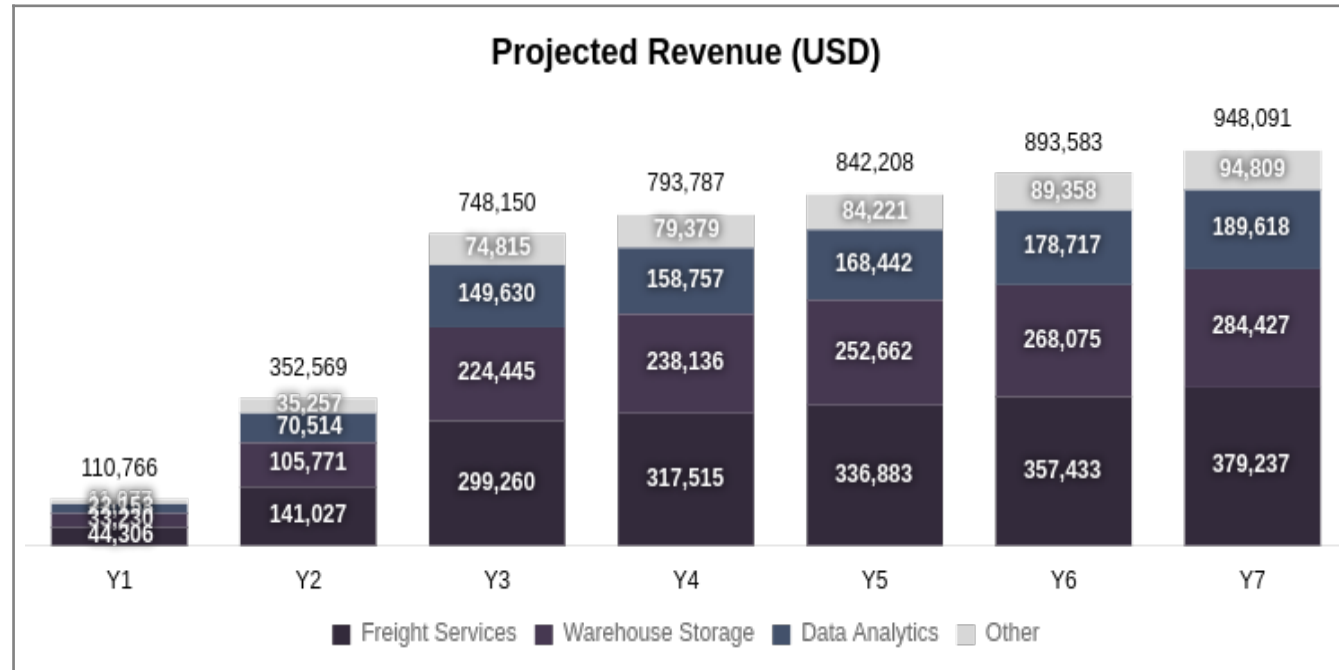
Gross Profit

**\$ 153,446**

EBITDA

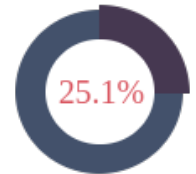
**0.00%**

Target Market Share



Margins  
(Stabilized by Y3)

GP Margin



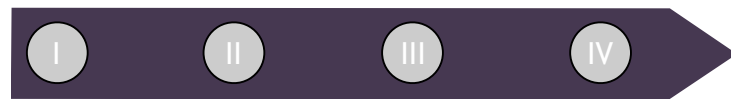
EBITDA Margin



PbT Margin



## Project Phases



Foundation Establishment

Core Enhancement and User Expansion

New Profit Streams Exploration

High-Risk, High-Reward 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 \$ 260,000

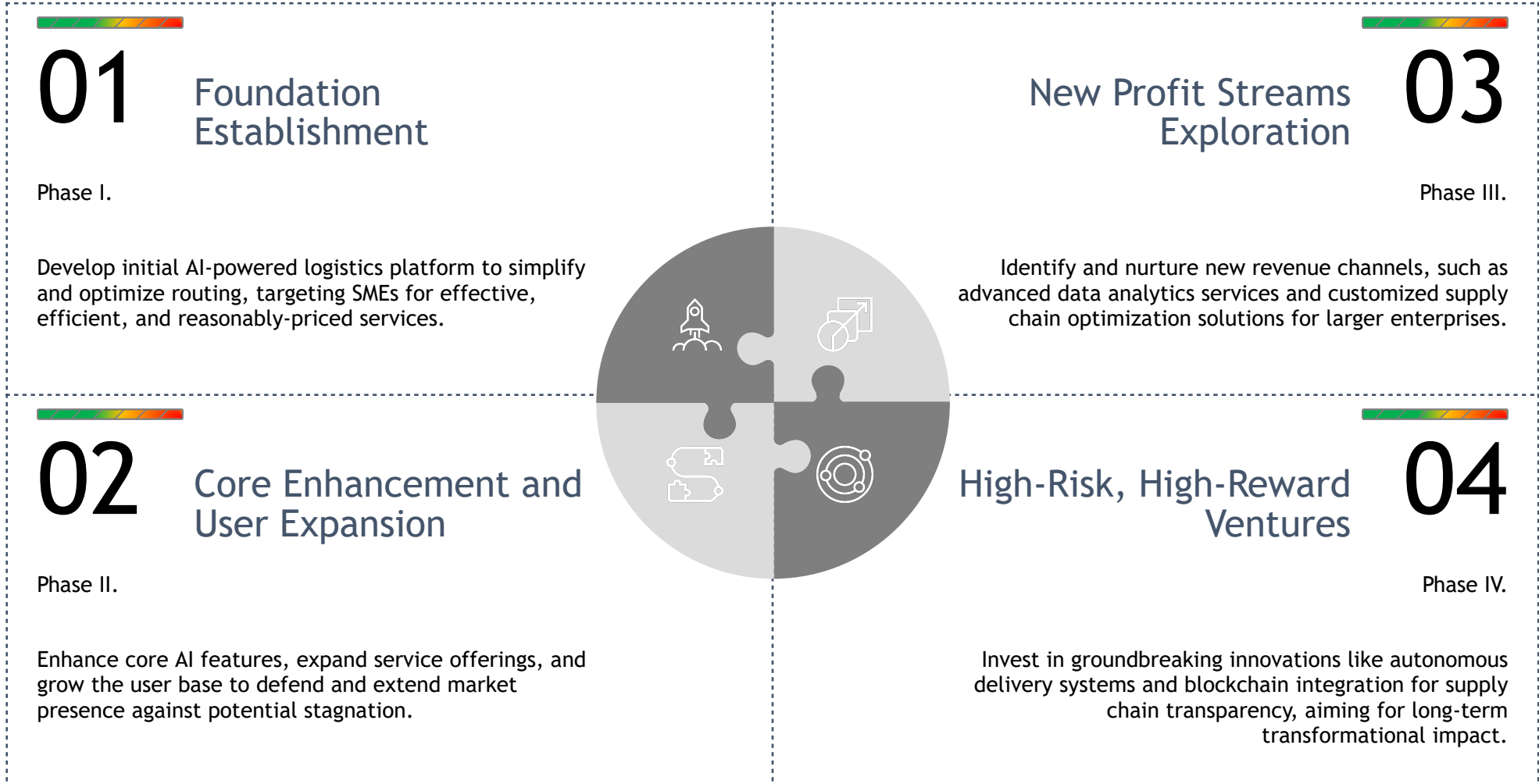
WC \$ 20,735

# About the Company: General Overview



ByteLogistics is a leading innovator in the industrials sector, specializing in data processing and outsourced services industries. Based in Atlanta, Georgia, the company is at the forefront of implementing AI and data-driven solutions in the logistics and supply chain industry. ByteLogistics is particularly adept at serving SMEs with effective, efficient, and reasonably-priced logistic services. By harnessing the power of advanced analytics, IoT, and machine learning, the company is able to optimize routes, reduce delivery times, and boost transparency at every stage of the shipping process. A relentless pursuit of customer satisfaction motivates ByteLogistics to consistently redefine the standards of goods transportation across the United States. Their aim is to ensure logistics becomes a simple and painless process for businesses, regardless of their scale. ByteLogistics' innovative approach positions them as a game-changer in their sector, making them an appealing choice for businesses seeking cutting-edge logistics solutions.

# The Main Phases: Projects & Impacts



# Product Impact on Core Stakeholders

Main Stakeholder	Product Benefits
<b>SMEs (Small and Medium-sized Enterprises)</b>	<ol style="list-style-type: none"> <li>1. Access to efficient and cost-effective logistics solutions that simplify their supply chain operations.</li> <li>2. Enhanced transparency and reliability in goods transportation, leading to increased customer satisfaction.</li> <li>3. Ability to leverage advanced analytics for better decision-making in logistics.</li> </ol>
<b>Large Enterprises</b>	<ol style="list-style-type: none"> <li>1. Customized supply chain optimization solutions that can scale with their operational needs.</li> <li>2. Advanced data analytics to identify inefficiencies and improve logistics performance.</li> <li>3. Future-proofing their logistics through cutting-edge technologies like autonomous delivery systems and blockchain.</li> </ol>
<b>Local Communities</b>	<ol style="list-style-type: none"> <li>1. Reduced traffic congestion and pollution due to optimized routing and delivery times.</li> <li>2. Potential job creation in tech-enabled logistics roles.</li> <li>3. Enhanced local business growth through more efficient logistics services.</li> </ol>
<b>Investors</b>	<ol style="list-style-type: none"> <li>1. Strong growth potential through innovative and scalable business models.</li> <li>2. Opportunities for high returns through investment in groundbreaking logistics technologies.</li> <li>3. Diversified revenue streams from new profit avenues like advanced data analytics services.</li> </ol>
<b>Technology Partners</b>	<ol style="list-style-type: none"> <li>1. Collaborations on cutting-edge projects like AI-powered logistics and IoT integrations.</li> <li>2. Shared innovation leading to mutual growth and market expansion.</li> <li>3. Strengthened market presence through joint ventures and technological synergies.</li> </ol>
<b>Employees</b>	<ol style="list-style-type: none"> <li>1. Opportunities for skill development in AI, machine learning, and advanced analytics.</li> <li>2. Engaging work environment driven by innovation and customer satisfaction.</li> <li>3. Potential for career growth in a rapidly expanding tech-driven logistics company.</li> </ol>
<b>Customers</b>	<ol style="list-style-type: none"> <li>1. Faster and more reliable delivery services, enhancing overall customer experience.</li> <li>2. Increased transparency in the logistics process, leading to greater trust.</li> <li>3. Competitive pricing on logistics services driven by efficiency and optimization.</li> </ol>

# Key Performance Components

## Competitive Advantage

### AI-Driven Solutions

ByteLogistics leverages AI, advanced analytics, and machine learning to optimize routes, reduce delivery times, and enhance transparency, thereby making logistics efficient and reliable.

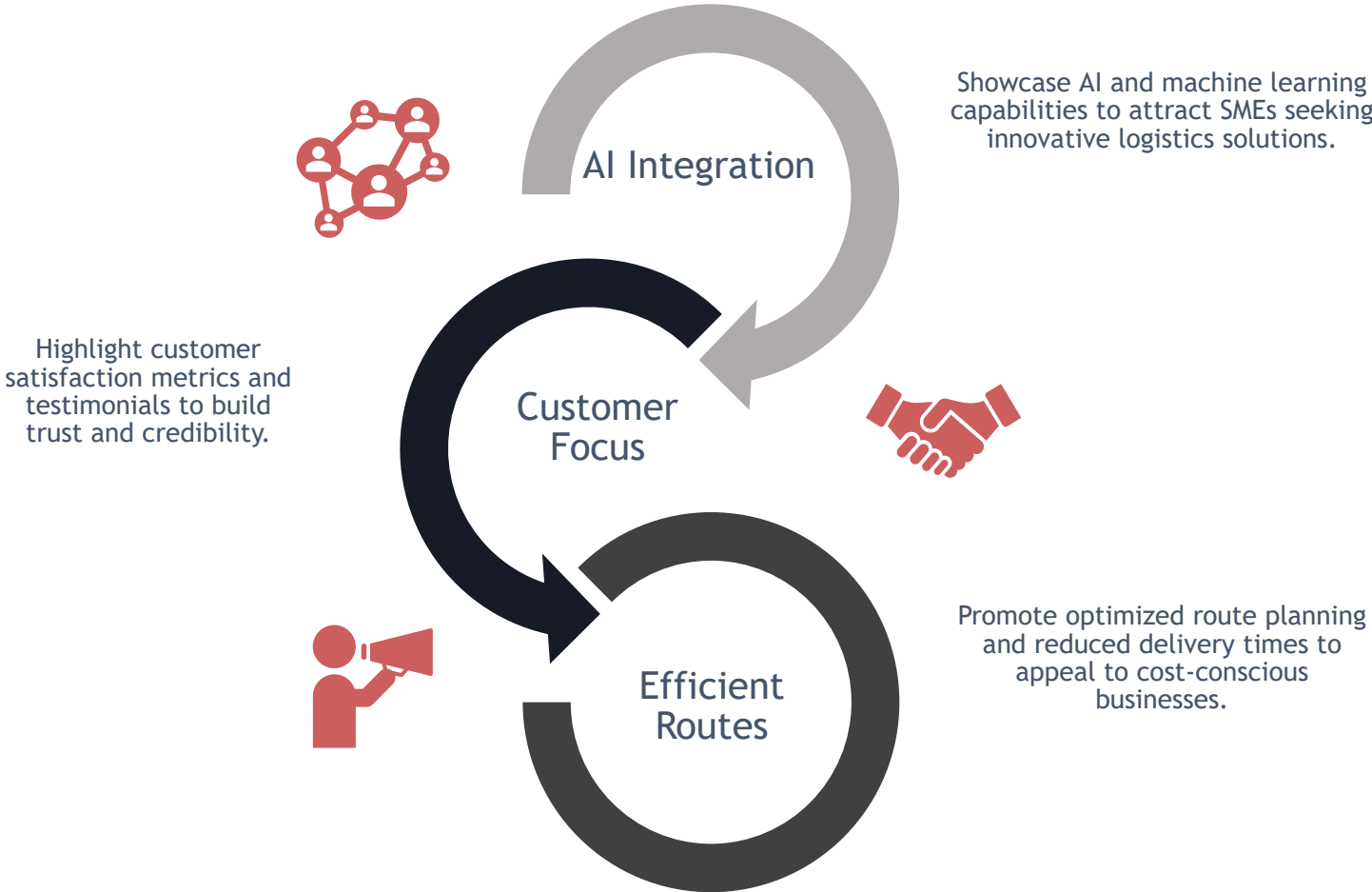
### SMEs Focused Services

Specializing in serving small and medium-sized enterprises, ByteLogistics offers cost-effective and efficient logistic services specifically catered to the needs of smaller businesses.

### Customer Satisfaction








Driven by a relentless pursuit of customer satisfaction, ByteLogistics continually redefines goods transportation standards to make logistics simple and painless for all businesses.

## Marketing and Growth Strategy

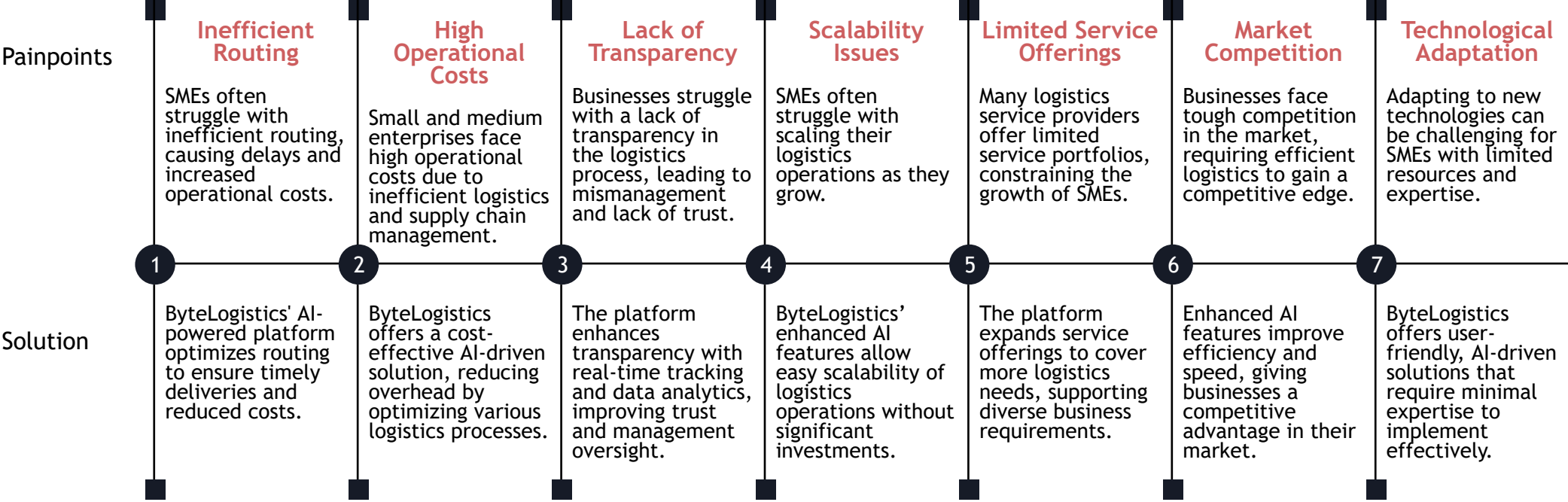




# Target Groups


Industries		Description
I	 SMEs (Small and Medium Enterprises)	Small and medium-sized businesses seeking affordable, efficient, and optimized logistics solutions to streamline their operations.
II	 E-commerce Companies	Online retailers needing reliable and efficient supply chain and delivery services to meet consumer demand and ensure timely deliveries.
III	 Manufacturers	Manufacturing firms looking for optimized transportation and warehousing services to improve supply chain efficiency and reduce costs.
IV	 Retail Chains	Retail businesses requiring seamless inventory management and timely distribution to maintain stock levels and meet consumer needs.
V	 Third-Party Logistics (3PL) Providers	3PL companies in need of advanced logistics platforms to enhance their service offerings and operational efficiency.
VI	 Food and Beverage Companies	Businesses in the food and beverage sector requiring fast and reliable logistics for perishable goods to ensure freshness and safety.
VII	 Pharmaceutical Companies	Pharmaceutical firms needing highly controlled and transparent logistics solutions to manage the supply of sensitive medical products.

## Solution from Phase I to Phase IV




# Strategic Analysis: SWOT

**Strength**



Leading innovator in AI and data-driven logistics solutions. Strong focus on customer satisfaction. Expertise in serving SMEs. Advanced analytics, IoT, and machine learning integration. Based in a strategic location, Atlanta, Georgia.

**Weaknesses**




Limited international presence. High dependency on technology may lead to vulnerabilities. Market competition from established logistics companies. Potential resource allocation strains due to rapid growth. Need for constant technological updates.

**Opportunities**









Expansion into international markets. Partnerships with tech firms for advanced solution development. Growing demand for AI and IoT in logistics. Increasing need for SME logistic solutions. Opportunity to set industry standards.

**Threats**



Rapid technological changes. Cybersecurity risks. Competitive market pressure. Economic downturn impacts. Regulatory changes affecting logistics services.

# Pestel: Analysis

 <b>P</b>	 <b>E</b>	 <b>S</b>	 <b>T</b>	 <b>E</b>	 <b>L</b>						
Political	7 / 10	Economic	8 / 10	Social	7 / 10	Technological	9 / 10	Environmental	7 / 10	Legal	7 / 10
<p><b>Regulations:</b> Compliance with changing transportation regulations is critical for smooth operations.</p> <p><b>Trade Policies:</b> Trade policies impact import/export activities and cost structures.</p>	<p><b>Economic Growth:</b> Economic growth rates influence demand for logistics services.</p> <p><b>Fuel Prices:</b> Volatile fuel prices affect operational costs significantly.</p>	<p><b>E-Commerce Growth:</b> Rising e-commerce boosts demand for efficient logistics solutions.</p> <p><b>Workforce Skills:</b> Skilled labor is necessary for handling advanced logistics technologies.</p>	<p><b>AI Adoption:</b> Increasing AI integration enhances operational efficiency and customer satisfaction.</p> <p><b>IoT Implementation:</b> IoT helps in real-time tracking and monitoring of logistics processes.</p>	<p><b>Sustainability:</b> Emphasis on green logistics and reducing carbon footprint.</p> <p><b>Climate Change:</b> Extreme weather events can disrupt supply chain operations.</p>	<p><b>Data Privacy Laws:</b> Strict data privacy regulations impact data processing practices.</p> <p><b>Labor Laws:</b> Adherence to labor laws is essential for workforce management.</p>						

ByteLogistics' advanced technological integration and regulatory compliance allow it to thrive in the dynamic logistics sector. By leveraging these strengths, the company can navigate market challenges and capitalize on emerging opportunities effectively.

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?

Their AI and data-driven solutions enable the company to exploit opportunities and neutralize threats by optimizing routes and reducing delivery times.

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

The advanced IoT, machine learning, and data analytics capabilities are controlled by a limited number of firms in the logistics sector.

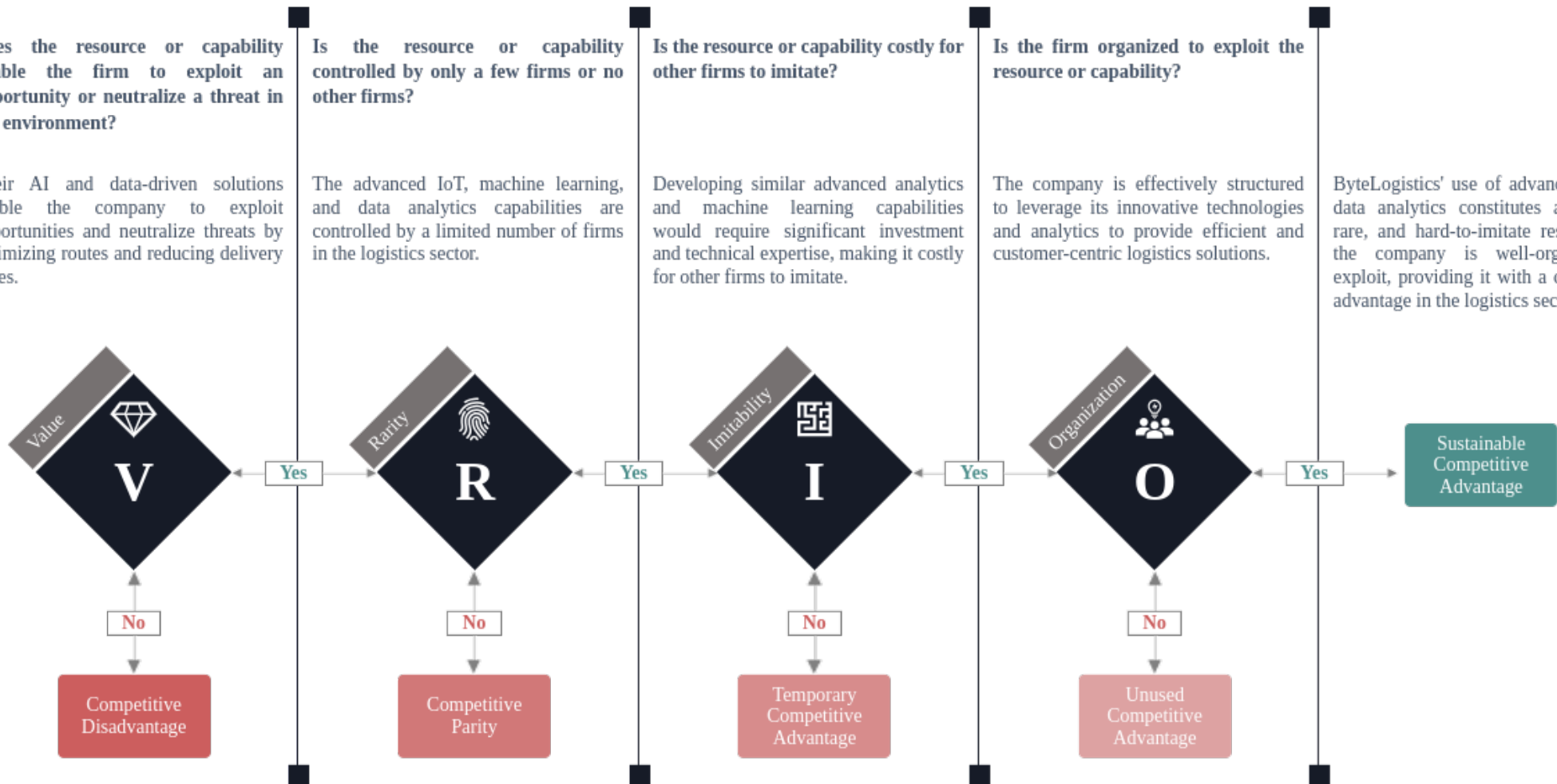
Is the resource or capability costly for other firms to imitate?

Developing similar advanced analytics and machine learning capabilities would require significant investment and technical expertise, making it costly for other firms to imitate.

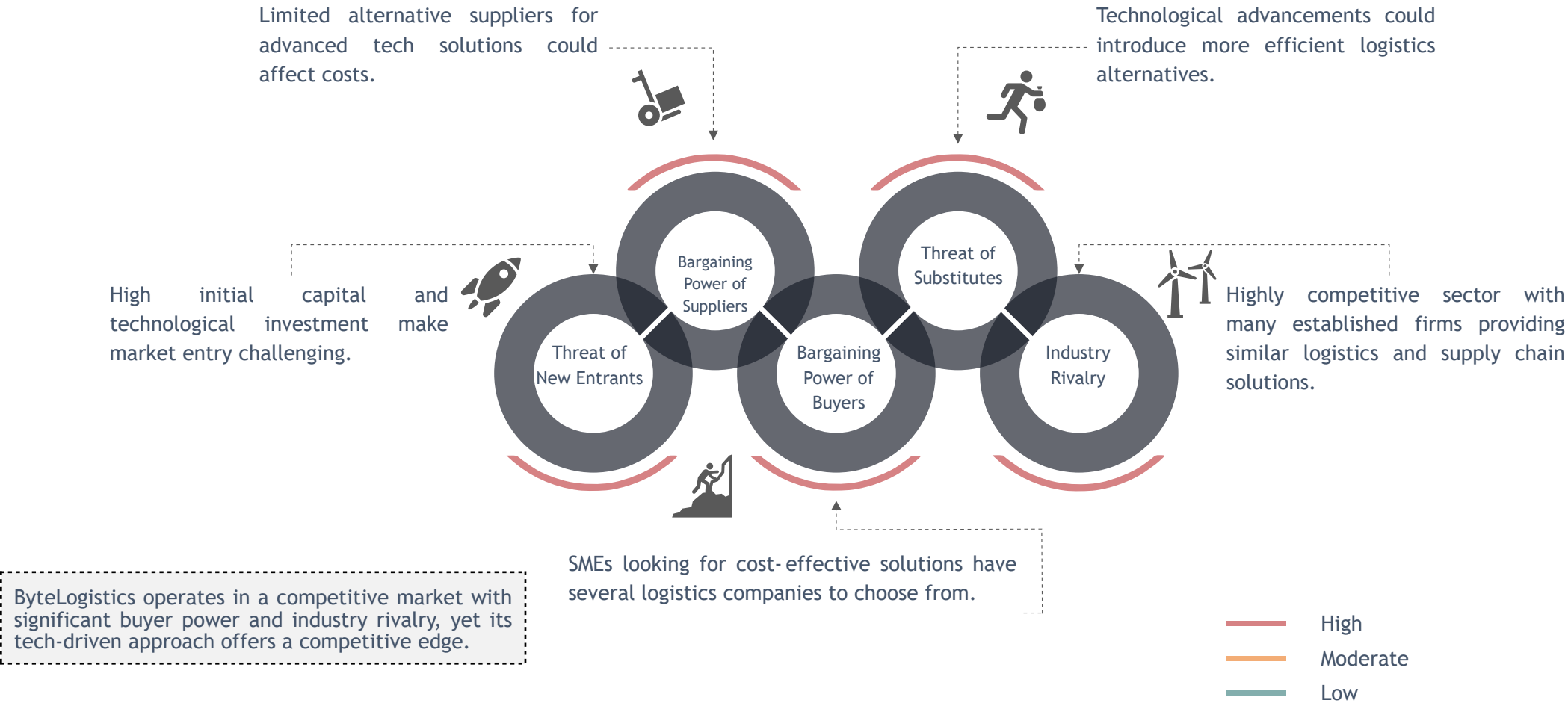
Is the firm organized to exploit the resource or capability?

The company is effectively structured to leverage its innovative technologies and analytics to provide efficient and customer-centric logistics solutions.

ByteLogistics' use of advanced AI and data analytics constitutes a valuable, rare, and hard-to-imitate resource that the company is well-organized to exploit, providing it with a competitive advantage in the logistics sector.



# Porter's Five Forces: Analysis



# Management Team

## Overview

Michael leads ByteLogistics, focusing on delivering efficient and tech-driven transportation and warehousing solutions for businesses.



Co-Founder & CEO

## Jennifer Miller



Co-Founder & Operations Director

## Overview

Jennifer manages operations, ensuring smooth logistics and efficient warehouse management for ByteLogistics' clients.

## Overview

David oversees transportation logistics, optimizing routes and improving service efficiency to meet client demands.



Logistics Manager

## Emily Robinson



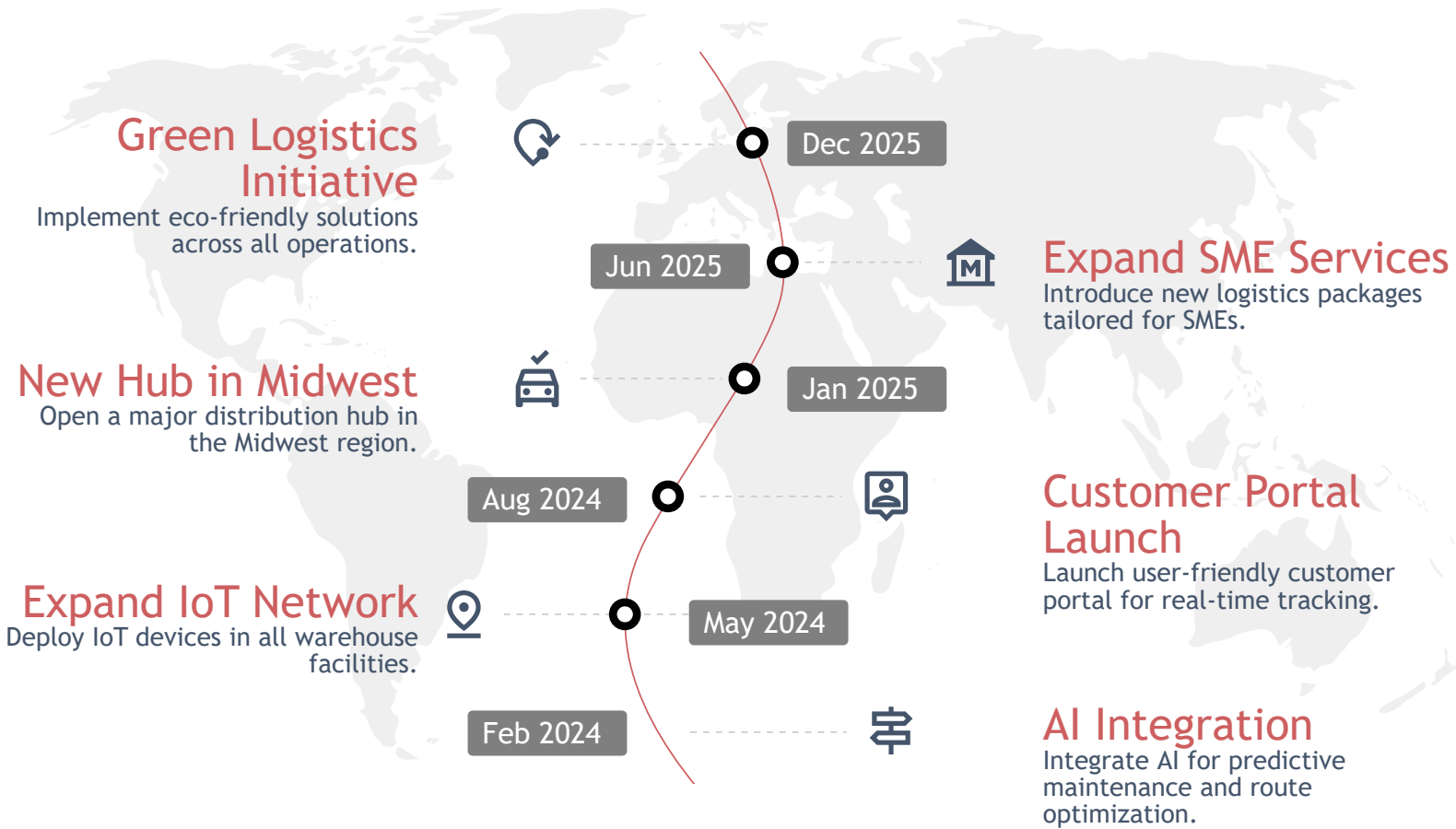
Business Development Manager

## Overview

Emily drives growth, forging partnerships and expanding ByteLogistics' network to enhance customer service and market reach.



# History & Roadmap



## Current Status.

- Integrating AI by Feb 2024
- IoT network expansion by May 2024
- New customer portal by Aug 2024
- Midwest hub open by Jan 2025
- Enhanced SME services by Jun 2025
- Green initiatives by Dec 2025.



# Organizational and Marketing Tasks

#	Check List Item	Status	Priority	Area	ETA	
<b>General Planning and Organization</b>						
1	Establish Legal Entity and Company Structure	●	Not Started	High	CEO	1 month
2	Secure Initial Funding and Investment	●	Not Started	High	CFO	2 months
3	Develop Comprehensive Business Plan	●	Not Started	High	COO	1 month
4	Recruit and Onboard Key Team Members	●	Not Started	High	CPO	3 months
5	Set Up Offices and Operational Facilities	●	Not Started	Medium	COO	2 months
6	Implement Financial Management Systems	●	Not Started	Medium	CFO	1 month
7	Create Risk Management and Compliance Plan	●	Not Started	High	CSO	2 months
8	Establish IT Infrastructure and Security Measures	●	Not Started	High	CIO	2 months
<b>Marketing</b>						
1	Develop Comprehensive Marketing Strategy	●	Not Started	High	CMO	2 weeks
2	Define Brand Identity and Messaging	●	Not Started	High	CMO	3 weeks
3	Establish Social Media Presence	●	Not Started	Medium	CMO	1 month
4	Create SEO and SEM Strategy for Website	●	Not Started	High	CIO	1 month
5	Develop Customer Referral Program	●	Not Started	Medium	CRO	2 months
6	Launch Initial Advertising Campaign	●	Not Started	High	CMO	6 weeks
7	Collaborate with Industry Influencers	●	Not Started	Medium	CBO	3 months
8	Set Up Analytics to Track Marketing Performance	●	Not Started	High	CIO	1 month

# Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
<b>Phase 1 &amp; Technical Set Up for next Phases</b>					
1	Develop AI algorithm for route optimization	●	Not Started	High	CTO 3 months
2	Set up initial server infrastructure	●	Not Started	High	CIO 2 months
3	Hire core talent for AI and logistics	●	Not Started	High	CEO 1 month
4	Define initial service pricing models	●	Not Started	Medium	CFO 1 month
5	Acquire initial customers	●	Not Started	High	CRO 4 months
6	Set up legal and regulatory compliance	●	Not Started	High	COO 2 months
7	Develop a basic user interface and dashboard	●	Not Started	Medium	CPO 3 months
8	Conduct initial user testing and feedback	●	Not Started	Medium	CSO 3.5 months
<b>Phase 2</b>					
1	Enhance AI algorithm for better route optimization	●	Not Started	High	CTO 3 months
2	Expand service coverage to new geographic areas	●	Not Started	High	COO 4 months
3	Increase marketing efforts to attract more SMEs	●	Not Started	High	CMO 2 months
4	Develop partnership programs with complementary service providers	●	Not Started	Medium	CBO 5 months
5	Introduce premium features for enhanced user experience	●	Not Started	Medium	CPO 4 months
6	Implement dynamic pricing models based on demand forecasting	●	Not Started	High	CFO 3 months
7	Enhance customer support infrastructure	●	Not Started	Medium	COO 3 months
8	Expand analytics capabilities for improved performance tracking	●	Not Started	High	CIO 2 months

# Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
<b>Phase 3</b>					
1	Identify Key New Clients for Data Analytics Services	●	Not Started	High	CEO 3 months
2	Develop Customized Supply Chain Solutions	●	Not Started	High	CPO 4 months
3	Conduct Market Research on Large Enterprises	●	Not Started	Medium	CRO 2 months
4	Build Advanced Data Analytics Platform	●	Not Started	High	CTO 6 months
5	Create Tailored Marketing Campaigns for New Revenue Channels	●	Not Started	Medium	CMO 3 months
6	Hire Experts in Advanced Analytics	●	Not Started	High	COO 5 months
7	Develop Pricing Model for Customized Solutions	●	Not Started	Medium	CFO 2 months
8	Establish Partnerships with Key Industry Players	●	Not Started	High	CSO 4 months
<b>Phase 4</b>					
1	Research Autonomous Delivery Systems	●	Not Started	High	CTO 3 months
2	Develop Blockchain Integration Plan	●	Not Started	High	CIO 2 months
3	Pilot Autonomous Delivery Vehicles	●	Not Started	High	CTO 6 months
4	Engage Regulatory Authorities for Compliance	●	Not Started	Medium	CSO 4 months
5	Form Strategic Partnerships for Innovations	●	Not Started	High	CEO 5 months
6	Develop Smart Contracts for Blockchain	●	Not Started	Medium	CIO 3 months
7	Conduct Market Analysis for Risk Assessment	●	Not Started	Medium	CFO 2 months
8	Launch Blockchain Transparency Features	●	Not Started	High	CPO 6 months

# Core Risks & Mitigation Strategies

## 1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	System Downtime	CTO	Implement robust backup and recovery procedures.
2	Data Security Breaches	CISO	Regular security audits and advanced encryption protocols.
3	Supply Chain Disruptions	COO	Develop contingency plans and diversify suppliers.
4	Operational Inefficiencies	COO	Continuous process monitoring and workflow optimization.
5	High Maintenance Costs	CFO	Implement cost-effective maintenance schedules and predictive analytics.

## 2. Regulatory and legal risks

#	Risk Type	Area	Mitigation Strategy
1	Data Privacy Violations	CIO	Ensure strict compliance with data privacy regulations like GDPR
2	AI Regulation Compliance	CTO	Regularly update AI systems to adhere to evolving regulations
3	Intellectual Property Infringement	CLO	Establish comprehensive IP protection and monitoring strategies
4	Antitrust Regulations	CEO	Engage in thorough antitrust compliance training and audits
5	Labor Laws Compliance	COO	Ensure all labor practices meet federal and state legal standards

### 3. Strategic/Market Risk

#	Risk Type	Area	Mitigation Strategy
1	Market Competition	CEO	Continuously innovate and enhance product offerings to maintain competitiveness
2	Customer Acquisition and Retention	CMO	Develop targeted marketing campaigns and maintain exceptional customer support
3	Changing Market Demands	CPO	Regularly gather customer feedback and adjust services accordingly
4	Technological Advancements	CTO	Invest in R&D and stay updated on the latest tech trends
5	Global Economic Changes	CFO	Diversify investments and maintain a robust financial strategy

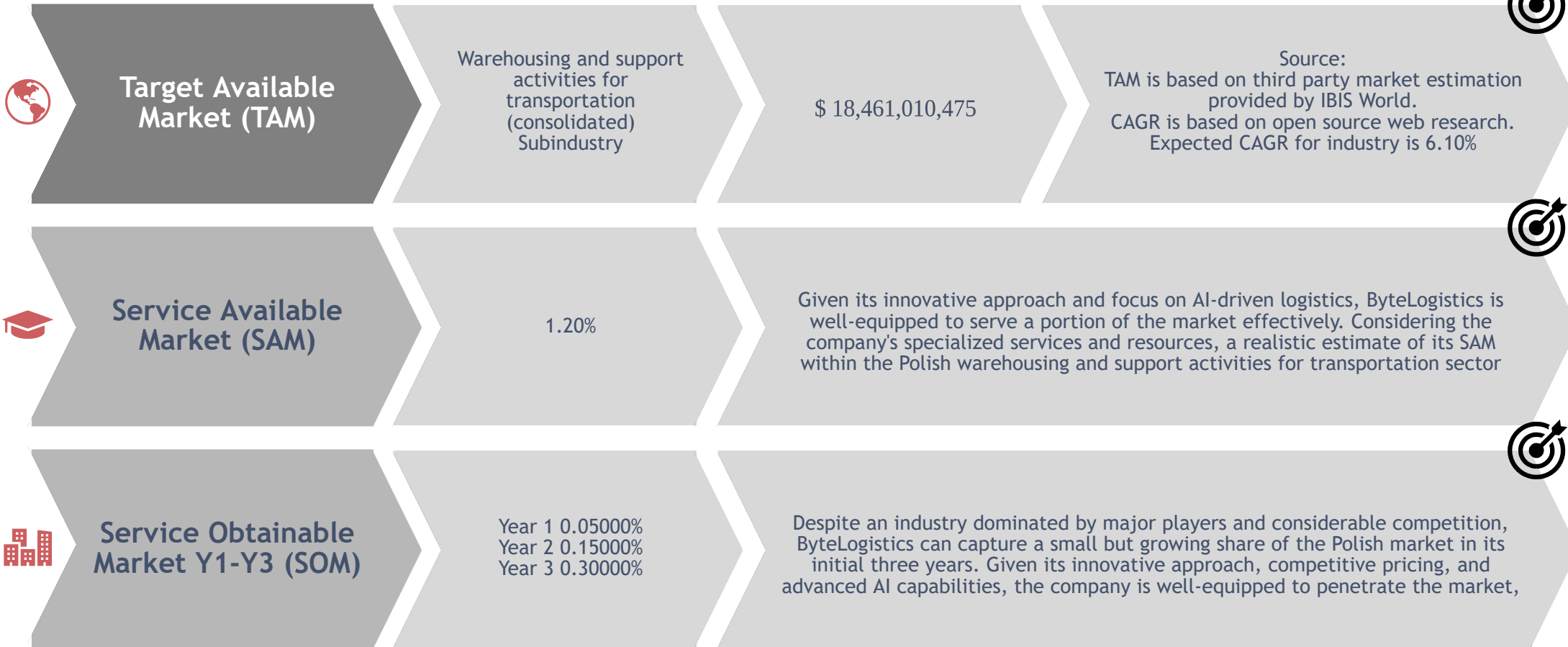
### 4. Finance risk

#	Risk Type	Area	Mitigation Strategy
1	Insufficient Funding	CFO	Secure diverse funding sources and maintain reserve capital
2	Cash Flow Issues	CFO	Implement strict cash flow management and timely invoicing practices
3	High Operating Costs	COO	Optimize operations and negotiate cost-effective supplier contracts
4	Revenue Volatility	CRO	Diversify revenue streams and establish long-term contracts
5	Economic Downturns	CEO	Develop contingency plans and build financial resilience

### 5. Other general risk

#	Risk Type	Area	Mitigation Strategy
1	Technology obsolescence	CTO	Invest continuously in the latest technology and R&D
2	Competitive pressure	CPO	Continuously innovate and diversify product offerings
3	Data security breaches	CISO	Implement robust cybersecurity measures and regular audits
4	Market demand fluctuations	CRO	Develop flexible business models to adapt to market dynamics
5	Customer satisfaction decline	CMO	Maintain high engagement and address customer feedback promptly

# Market Overview (TAM, SAM and SOM)



# Funding Allocation

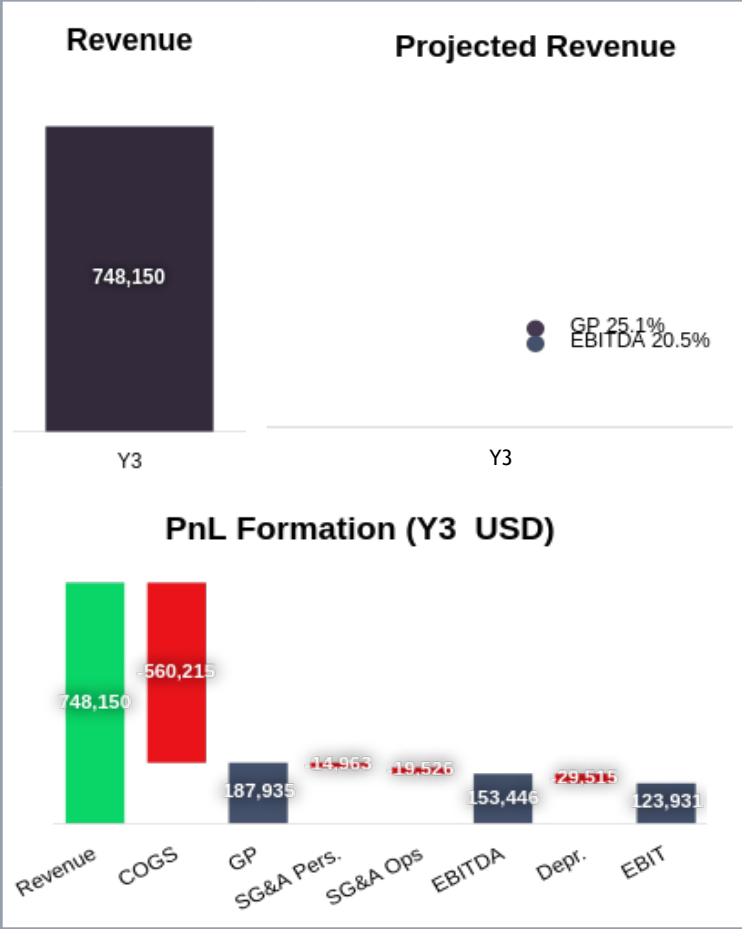
The funding will be used to finance the CAPEX and cash deficit from Year 1 operations, aiming to expedite the development process. In subsequent years the company plans to sustain operations without requiring major additional capital injection. Table below presents the overview of expected inflows and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

The total investment required is \$ 300,000

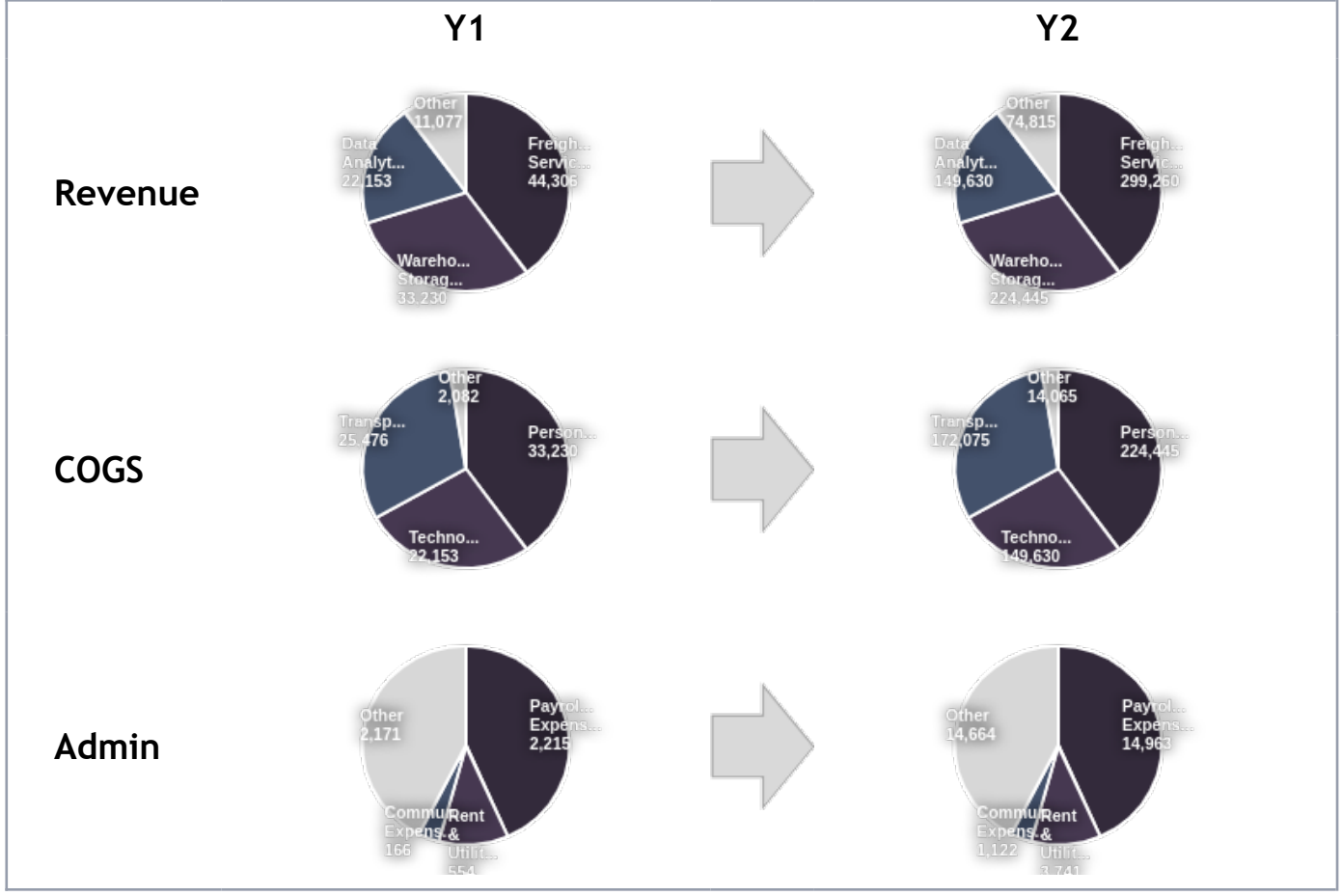
Y1 Cash Flow Stream(USD)	Inflows	Outflows
Gross Profit	27,824	
Payroll Expenses		2,215
Marketing and Branding		831
Rent & Utilities		554
Other Miscellaneous		454
Capex		260,000
Legal and Professional Fees		332
Representation and Entert.		332
Communication Expenses		166
Office supplies		111
Training and Development		111
<b>CAPEX &amp; WC shortage Y1</b>		<b>237,282</b>
<b>Buffer</b>		<b>62,718</b>
<b>Total Required Investment(USD)</b>		<b>300,000</b>



## Y3 PL formation and Margins



## Business Line Breakdown (USD)

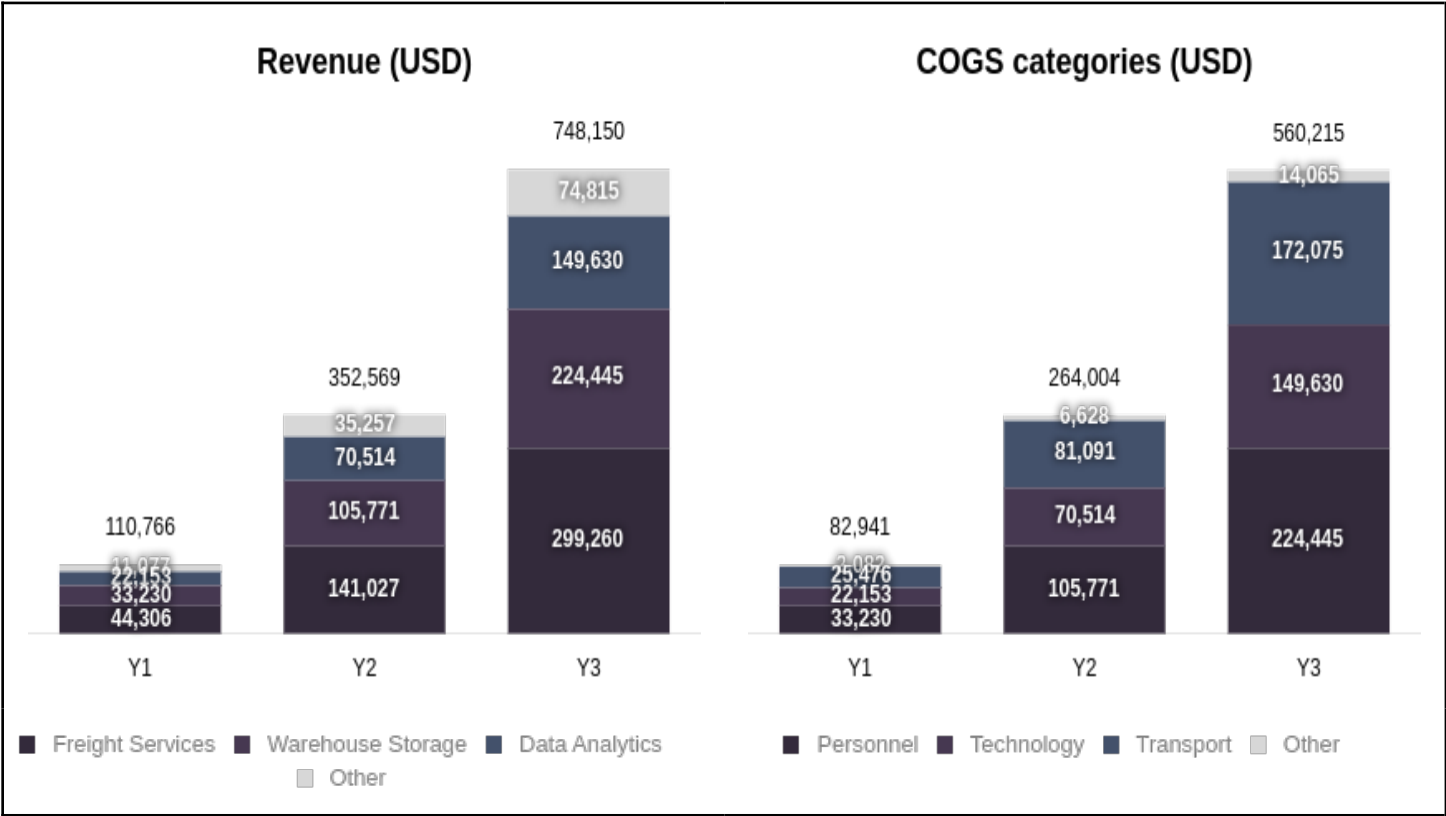




# Revenue Formation Narrative

ByteLogistics, based in Atlanta, Georgia, is a forefront innovator in the industrial sector specializing in the data processing and outsourced services industries. With a focus on AI and data-driven solutions for logistics and supply chain management, ByteLogistics targets SMEs by optimizing routes, reducing delivery times, and improving transparency using advanced analytics, IoT, and machine learning. ByteLogistics aims to redefine the standards of goods transportation across the United States, making logistics simple and efficient for businesses of various scales. ByteLogistics' approach uniquely positions the company as a game-changer within its sector. The company's Total Addressable Market (TAM) stands at 18,461,010,475.08 USD . Given its AI-driven logistics solutions, the Serviceable Addressable Market (SAM) is estimated to be 1.20% of the TAM. In Year 1, ByteLogistics projects capturing 0.05% of the market, generating a revenue of 110,766.063 USD . By Year 2, this value is expected to grow to 352,568.378 USD as the company gains traction, increasing the market share to 0.15%. In Year 3, market share is anticipated to expand further to 0.30%, translating into revenue of 748,150.098 USD . ByteLogistics' revenue streams are diversified across four main lines of business: Freight Services (40%), Warehouse Storage (30%), Data Analytics (20%), and Other services (10%). Despite the competitive landscape, ByteLogistics' innovative approach and commitment to customer satisfaction are projected to drive sustained growth and solidify its market presence over the first three years.

**\$ 748,150** <sup>Y3</sup> 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
Freight Services	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%
Warehouse Storage	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%
Data Analytics	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	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%

Freight Services	2,769	2,769	2,769	3,323	3,323	3,323	4,061	4,061	4,061	4,615	4,615	4,615	44,306	141,027	299,260
Warehouse Storage	2,077	2,077	2,077	2,492	2,492	2,492	3,046	3,046	3,046	3,461	3,461	3,461	33,230	105,771	224,445
Data Analytics	1,385	1,385	1,385	1,661	1,661	1,661	2,031	2,031	2,031	2,308	2,308	2,308	22,153	70,514	149,630
Other	692	692	692	831	831	831	1,015	1,015	1,015	1,154	1,154	1,154	11,077	35,257	74,815

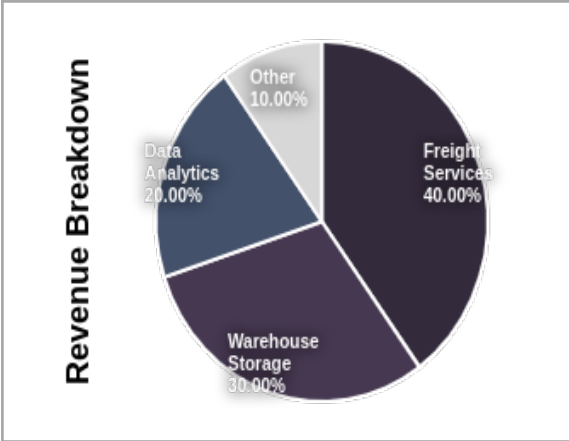
<b>Total Revenue (USD)</b>	<b>6,923</b>	<b>6,923</b>	<b>6,923</b>	<b>8,307</b>	<b>8,307</b>	<b>8,307</b>	<b>10,154</b>	<b>10,154</b>	<b>10,154</b>	<b>11,538</b>	<b>11,538</b>	<b>11,538</b>	<b>110,766</b>	<b>352,568</b>	<b>748,150</b>
----------------------------	--------------	--------------	--------------	--------------	--------------	--------------	---------------	---------------	---------------	---------------	---------------	---------------	----------------	----------------	----------------

Total revenue is expected to reach \$ 748,150 by year 3.

Main revenue driver are:

- Freight Services which generates \$ 299,260 by Year 3
- Warehouse Storage which generates \$ 224,445 by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 159.89 %



# COGS Calculation Details

COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Personnel	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%
Technology	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%
Transport	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%
Other	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%	1.88%

Personnel	2,077	2,077	2,077	2,492	2,492	2,492	3,046	3,046	3,046	3,461	3,461	3,461	33,230	105,771	224,445
Technology	1,385	1,385	1,385	1,661	1,661	1,661	2,031	2,031	2,031	2,308	2,308	2,308	22,153	70,514	149,630
Transport	1,592	1,592	1,592	1,911	1,911	1,911	2,335	2,335	2,335	2,654	2,654	2,654	25,476	81,091	172,075
Other	130	130	130	156	156	156	191	191	191	217	217	217	2,082	6,628	14,065

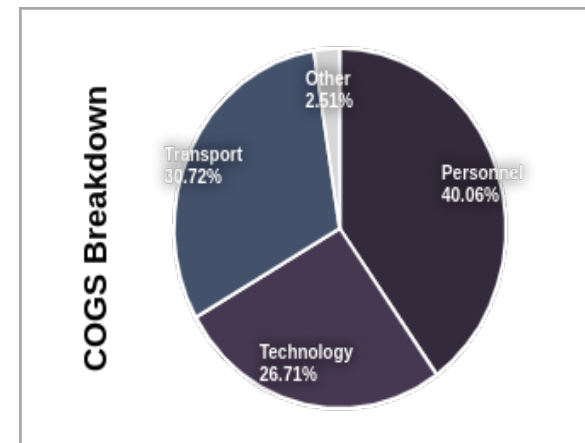
<b>Total COGS (USD)</b>	<b>5,184</b>	<b>5,184</b>	<b>5,184</b>	<b>6,221</b>	<b>6,221</b>	<b>6,221</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>8,640</b>	<b>8,640</b>	<b>8,640</b>	<b>82,942</b>	<b>264,003</b>	<b>560,215</b>
-------------------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------	---------------	----------------	----------------

Total COGS is expected to reach \$ 560,215 by year 3.

Main revenue driver are:

- Personnel which generates \$ 224,445 by Year 3
- Transport which generates \$ 172,075 by Year 3

Expected CAGR for total COGS in Y1-Y3 is 159.89 %



# SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Payroll Expenses	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Rent & Utilities	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%
Communication Expenses	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
Office supplies	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Legal and Professional Fees	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
Marketing and Branding	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Representation and Entertainment	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
Training and Development	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Other Miscellaneous	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%

Payroll Expenses	138	138	138	166	166	166	203	203	203	231	231	231	2,215	7,051	14,963
Rent & Utilities	35	35	35	42	42	42	51	51	51	58	58	58	554	1,763	3,741
Communication Expenses	10	10	10	12	12	12	15	15	15	17	17	17	166	529	1,122
Office supplies	7	7	7	8	8	8	10	10	10	12	12	12	111	353	748
Legal and Professional Fees	21	21	21	25	25	25	30	30	30	35	35	35	332	1,058	2,244
Marketing and Branding	52	52	52	62	62	62	76	76	76	87	87	87	831	2,644	5,611
Representation and Entertainment	21	21	21	25	25	25	30	30	30	35	35	35	332	1,058	2,244
Training and Development	7	7	7	8	8	8	10	10	10	12	12	12	111	353	748
Other Miscellaneous	28	28	28	34	34	34	42	42	42	47	47	47	454	1,446	3,067

<b>Total SG&amp;A (USD)</b>	<b>319</b>	<b>319</b>	<b>319</b>	<b>383</b>	<b>383</b>	<b>383</b>	<b>468</b>	<b>468</b>	<b>468</b>	<b>532</b>	<b>532</b>	<b>532</b>	<b>5,106</b>	<b>16,253</b>	<b>34,490</b>
-----------------------------	------------	------------	------------	------------	------------	------------	------------	------------	------------	------------	------------	------------	--------------	---------------	---------------

# 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	6,923	6,923	6,923	8,307	8,307	8,307	10,154	10,154	10,154	11,538	11,538	11,538	110,766	352,568	748,150
Freight Services	2,769	2,769	2,769	3,323	3,323	3,323	4,061	4,061	4,061	4,615	4,615	4,615	44,306	141,027	299,260
Warehouse Storage	2,077	2,077	2,077	2,492	2,492	2,492	3,046	3,046	3,046	3,461	3,461	3,461	33,230	105,771	224,445
Data Analytics	1,385	1,385	1,385	1,661	1,661	1,661	2,031	2,031	2,031	2,308	2,308	2,308	22,153	70,514	149,630
Other	692	692	692	831	831	831	1,015	1,015	1,015	1,154	1,154	1,154	11,077	35,257	74,815
<b>COGS</b>	<b>-5,184</b>	<b>-5,184</b>	<b>-5,184</b>	<b>-6,221</b>	<b>-6,221</b>	<b>-6,221</b>	<b>-7,603</b>	<b>-7,603</b>	<b>-7,603</b>	<b>-8,640</b>	<b>-8,640</b>	<b>-8,640</b>	<b>-82,942</b>	<b>-264,003</b>	<b>-560,215</b>
Personnel	-2,077	-2,077	-2,077	-2,492	-2,492	-2,492	-3,046	-3,046	-3,046	-3,461	-3,461	-3,461	-33,230	-105,771	-224,445
Technology	-1,385	-1,385	-1,385	-1,661	-1,661	-1,661	-2,031	-2,031	-2,031	-2,308	-2,308	-2,308	-22,153	-70,514	-149,630
Transport	-1,592	-1,592	-1,592	-1,911	-1,911	-1,911	-2,335	-2,335	-2,335	-2,654	-2,654	-2,654	-25,476	-81,091	-172,075
Other	-130	-130	-130	-156	-156	-156	-191	-191	-191	-217	-217	-217	-2,082	-6,628	-14,065
<b>Gross Profit</b>	<b>1,739</b>	<b>1,739</b>	<b>1,739</b>	<b>2,087</b>	<b>2,087</b>	<b>2,087</b>	<b>2,551</b>	<b>2,551</b>	<b>2,551</b>	<b>2,898</b>	<b>2,898</b>	<b>2,898</b>	<b>27,824</b>	<b>88,565</b>	<b>187,935</b>
SG&A Personal Expenses	-138	-138	-138	-166	-166	-166	-203	-203	-203	-231	-231	-231	-2,215	-7,051	-14,963
SG&A Operating Expenses	-181	-181	-181	-217	-217	-217	-265	-265	-265	-301	-301	-301	-2,891	-9,202	-19,527
<b>EBITDA</b>	<b>1,420</b>	<b>1,420</b>	<b>1,420</b>	<b>1,704</b>	<b>1,704</b>	<b>1,704</b>	<b>2,082</b>	<b>2,082</b>	<b>2,082</b>	<b>2,366</b>	<b>2,366</b>	<b>2,366</b>	<b>22,718</b>	<b>72,312</b>	<b>153,446</b>
Depreciation	-2,460	-2,460	-2,460	-2,460	-2,460	-2,460	-2,460	-2,460	-2,460	-2,460	-2,460	-2,460	-29,514	-29,514	-29,514
<b>EBIT</b>	<b>-1,040</b>	<b>-1,040</b>	<b>-1,040</b>	<b>-756</b>	<b>-756</b>	<b>-756</b>	<b>-377</b>	<b>-377</b>	<b>-377</b>	<b>-93</b>	<b>-93</b>	<b>-93</b>	<b>-6,796</b>	<b>42,797</b>	<b>123,931</b>
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Profit before Tax</b>	<b>-1,040</b>	<b>-1,040</b>	<b>-1,040</b>	<b>-756</b>	<b>-756</b>	<b>-756</b>	<b>-377</b>	<b>-377</b>	<b>-377</b>	<b>-93</b>	<b>-93</b>	<b>-93</b>	<b>-6,796</b>	<b>42,797</b>	<b>123,931</b>
Tax	198	198	198	144	144	144	72	72	72	18	18	18	1,291	-8,132	-23,547
<b>Profit after Tax (USD)</b>	<b>-842</b>	<b>-842</b>	<b>-842</b>	<b>-612</b>	<b>-612</b>	<b>-612</b>	<b>-305</b>	<b>-305</b>	<b>-305</b>	<b>-75</b>	<b>-75</b>	<b>-75</b>	<b>-5,505</b>	<b>34,666</b>	<b>100,384</b>

# 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	29,313	30,733	31,098	31,435	33,139	33,437	33,697	35,780	36,807	37,807	40,174	34,543	34,543	63,160	144,056
Accounts Receivable	6,923	6,923	6,923	8,307	8,307	8,307	10,154	10,154	10,154	11,538	11,538	11,538	11,538	36,726	77,932
Inventory	5,184	5,184	6,221	6,221	6,221	7,603	7,603	7,603	8,640	8,640	8,640	16,500	16,500	35,013	58,356
Prepaid Expenses	90	90	108	108	108	133	133	133	151	151	151	288	288	610	1,017
Deferred Tax Assets	198	395	593	736	880	1,023	1,095	1,167	1,238	1,256	1,274	1,291	1,291	-	-
<b>Current Assets</b>	<b>41,708</b>	<b>43,325</b>	<b>44,943</b>	<b>46,808</b>	<b>48,656</b>	<b>50,503</b>	<b>52,681</b>	<b>54,835</b>	<b>56,989</b>	<b>59,392</b>	<b>61,776</b>	<b>64,160</b>	<b>64,160</b>	<b>135,509</b>	<b>281,361</b>
CAPEX 1	69,767	69,533	69,300	69,067	68,833	68,600	68,367	68,133	67,900	67,667	67,433	67,200	67,200	64,400	61,600
CAPEX 2	59,000	58,000	57,000	56,000	55,000	54,000	53,000	52,000	51,000	50,000	49,000	48,000	48,000	36,000	24,000
CAPEX 3	89,250	88,500	87,750	87,000	86,250	85,500	84,750	84,000	83,250	82,500	81,750	81,000	81,000	72,000	63,000
CAPEX 4	39,524	39,048	38,571	38,095	37,619	37,143	36,667	36,190	35,714	35,238	34,762	34,286	34,286	28,571	22,857
<b>Non-Current Assets</b>	<b>257,540</b>	<b>255,081</b>	<b>252,621</b>	<b>250,162</b>	<b>247,702</b>	<b>245,243</b>	<b>242,783</b>	<b>240,324</b>	<b>237,864</b>	<b>235,405</b>	<b>232,945</b>	<b>230,486</b>	<b>230,486</b>	<b>200,971</b>	<b>171,457</b>
<b>Total Assets</b>	<b>299,248</b>	<b>298,406</b>	<b>297,564</b>	<b>296,970</b>	<b>296,358</b>	<b>295,746</b>	<b>295,465</b>	<b>295,159</b>	<b>294,854</b>	<b>294,796</b>	<b>294,721</b>	<b>294,646</b>	<b>294,646</b>	<b>336,481</b>	<b>452,818</b>
Accounts Payable	90	90	90	108	108	108	133	133	133	151	151	151	151	479	1,017
Short-Term Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	6,840	22,256
<b>Current Liabilities</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>108</b>	<b>108</b>	<b>108</b>	<b>133</b>	<b>133</b>	<b>133</b>	<b>151</b>	<b>151</b>	<b>151</b>	<b>151</b>	<b>7,320</b>	<b>23,273</b>
Loans and other borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>108</b>	<b>108</b>	<b>108</b>	<b>133</b>	<b>133</b>	<b>133</b>	<b>151</b>	<b>151</b>	<b>151</b>	<b>151</b>	<b>7,320</b>	<b>23,273</b>
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-5,505	29,161
Current Period Earnings	-842	-1,684	-2,526	-3,138	-3,751	-4,363	-4,668	-4,973	-5,279	-5,354	-5,430	-5,505	-5,505	34,666	100,384
<b>Total Equity</b>	<b>299,158</b>	<b>298,316</b>	<b>297,474</b>	<b>296,862</b>	<b>296,249</b>	<b>295,637</b>	<b>295,332</b>	<b>295,027</b>	<b>294,721</b>	<b>294,646</b>	<b>294,570</b>	<b>294,495</b>	<b>294,495</b>	<b>329,161</b>	<b>429,545</b>

# 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
<b>Initial Balance</b>	34,726	29,313	30,733	31,098	31,435	33,139	33,437	33,697	35,780	36,807	37,807	40,174	-	34,543	63,160
Cash from sales of goods/services	-	6,923	6,923	6,923	8,307	8,307	8,307	10,154	10,154	10,154	11,538	11,538	99,228	327,381	706,944
Payments to employees/vendors	-5,413	-5,503	-6,540	-6,586	-6,604	-7,986	-8,047	-8,071	-9,108	-9,154	-9,172	-17,032	-104,398	-298,441	-617,509
Advances paid/received	-	-	-18	-	-	-24	-	-	-18	-	-	-137	-288	-323	-407
Taxes paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-8,132
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>CF from Operating Activities</b>	-5,413	1,420	365	337	1,704	297	260	2,082	1,028	1,000	2,366	-5,631	-5,457	28,617	80,896
Acquisition of															
CAPEX 1	-	-	-	-	-	-	-	-	-	-	-	-	-70,000	-	-
CAPEX 2	-	-	-	-	-	-	-	-	-	-	-	-	-60,000	-	-
CAPEX 3	-	-	-	-	-	-	-	-	-	-	-	-	-90,000	-	-
CAPEX 4	-	-	-	-	-	-	-	-	-	-	-	-	-40,000	-	-
<b>CF from Investing Activities</b>	-	-	-	-	-	-	-	-	-	-	-	-	-260,000	-	-
Loans received / paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments received / paid	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-
<b>CF from Financing activities</b>	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-
<b>Ending Balance</b>	29,313	30,733	31,098	31,435	33,139	33,437	33,697	35,780	36,807	37,807	40,174	34,543	34,543	63,160	144,056

## 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

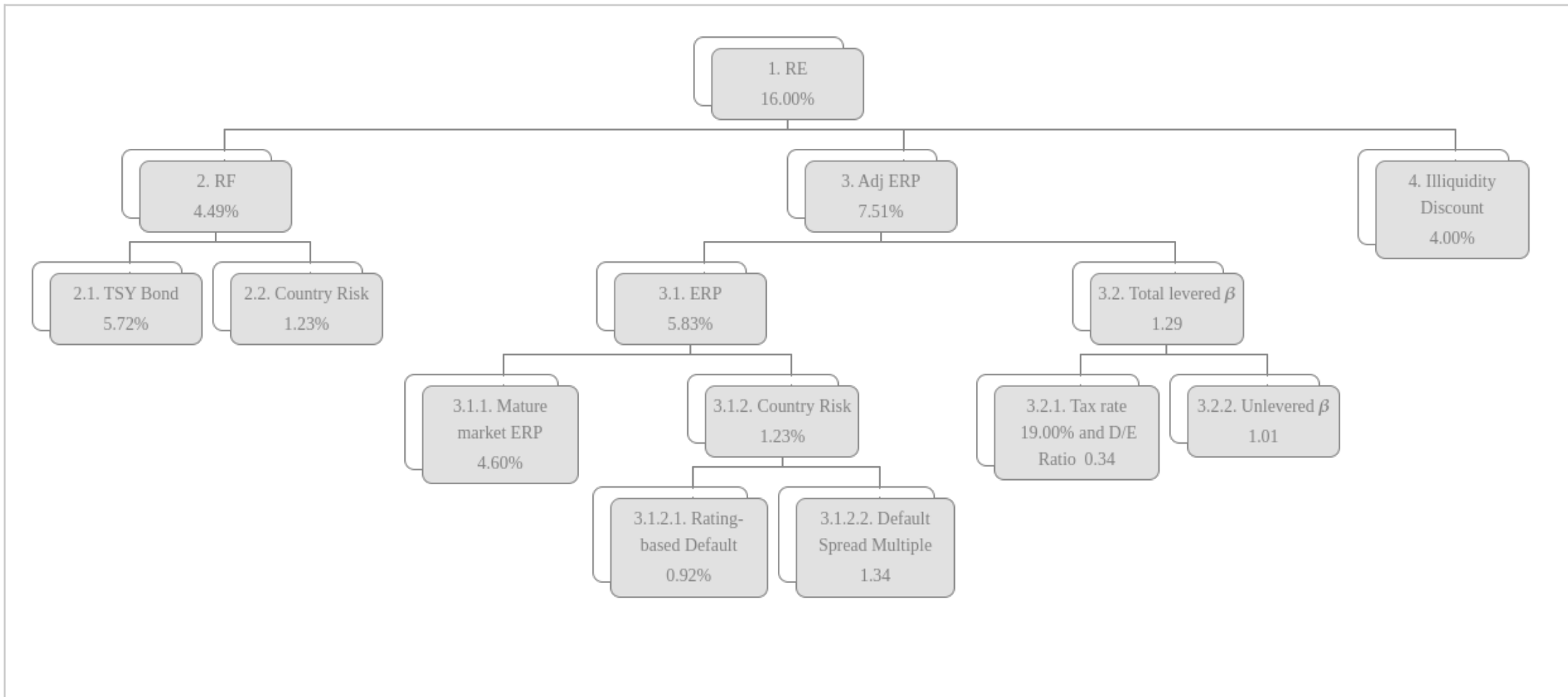
Cash Flow Statement - Indirect (USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
<b>Initial Balance</b>	34,726	29,313	30,733	31,098	31,435	33,139	33,437	33,697	35,780	36,807	37,807	40,174	-	34,543	63,160
EBIT	-1,040	-1,040	-1,040	-756	-756	-756	-377	-377	-377	-93	-93	-93	-6,796	42,797	123,931
Δ Receivables & Prepaids	-6,923	-	-18	-1,385	-	-24	-1,846	-	-18	-1,385	-	-137	-11,826	-25,510	-41,613
Δ Payables	90	-	-	18	-	-	24	-	-	18	-	-	151	329	538
Δ Inventory	-	-	-1,037	-	-	-1,382	-	-	-1,037	-	-	-7,860	-16,500	-18,513	-23,342
Δ Depreciation	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	2,460	29,514	29,514	29,514
Tax Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-8,132
Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>CF from Operating Activities</b>	-5,413	1,420	365	337	1,704	297	260	2,082	1,028	1,000	2,366	-5,631	-5,457	28,617	80,896
Acquisition of															
CAPEX 1	-	-	-	-	-	-	-	-	-	-	-	-	-70,000	-	-
CAPEX 2	-	-	-	-	-	-	-	-	-	-	-	-	-60,000	-	-
CAPEX 3	-	-	-	-	-	-	-	-	-	-	-	-	-90,000	-	-
CAPEX 4	-	-	-	-	-	-	-	-	-	-	-	-	-40,000	-	-
<b>CF from Investing Activities</b>	-	-	-	-	-	-	-	-	-	-	-	-	-260,000	-	-
Loans received / paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments received / paid	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-
<b>CF from Financing activities</b>	-	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-
<b>Ending Balance</b>	29,313	30,733	31,098	31,435	33,139	33,437	33,697	35,780	36,807	37,807	40,174	34,543	34,543	63,160	144,056

## Assumptions:

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



## Required Return on Equity Derivation



# Cost of Capital: CAPM Inputs

## Methodology

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

## Additional Assumptions

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

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

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

## Survival of new establishments founded in 1998

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

[http://pages.stern.nyu.edu/~adamodar/New\\_Home\\_Page/datafile/ctryprem.html](http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html)

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

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

# Business Valuation

	(USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
DCF	Profit after Tax	-5,505	34,666	100,384	106,508	113,005	119,898	127,212
	Growth% Y4-Y7				6.10%	6.10%	6.10%	6.10%
	Growth% Y7 -->				3.50%			
	WACC				16.00%			
	PV Y1-Y7 at Y0	-4,746	25,762	64,311	58,822	53,801	49,209	45,009
	PV Y7 --> Y0				372,655			
	NPV (USD)				664,824			

Average Survival Rate for 3 Years

50%

Final Valuation

\$ 332,412

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 16.00 % to determine the Firm Value.

Starting from year 3 onwards, the cash flows are estimated to grow at a rate of 6.10 %, 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.

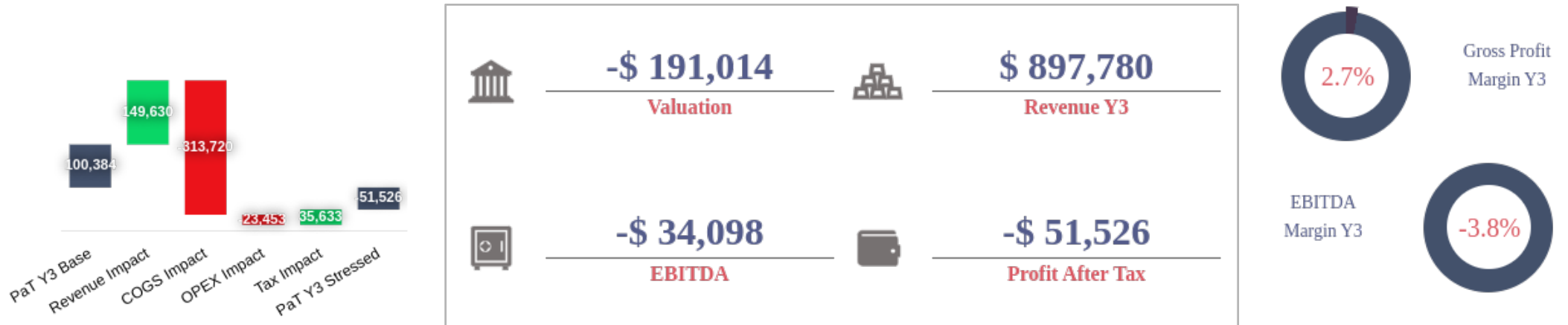
Scenario Analysis		Revenue		COGS		Discount Rate		
KPIs	Base	Positive	Negative	Positive	Negative	Positive	Negative	
Input	Revenue	no impact	15%	-15%	no impact	no impact	no impact	no impact
	COGS	no impact	no impact	no impact	-20%	20%	no impact	no impact
	RoE	no impact	no impact	no impact	no impact	no impact	-10%	10%
Output	Revenue Y3	\$ 748,150	\$ 860,373	\$ 635,928	\$ 748,150	\$ 748,150	\$ 748,150	\$ 748,150
	Gross Profit Y3	\$ 187,935	\$ 216,126	\$ 159,745	\$ 299,978	\$ 75,892	\$ 187,935	\$ 187,935
	GP Margin	25%	25%	25%	40%	10%	25%	25%
	EBITDA Y3	\$ 153,446	\$ 176,462	\$ 130,429	\$ 265,489	\$ 41,403	\$ 153,446	\$ 153,446
	EBITDA Margin	21%	21%	21%	35%	6%	21%	21%
	Net Profit Y3	\$ 100,384	\$ 119,028	\$ 81,741	\$ 191,139	\$ 9,630	\$ 100,384	\$ 100,384
	Profit Margin	13%	14%	13%	26%	1%	13%	13%
Final Valuation	\$ 332,412	\$ 396,651	\$ 268,173	\$ 645,120	\$ 19,704	\$ 391,330	\$ 287,205	

# Stress Test: Growth Under Pressure

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

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

## Results



# Stress Test: The Perfect Storm

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

## Scenario Name

## Story

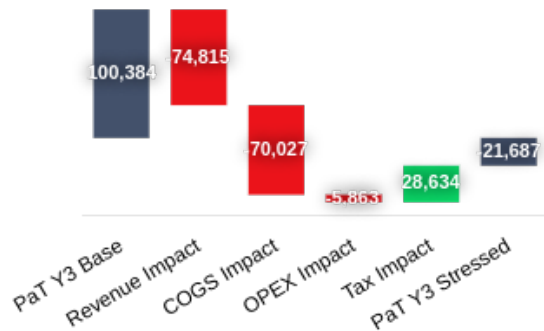
## KPIs impact

# The Perfect Storm

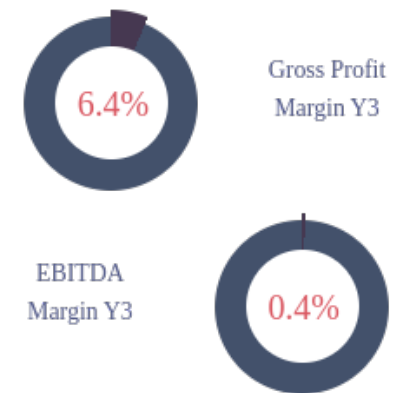
This scenario simulates the convergence of adverse market conditions and rising operational challenges. A sharp downturn in market demand coincides with increased costs due to inflation and supply chain disruptions. The combination results in a dual hit to both top-line revenue and operational margins.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

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

## Results



	<b>-\$ 78,134</b> Valuation		<b>\$ 673,335</b> Revenue Y3
	<b>\$ 2,740</b> EBITDA		<b>-\$ 21,687</b> Profit After Tax



# Sensitivity Analysis: SAM & SOM

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

		SAM						SOM					
		-20%	-10%	-5%	5%	10%	20%	-9%	-6%	-3%	3%	6%	9%
Revenue	Y1	\$ 88,613	\$ 99,689	\$ 105,228	\$ 116,304	\$ 121,843	\$ 132,919	\$ 100,797	\$ 104,120	\$ 107,443	\$ 114,089	\$ 117,412	\$ 120,735
	Y2	\$ 282,055	\$ 317,312	\$ 334,940	\$ 370,197	\$ 387,825	\$ 423,082	\$ 320,837	\$ 331,414	\$ 341,991	\$ 363,145	\$ 373,722	\$ 384,300
	Y3	\$ 598,520	\$ 673,335	\$ 710,743	\$ 785,558	\$ 822,965	\$ 897,780	\$ 680,817	\$ 703,261	\$ 725,706	\$ 770,595	\$ 793,039	\$ 815,484
Gross Profit	Y1	\$ 22,260	\$ 25,042	\$ 26,433	\$ 29,216	\$ 30,607	\$ 33,389	\$ 25,320	\$ 26,155	\$ 26,990	\$ 28,659	\$ 29,494	\$ 30,329
	Y2	\$ 70,852	\$ 79,709	\$ 84,137	\$ 92,993	\$ 97,422	\$ 106,278	\$ 80,594	\$ 83,251	\$ 85,908	\$ 91,222	\$ 93,879	\$ 96,536
	Y3	\$ 150,348	\$ 169,142	\$ 178,539	\$ 197,332	\$ 206,729	\$ 225,522	\$ 171,021	\$ 176,659	\$ 182,297	\$ 193,573	\$ 199,211	\$ 204,849
GP Margin	Y1	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
	Y2	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
	Y3	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
EBITDA	Y1	\$ 18,174	\$ 20,446	\$ 21,582	\$ 23,854	\$ 24,990	\$ 27,262	\$ 20,673	\$ 21,355	\$ 22,037	\$ 23,400	\$ 24,081	\$ 24,763
	Y2	\$ 57,849	\$ 65,081	\$ 68,696	\$ 75,927	\$ 79,543	\$ 86,774	\$ 65,804	\$ 67,973	\$ 70,142	\$ 74,481	\$ 76,650	\$ 78,820
	Y3	\$ 122,756	\$ 138,101	\$ 145,773	\$ 161,118	\$ 168,790	\$ 184,135	\$ 139,635	\$ 144,239	\$ 148,842	\$ 158,049	\$ 162,652	\$ 167,256
EBITDA Margin	Y1	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
	Y2	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
	Y3	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
Net Profit	Y1	-\$ 9,185	-\$ 7,345	-\$ 6,425	-\$ 4,585	-\$ 3,665	-\$ 1,825	-\$ 7,161	-\$ 6,609	-\$ 6,057	-\$ 4,953	-\$ 4,401	-\$ 3,849
	Y2	\$ 22,951	\$ 28,809	\$ 31,737	\$ 37,595	\$ 40,523	\$ 46,380	\$ 29,394	\$ 31,152	\$ 32,909	\$ 36,423	\$ 38,180	\$ 39,937
	Y3	\$ 75,526	\$ 87,955	\$ 94,170	\$ 106,599	\$ 112,813	\$ 125,243	\$ 89,198	\$ 92,927	\$ 96,656	\$ 104,113	\$ 107,842	\$ 111,571
Profit Margin	Y1	-10%	-7%	-6%	-4%	-3%	-1%	-7%	-6%	-6%	-4%	-4%	-3%
	Y2	8%	9%	9%	10%	10%	11%	9%	9%	10%	10%	10%	10%
	Y3	13%	13%	13%	14%	14%	14%	13%	13%	13%	14%	14%	14%
Final Valuation		\$ 246,760	\$ 289,586	\$ 310,999	\$ 353,825	\$ 375,238	\$ 418,064	\$ 293,868	\$ 306,716	\$ 319,564	\$ 345,260	\$ 358,108	\$ 370,955



## 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@bytelogistics.pl](mailto:info@bytelogistics.pl) or call us at +48 22 234 5678 .