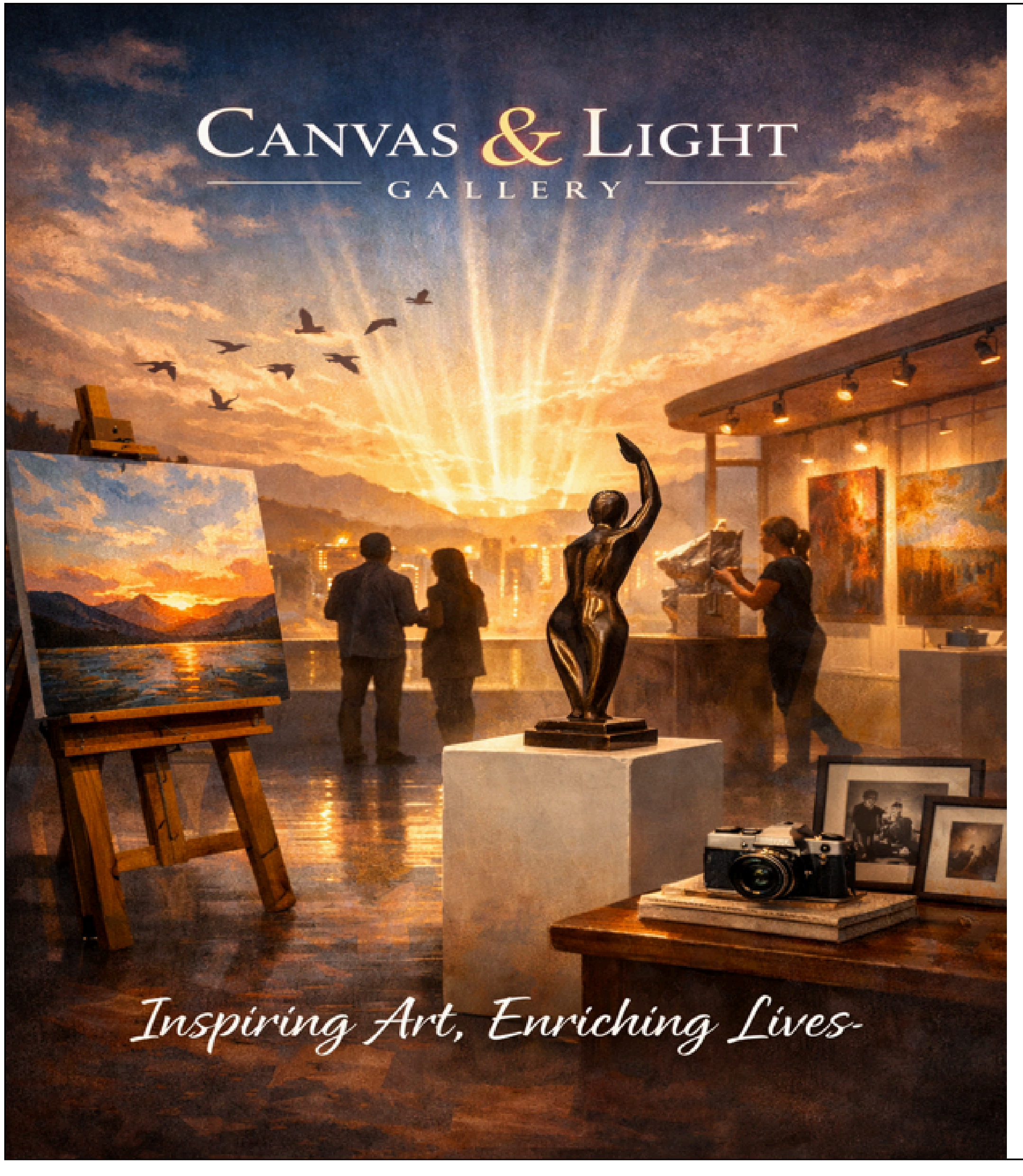
Business Plan
& Valuation Presentation

Contents



OUR
VISION & MISSION

Our Mission

Canvas & Light Gallery exists to illuminate creativity by presenting diverse original artworks from local and international artists, facilitating meaningful encounters between art and audiences through exhibitions, talks, and community events. It serves collectors and interior spaces by guiding informed purchases, while nurturing emerging artists with a professional platform to showcase their work. By sustaining an inclusive, dynamic cultural hub, the gallery ensures art remains accessible, inspiring, and integrated into daily life for communities and clients alike.

Our Vision

To be a leading catalyst for artistic dialogue and access, where every visit sparks discovery and connection. In twenty years, Canvas & Light Gallery envisions a thriving, interconnected ecosystem that elevates artists, expands diverse collections in homes and workplaces, and emerges as a trusted cultural anchor that shapes how communities experience and value contemporary art.

Summary Financials Dashboard

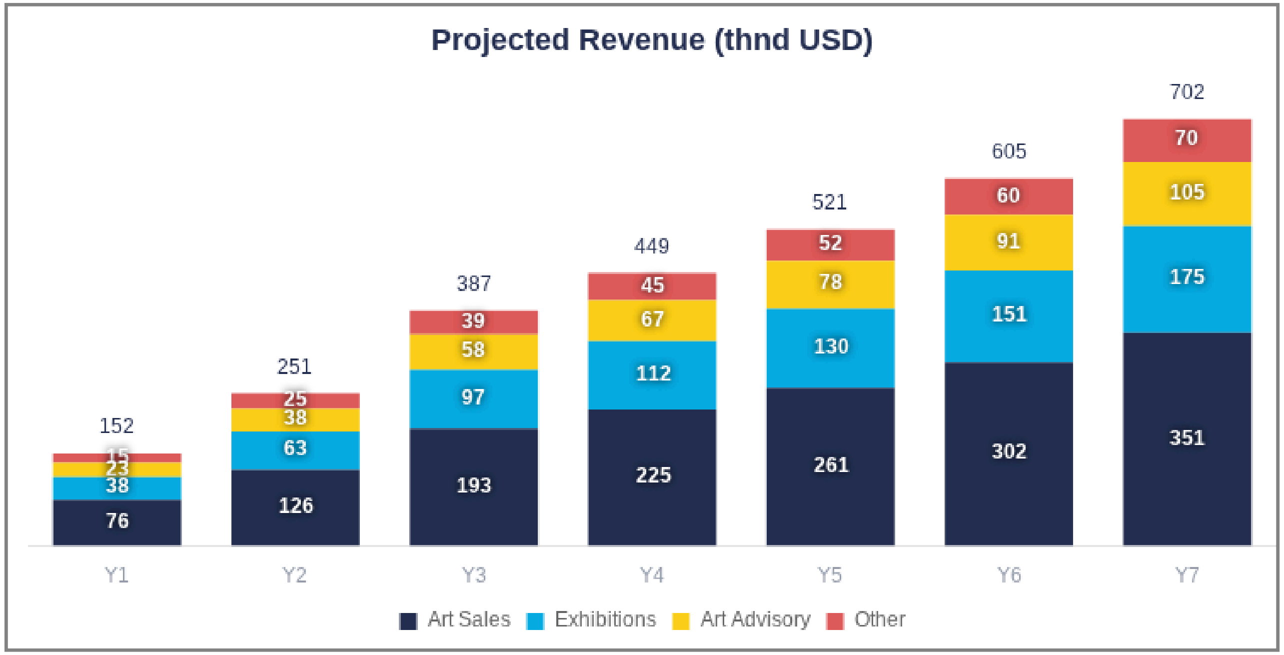
Key performance indicators
(Base Scenario Y3)

$ 387k
Revenue

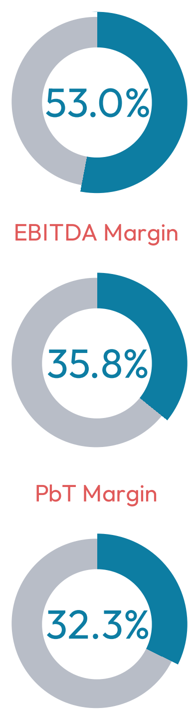
$ 205k
Gross Profit

$ 139k
EBITDA

0.00%
Target Market Share



Margins
(Stabilized by Y3)



Project Phases

Phase 1 — Foundation and

Phase 2 — Expansion and

Phase 3 — Diversification

Phase 4 —

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 $ 162k	
Y1 CAPEX $ 88k	WC $ 20k

About the Company: General Overview

Canvas & Light Gallery presents paintings, sculptures, photography, and mixed-media works from local and international artists. The venue curates rotating exhibitions, hosts artist talks, private viewings, and community art events, creating an engaging hub for culture and dialogue. Visitors have the option to purchase original artwork or receive guidance on selecting pieces that suit homes or corporate spaces, supported by knowledgeable staff and framing services. The gallery also dedicates resources to emerging artists by offering a professional platform to showcase their work, fostering talent and career development. Positioned within the Museums, Historical Sites, and Similar Institutions sector, the gallery blends artistic programming with community engagement, attracting collectors, enthusiasts, and first-time buyers alike. Through accessible programming and thoughtful curation, Canvas & Light Gallery aims to enhance cultural access while supporting artists and enriching neighborhoods with vibrant, high-quality contemporary art experiences.

The Main Phases: Projects & Impacts

01 Phase 1 — Foundation and Validation

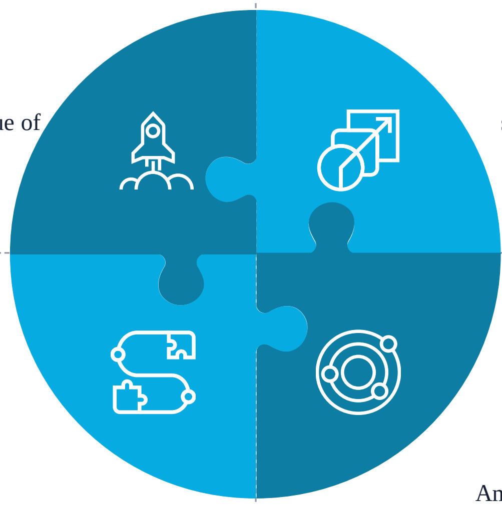
Phase I.

Canvas & Light Gallery launches a curated collection of local and international artworks, establishing a credible, accessible space for purchases, exhibitions, and community events that validates the value of contemporary art for homes and offices.

Phase 3 — Diversification and Platform Building 03

Phase III

New revenue streams emerge through artist representation programs, commissions, licensing collaborations, and scalable private event services, turning the gallery into a platform that nurtures careers while diversifying income.



02 Phase 2 — Expansion and Engagement

Phase II

The gallery expands programming and marketing, hosting more exhibitions, talks, and private viewings to attract a broader audience, deepen customer relationships, and defend market share against competing venues.

Phase 4 — Strategic Futurism 04

Phase IV.

Ambitious, long-term explorations pursue high-risk opportunities such as immersive experiences, digital art marketplaces, and international collaborations, positioning Canvas & Light Gallery for transformative, future-ready growth.

Product Impact on Core Stakeholders

Main Stakeholder	Product Benefits
Artists (Emerging and Established)	Create opportunities for exposure, representation, and fair compensation through gallery exhibitions, residencies, and collaboration programs.
Collectors and Buyers	Access curated works and trusted advisory services to build meaningful collections for homes, offices, and investments.
Local Communities and Visitors	Community events, educational programs, and accessible art experiences that enrich cultural life and public engagement with contemporary art.
Curators and Arts Professionals	Collaborative programming, access to a growing network of artists and exhibitions, and a platform for professional development and reputation-building.
Art Schools and Institutions	Opportunities for student showcases, internships, collaborations, and bridging academia with the market for emerging talent.
Investors and Financial Partners	Potential for sustainable revenue, diversified income streams, and risk-sharing through a scalable gallery platform.
Staff and Gallery Team	Clear career paths, professional development, and a collaborative work environment supporting high-quality operations and customer experience.

Sources: Company's Proprietary Assessment

Key Performance Components

Competitive Advantage

Curated Global Network

Canvas & Light Gallery leverages a diverse roster of local and international artists, enabling unique exhibitions and a dynamic program that appeals to collectors and first-time buyers alike.

Experiential Engagement

The gallery combines exhibitions, talks, private viewings, and community events to create immersive experiences that deepen audience connection and encourage ongoing visitation and purchases.

Artist Growth Platform

By providing a professional space and support for emerging artists, the gallery cultivates fresh talent, expanding its inventory and strengthening its position as a key industry incubator.

Marketing and Growth Strategy

Collaborate with local and international artists, cultural institutions, and brands to co-host events and cross-promote on social channels, expanding reach to new audiences and driving gallery visits and sales.

Curate immersive, experiential exhibitions and artist talks that appeal to collectors and first-time visitors, encouraging longer visits, media coverage, and word-of-mouth referrals.

Offer workshops, artist mentorship, and private viewings for offices and groups, building a loyal local following and generating steady demand through community-based programs.

Target Groups

	Industries	Description
I	Art Collectors (Local and International)	Individuals who actively purchase or invest in contemporary art, seeking curated works from emerging and established artists for homes, offices, or collections.
II	Home and Office Decorators/Interior Designers	Professionals and enthusiasts looking for original artworks to complement interior spaces, provide stylistic value, and offer clients unique, high-quality pieces.
III	Emerging Artists and Creators	Local and international artists seeking exposure, gallery representation, and professional presentation to advance their careers.
IV	Art Enthusiasts and Community Members	Walk-in visitors, students, and local residents who engage with exhibitions, talks, and events to learn, be inspired, and participate in cultural activities.
V	Corporate Clients and Gifting Partners	Companies seeking artwork for corporate spaces, client gifts, or branding collaborations, requiring curation and advisory services.
VI	Educators and Researchers	Teachers, scholars, and students interested in contemporary art discourse, exhibitions, and access to original works for study and study programs.
VII	Tourists and Neighbors Seeking Cultural Experiences	Visitors exploring the city who value authentic cultural experiences, guided tours, and accessible art events offered by the gallery.

Sources: Company's Proprietary Assessment

Painpoints & Solutions

Solution from Phase I to Phase IV

	1	2	3	4	5	6	7
Painpoints	**Limited Awareness and Credibility for Contemporary Art**	**Fragmented Local and International Art Scene**	**Limited Access to Professional Services for New Collectors**	**Audience Growth and Relationship Depth**	**Competition from Other Venues**	**Revenue Sustainability and Diversification**	**Scaling Operations to Support Growth**
	New visitors may doubt the value and accessibility of contemporary artwork, making it hard to convert them into buyers or participants.	Artists and collectors face difficulty discovering quality works across local and international markets in one trusted space.	Aspiring collectors lack advisory support to select pieces that suit their spaces and budgets.	As programming scales, maintaining meaningful engagement with a broader audience becomes challenging.	Independent galleries and larger institutions compete for attention and market share in a crowded arts landscape.	Reliance on art sales alone risks volatility; need for stable, multiple income streams.	Operational systems, staffing, and processes must scale to handle increased exhibitions, events, and artwork inventory.
Solution	Phase 1 initiatives will curate credible, approachable exhibitions and provide expert guidance to help visitors understand value and fit for homes and offices.	Phase 1 establishes a curated, consistent collection and a user-friendly purchasing process in a single venue, with ongoing artist talks and events.	Phase 1 provides curator-led guidance, framing advice, and seamless purchasing options to build confidence in acquisitions.	Phase 2 expands exhibitions, talks, and private viewings with targeted marketing and community-focused events to deepen relationships.	Phase 2 strengthens programming, partner collaborations, and distinctive experiences to defend market share and attract diverse visitors.	Phase 3 introduces artist representation programs, commissions, licensing, and scalable events to diversify income while supporting artists.	Phase 3 builds scalable platforms, standardized workflows, and partnerships to enable efficient growth and service quality.

Strategic Analysis: SWOT

Strength

Diverse artistic program appeals to broad audiences, strengthening community ties and repeat visitation. Prime location and curated exhibitions boost brand recognition and footfall.

Weaknesses

High dependence on local foot traffic and events calendar may cause revenue volatility. Limited online sales and marketing reach reduce growth potential.

Opportunities

Growing interest in experiential art experiences and artist talks enhances attendance and sponsorship prospects. Partnerships with corporates for office acquisitions and private events expand revenue streams.

Threats

Economic downturns and funding cuts could reduce art purchases and sponsorships. Competition from other galleries and online marketplaces may erode market share.

Sources: Company's Proprietary Assessment

Pestel: Analysis

P	E	S	T	E	L
Political 7 / 10	Economic 6 / 10	Social 8 / 10	Technological 7 / 10	Environmental 5 / 10	Legal 6 / 10
Regulatory Environment: Local arts funding, permits, and cultural grants influence operations and programming.	Funding Availability: Public/private funding cycles affect budgets and exhibitions.	Community Engagement: Local interest in culturally enriching experiences drives attendance.	Digital Presence: Online catalogs, virtual tours, and social media broaden reach.	Sustainable Operations: Energy use, waste, and materials impact reputation and costs.	Copyright and Provenance: Artist rights, reproduction, and provenance documentation are essential.
Cultural Policy: Government priorities on heritage and arts impact sponsorship and partnerships.	Audience Spending: Discretionary spending on art influences ticket sales and purchases.	Diversity and Inclusion: Inclusive programming attracts broader audiences and artists.	Data Analytics: Visitor data informs exhibitions, pricing, and marketing strategies.	Building and Climate Resilience: Climate events affect access, insurance, and maintenance planning.	Health and Safety: Public spaces require compliant safety standards and risk management.

Canvas & Light Gallery should leverage community ties and digital channels while navigating regulatory funding, copyright, and safety considerations to sustain programming and sales.

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?

Showcasing diverse local and international art and hosting events leverages cultural capital and creates ongoing visitor engagement and revenue streams through sales and services.

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

Exclusive access to curated exhibitions and artist talks can be scarce if the program is tailored and personal, but depends on network and partnerships.

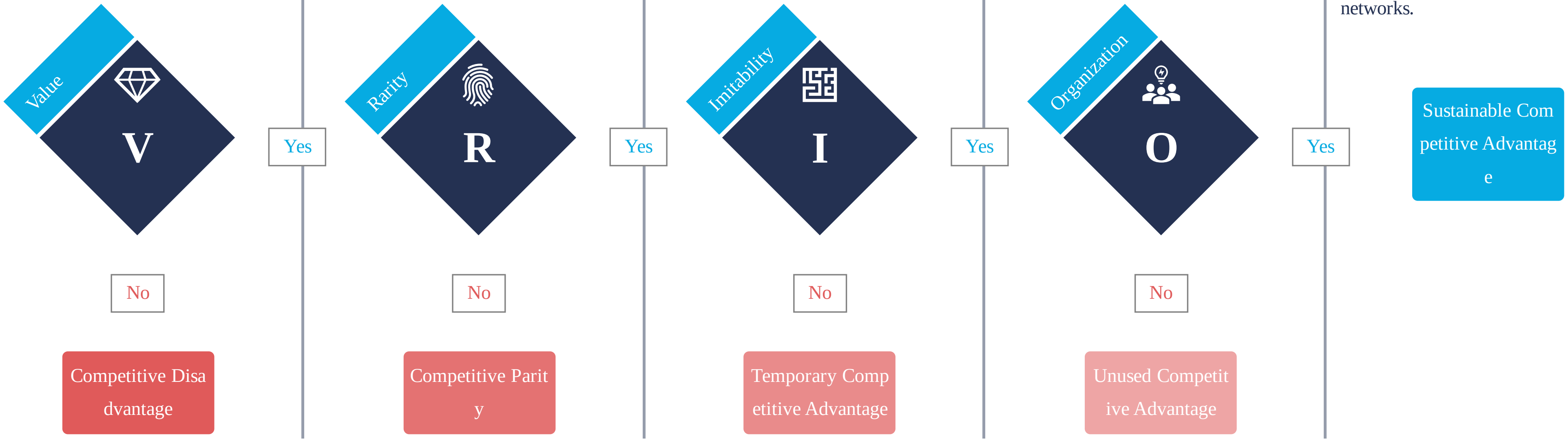
Is the resource or capability costly for other firms to imitate?

Brand relationships, curatorial expertise, and artist networks are difficult to imitate quickly; replication requires time and trust.

Is the firm organized to exploit the resource or capability?

Institutional structure supports exhibitions, sales, and events; however, scalable systems and long-term partnerships are essential to fully exploit the resource.

Strong curated positioning and community engagement create competitive advantage if operationally aligned; competitive edge hinges on unique programming and robust artist networks.

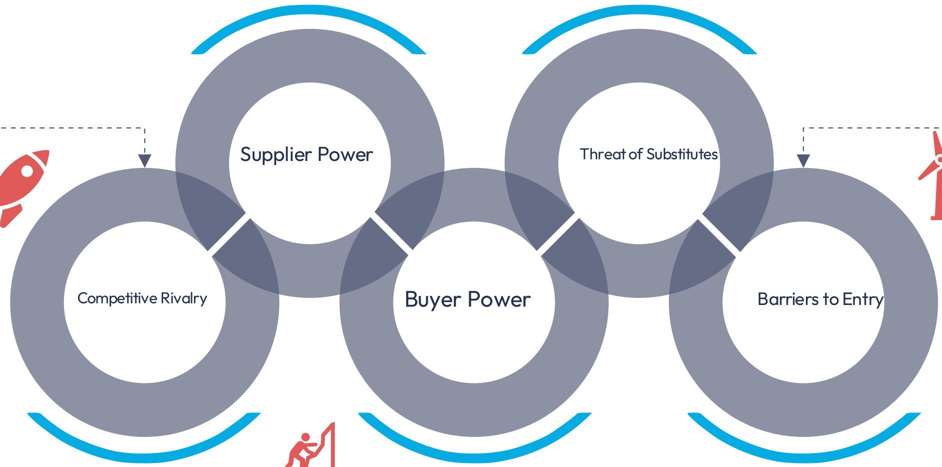


Porter’s Five Forces: Analysis

Moderate; artists, curators, and suppliers vary in bargaining strength.

Moderate; other cultural venues and online platforms compete for attention.

Moderate to high competition among galleries and art spaces.



Moderate; reputation and location matter, but new entrants can emerge with unique programs.

Moderate; diverse visitor base and collectors influence pricing.

Canvas & Light Gallery faces moderate competitive pressure and relies on its programming, location, and artist relationships to maintain differentiation.

High
Moderate
Low

Management Team

Overview

Overview

Overview

Overview

Stage 6: Sustainability and Growth

Achieve financial stability; expand regional partnerships and grants.

Stage 4: Private and Corporate Engagement

Develop private viewings, art advisory, and corporate packages.

Stage 2: Curatorial Partnerships

Formalize artist cohorts; sign first 8+ partnership agreements.

Stage 5: Education and Community Programs

Launch talks, workshops, and youth/artist mentorship streams.

Stage 3: Exhibition Expansion

Host diverse exhibitions; pilot virtual and in-gallery tours.

Stage 1: Establish Brand and Community

Launch brand identity, online presence, and member program.

Current Status .

Initial planning phase: brand, partnerships, and community programs outlined.

Organizational and Marketing Tasks

#	Check List Item	Status	Priority	Area	ETA
General Planning and Organization					
1	Define mission, vision, and value proposition	Not Started	High	CEO	1 month
2	Establish legal structure, registrations, permits, and insurance	Not Started	High	CFO	1 month
3	Create initial governance, board engagement, and advisory roles	Not Started	Medium	CFO	1 month
4	Develop startup budget with forecasted cash flow and runway	Not Started	High	CFO	1 month
5	Set up core technology and e-commerce platform plan	Not Started	Medium	CTO	2 months
6	Define brand identity, positioning, and visual guidelines	Not Started	High	CMO	6 weeks
7	Develop initial marketing plan and community outreach strategy	Not Started	High	CMO	2 months
8	Recruit initial leadership roles and key hires (outside scope individuals)	Not Started	Low	CEO	3 months
Marketing					
1	Define brand positioning and messaging for Canvas & Light Gallery (value proposition, tone, and key differentiators)	Not Started	High	CMO	2 weeks
2	Develop and implement a launch marketing plan for Phase 1 (gallery opening, online presence, press kit, influencer outreach)	Not Started	High	CMO	3 weeks
3	Build and optimize the gallery website with e-commerce capabilities and virtual exhibitions	Not Started	High	CIO	4 weeks
4	Create content calendar and asset library (artist spotlights, curator notes, exhibition previews)	Not Started	Medium	CFO	2 weeks
5	Establish PR and media relations plan with local and international art press	Not Started	Medium	CSO	3 weeks
6	Social media marketing and paid campaigns targeting collectors, interior designers, and corporates	Not Started	High	CMO	6 weeks
7	Email marketing and CRM setup to nurture relationships with collectors and institutions	Not Started	Medium	CRO	4 weeks

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
Phase 1 & Technical Set Up for next Phases					
1	Define the business model and value proposition for Canvas & Light Gallery	Not Started	High	CEO	M07 2026
2	Finalize legal structure, registrations, and compliance for a gallery and art marketplace	Not Started	High	CFO	M08 2026
3	Secure initial artworks and sign a curated roster of local and international artists	Not Started	High	CPO	M09 2026
4	Develop initial pricing strategy, authentication/provenance processes, and ownership transfer terms	Not Started	High	CFO	M07 2026
5	Design gallery space concept, exhibition calendar, and event programming framework	Not Started	Medium	COO	M07 2026
6	Build foundational marketing and branding guidelines (logo, palette, typography, press kit)	Not Started	Medium	CMO	M08 2026
7	Establish initial vendor and supplier network (framing, install, shipping, insurance)	Not Started	Medium	COO	M08 2026
8	Define IT and data infrastructure plan (gallery website, CRM, ticketing, and inventory system)	Not Started	Medium	CIO	M07 2026
Phase 2					
1	Develop Phase 2 communications plan and content calendar	Not Started	High	CMO	M07 2026
2	Launch expanded exhibition calendar and partner outreach	Not Started	High	CPO	M08 2026
3	Upgrade CRM and implement tiered private viewing program	Not Started	High	CIO	M08 2026
4	Develop targeted events strategy (talks, private viewings, community events)	Not Started	Medium	CSO	M07 2026
5	Enhance art acquisition and inventory management for faster sales	Not Started	Medium	CFO	M09 2026
6	Expand marketing channels (digital ads, social, PR) and set KPIs	Not Started	High	CMO	Q3 2026
7	Budgeting and financial modeling for Phase 2 expansion	Not Started	High	CFO	Q3 2026
8	Recruit strategic gallery partnerships and curatorial collaborators	Not Started	Medium	CEO	M07 2026

Sources: Company's Proprietary Planning

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
Phase 3					
1	Establish artist representation program framework (pilot)	Not Started	High	CPO	M08 2026
2	Develop commission and licensing policy templates	Not Started	High	CFO	M09 2026
3	Create scalable private event service package offerings	Not Started	High	COO	M10 2026
4	Recruit first cadre of represented artists and signings	Not Started	High	CIO	Q4 2026
5	Set up licensing and royalties tracking system	Not Started	Medium	CFO	Q1 2027
6	Launch online platform for artist profiles and licensing catalog	Not Started	Medium	CTO	Q2 2027
7	Define pricing and revenue share models for artist collaborations	Not Started	Medium	CFO	Q2 2027
8	Pilot private events service for corporate clients	Not Started	Low	CRO	Q3 2027
Phase 4					
1	Develop a Strategic Futurism Roadmap for Immersive Experiences	Not Started	High	CFO	Q2 2027
2	Establish Digital Art Marketplace Feasibility and Partnerships	Not Started	High	CIO	Q3 2027
3	Pilot Immersive Exhibition Concept with Tech Partners	Not Started	High	CTO	Q4 2027
4	Secure International Collaboration Frameworks	Not Started	Medium	CSO	Q1 2028
5	Explore Licensing and IP Strategy for Digital Works	Not Started	Medium	CPO	Q2 2028
6	Develop Private-Event Services Platform for Virtual and Hybrid Events	Not Started	Medium	CRO	Q3 2028
7	Build Immersive Experience Budget and Risk Management Framework	Not Started	High	CFO	Q4 2028
8	Finalize International Compliance and Cultural Exchange Protocols	Not Started	Low	CIO	Q1 2029

Core Risks & Mitigation Strategies

1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	Art handling and conservation risks	CFO	Implement strict handling protocols; train staff; establish climate-controlled storage.
2	Inventory and provenance management risks	CIO	Adopt robust inventory software and verification processes; regular audits.
3	Gallery space maintenance and safety	CFO	Preventive maintenance schedule; safety drills; insured service contracts.
4	Exhibit installation delays	COO	Build buffer timelines; engage trusted install teams; contingency plans.
5	Artwork authentication and insurance costs	CFO	Work with reputable insurers; obtain provenance documentation; regular appraisals.

2. Regulatory and legal risks

#	Risk Type	Area	Mitigation Strategy
1	Intellectual property infringement and licensing disputes	CLO	Secure licenses and provenance for all artworks; implement clear licensing terms.
2	Compliance with art market anti-money laundering (AML) and financial regulations	CFO	Implement AML/KYC procedures for buyers; monitor large transactions.
3	Museum and exhibit licensing, fair use, and reproduction rights	CLO	Obtain rights for reproductions; maintain license records and agreements.
4	Tax compliance and charitable contribution regulations	CFO	Engage tax advisor; ensure proper documentation for deductions and grants.
5	Employment and contractor classification laws	CFO	Classify workers correctly; maintain employment records and contracts.

Sources: Company's Proprietary Assessment

Core Risks & Mitigation Strategies

3. Strategic/Market Risk

#	Risk Type	Area	Mitigation Strategy
1	Market demand shifts and art market volatility	CSO	Diversify artist roster and price tiers; strengthen community programs.
2	Competition from online platforms and new galleries	CMO	Enhance in-person experience and curate unique events; invest in omnichannel presence.
3	Dependence on a few high-profile artists	CPO	Broad artist roster; develop emerging talent programs and commissions.
4	Economic downturn impacting discretionary art spending	CFO	Offer accessible pricing, payment plans, and memberships; expand services.
5	Strategic misalignment across phases 1–4	CEO	Regular governance reviews; alignment KPIs per phase; clear phase gates.

4. Finance risk

#	Risk Type	Area	Mitigation Strategy
1	Liquidity risk	CFO	Establish a robust cash reserve and accelerate net-working capital management.
2	Revenue concentration risk	CFO	Diversify revenue streams across artists, events, and services.
3	Pricing and appraisal risk	CFO	Implement standardized appraisal processes and market benchmarking.
4	Credit risk with buyers and partners	CFO	Tight credit controls and clear payment terms; vet higher-risk customers.
5	Funding/financing availability	CFO	Develop a staged funding plan and cultivate diverse investor relations.

5. Other general risks

#	Risk Type	Area	Mitigation Strategy
1	Supply chain or vendor disruption	CFO	Diversify suppliers; build backup vendors and buffer inventory.
2	Artwork authentication and provenance risk	CIO	Implement robust provenance protocols; partner with recognized registries.
3	Cybersecurity and data privacy risk	CISO	Strengthen security, audit trails, and incident response planning.
4	Reputational risk from controversial artists or events	CLO	Establish clear policies and proactive communications plan.

Sources: Company's Proprietary Assessment

Market Overview (TAM, SAM and SOM)

Target Available Market (TAM)	Subindustry	$ 16,900,000k	Source: TAM is based on third party market estimation provided by IBIS World. CAGR is based on open source web research. Expected CAGR for industry is 16.05%
Service Available Market (SAM)	0.01%	As a single gallery with a modest capital base, Canvas & Light Gallery realistically captures a sliver of the national museum/arts TAM. The sector is expansive, with varied institutions and audiences; however, the gallery's reach is regionally focused, relies on events and private sales, and faces competition from numerous venues. A conservative SAM places the...	
Service Obtainable Market Y1-Y3 (SOM)	Year 1 9.00000% Year 2 12.80000% Year 3 17.00000%	With a capital of 0.162k USDk against a SAM base representing a niche market in US museums, this SME is sized for gradual, conservative uptake. The market features strong incumbents and limited new-entrant density, so growth will rely on local presence, curated events, and targeted SME collaborations. Year 1 captures a modest slice within the...	

Funding Allocation

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

The total investment required is $ 162k

Y1 Cash Flow Stream (thnd USD)	Inflows	Outlows
Gross Profit	90	
Payroll Expenses		9
Rent & Utilities		6
Marketing and Branding		2
Legal and Professional Fees		2
CAPEX		88
Communication Expenses		1
Office supplies		1
Representation and Entert.		1
Other Miscellaneous		1
Training and Development		1
CAPEX & WC shortage Y1		21
Buffer		141
Total Required Investment (thnd USD)		162

Payroll Expenses
8.24%

Rent & Utilities
5.15%

Marketing and Branding
1.92%

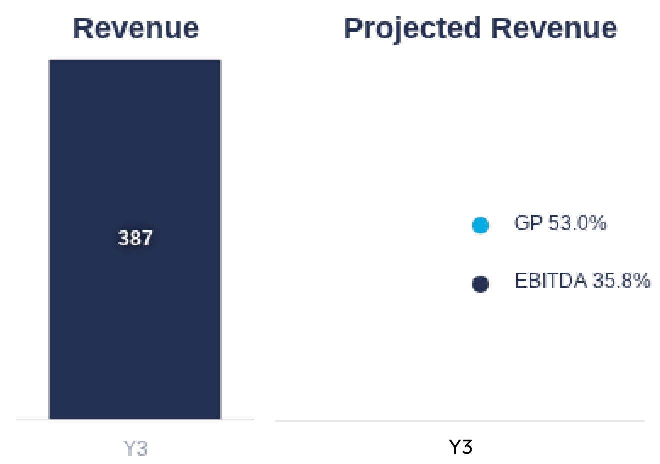
Legal and Professional Fees
1.64%

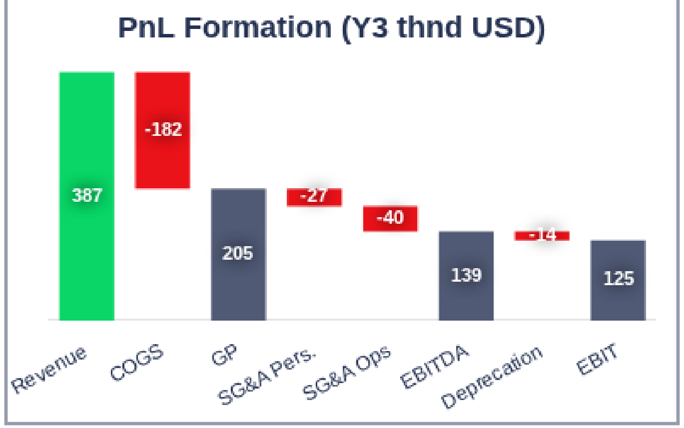
CAPEX
79.41%

Other
3.64%

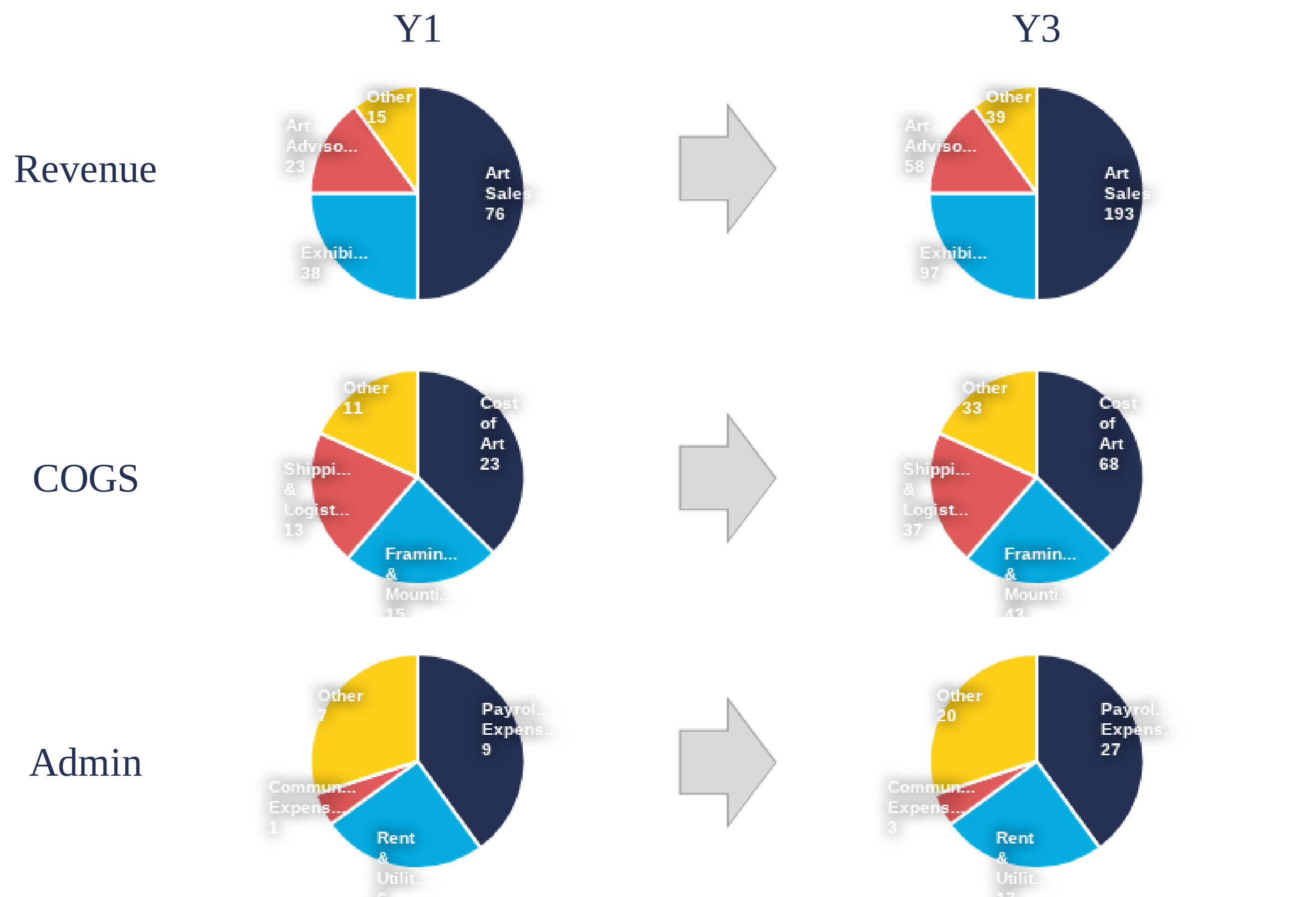
Financials Dashboard

Y3 PL formation and Margins





Business Line Breakdown (thnd USD)

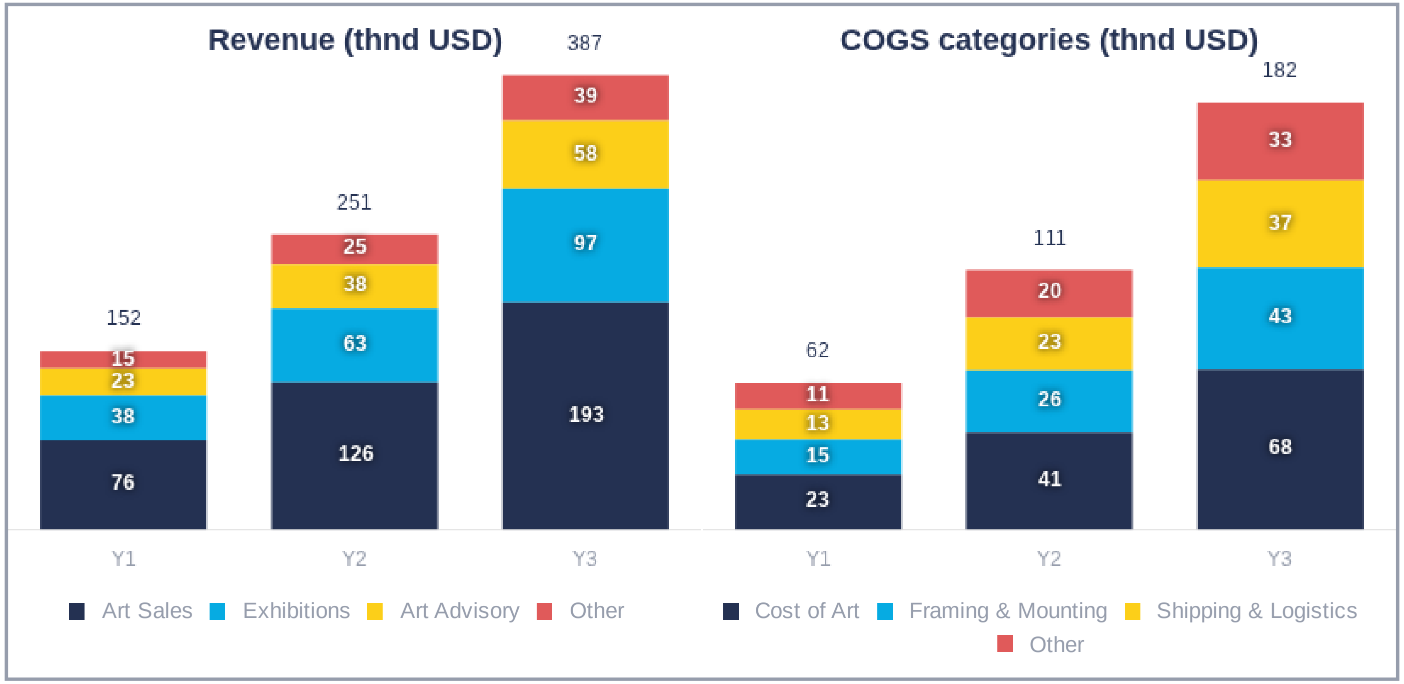


Revenue Formation Narrative

Canvas & Light Gallery targets a large, diverse addressable market in the Museums, Historical Sites, and Similar Institutions sector, with a TAM of 16,900,000k USD. The SAM is 0 of the TAM, reflecting a disciplined, regionally focused approach that leverages events, private sales, and neighborhood partnerships to unlock revenue from local buyers and institutions. Revenue projections are anchored in the reported performance and a realistic growth trajectory: Year 1 revenue of 101.4k USD, rising to 149.666k USD in Year 2, and 207.101k USD in Year 3 as the gallery expands its network of artists, curators, and advisory services. The revenue mix is defined by four lines of business: Art Sales contributing 50, Exhibitions contributing 25, Art Advisory contributing 15, and Other contributing 10. This composition aligns with observed buyer behavior: Art Sales, Exhibitions, Art Advisory, and Other services collectively generate sustained cash flow as the gallery deepens its community connections. The SOM targets are 6 in Year 1, 8 in Year 2, and 10 in Year 3, reflecting incremental market capture from ongoing programming and trusted relationships. The capital base of 162k USD supports initial gallery operations, curated events, and early collaborations, enabling a prudent scale-up rather than aggressive market expansion. The narrative balances conservatism with ambition: a measured penetration of the SAM, disciplined cost management, and selective partnerships will progressively lift share and revenue while maintaining the boutique, high-touch experience that defines Canvas & Light Gallery.

$ 387k Y3 Projected Revenue

0.00% Market Share



Revenue Calculation Details

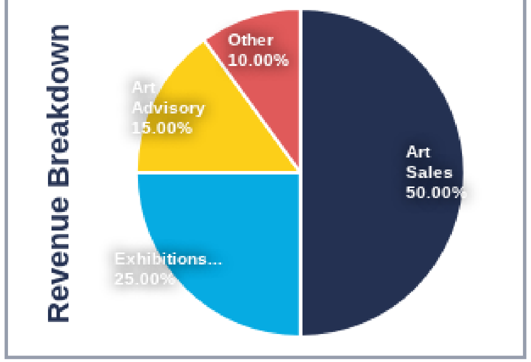
Revenue Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Art Sales	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*50.00%*
Exhibitions	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*	*25.00%*
Art Advisory	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*	*15.00%*
Other	*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%*
Art Sales	5	5	5	6	6	6	7	7	7	8	8	8	76	126	193
Exhibitions	2	2	2	3	3	3	3	3	3	4	4	4	38	63	97
Art Advisory	1	1	1	2	2	2	2	2	2	2	2	2	23	38	58
Other	1	1	1	1	1	1	1	1	1	2	2	2	15	25	39
Total Revenue (thnd USD)	10	10	10	11	11	11	14	14	14	16	16	16	152	251	387

Total revenue is expected to reach $ 387k by year 3.

Main revenue driver are:

- Art Sales which generates $ 193k by Year 3
- Exhibitions which generates $ 97k by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 59.50 %



COGS Calculation Details

COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Cost of Art	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*15.40%*	*16.50%*	*17.60%*
Framing & Mounting	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*9.80%*	*10.50%*	*11.20%*
Shipping & Logistics	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*8.40%*	*9.00%*	*9.60%*
Other	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*7.49%*	*8.03%*	*8.56%*
Cost of Art	1	1	1	2	2	2	2	2	2	2	2	2	23	41	68
Framing & Mounting	1	1	1	1	1	1	1	1	1	2	2	2	15	26	43
Shipping & Logistics	1	1	1	1	1	1	1	1	1	1	1	1	13	23	37
Other	1	1	1	1	1	1	1	1	1	1	1	1	11	20	33
Total COGS (thnd USD)	4	4	4	5	5	5	6	6	6	7	7	7	62	111	182

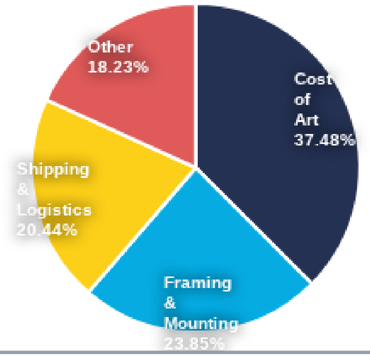
Total COGS is expected to reach '$ 182k by year 3.

Main revenue driver are:

- Cost of Art which generates $ 68k by Year 3
- Framing & Mounting which generates $ 43k by Year 3

Expected CAGR for total COGS in Y1-Y3 is 70.51 %

COGS Breakdown



SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Payroll Expenses	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.02%*	*6.45%*	*6.88%*
Rent & Utilities	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*3.76%*	*4.03%*	*4.30%*
Communication Expenses	*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%*	*0.81%*	*0.86%*
Office supplies	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.60%*	*0.65%*	*0.69%*
Legal and Professional Fees	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.20%*	*1.29%*	*1.38%*
Marketing and Branding	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.40%*	*1.50%*	*1.60%*
Representation and Entertainment	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.45%*	*0.48%*	*0.52%*
Training and Development	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.42%*	*0.45%*	*0.48%*
Other Miscellaneous	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.44%*	*0.47%*	*0.50%*

Payroll Expenses	1	1	1	1	1	1	1	1	1	1	1	1	9	16	27
Rent & Utilities	0	0	0	0	0	0	1	1	1	1	1	1	6	10	17
Communication Expenses	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
Office supplies	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
Legal and Professional Fees	0	0	0	0	0	0	0	0	0	0	0	0	2	3	5
Marketing and Branding	0	0	0	0	0	0	0	0	0	0	0	0	2	4	6
Representation and Entertainment	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2
Training and Development	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2
Other Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2
Total SG&A (thnd USD)	1	1	1	2	2	2	2	2	2	2	2	2	23	40	67

PaT Expectations

Income Statement (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Revenue	**10**	**10**	**10**	**11**	**11**	**11**	**14**	**14**	**14**	**16**	**16**	**16**	**152**	**251**	**387**
Art Sales	5	5	5	6	6	6	7	7	7	8	8	8	76	126	193
Exhibitions	2	2	2	3	3	3	3	3	3	4	4	4	38	63	97
Art Advisory	1	1	1	2	2	2	2	2	2	2	2	2	23	38	58
Other	1	1	1	1	1	1	1	1	1	2	2	2	15	25	39
COGS	**-4**	**-4**	**-4**	**-5**	**-5**	**-5**	**-6**	**-6**	**-6**	**-7**	**-7**	**-7**	**-62**	**-111**	**-182**
Cost of Art	-1	-1	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-23	-41	-68
Framing & Mounting	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-2	-2	-15	-26	-43
Shipping & Logistics	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-13	-23	-37
Other	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-11	-20	-33
Gross Profit	6	6	6	7	7	7	8	8	8	9	9	9	90	141	205
SG&A Personal Expenses	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-9	-16	-27
SG&A Operating Expenses	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-14	-24	-40
EBITDA	4	4	4	5	5	5	6	6	6	7	7	7	67	100	139
Depreciation	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-14	-14	-14
EBIT	3	3	3	4	4	4	5	5	5	6	6	6	53	86	125
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit before Tax	3	3	3	4	4	4	5	5	5	6	6	6	53	86	125
Tax	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-2	-2	-14	-22	-32
Profit after Tax (thnd USD)	2	2	2	3	3	3	4	4	4	4	4	4	39	64	92

Sources: Company's Proprietary Planning

Balance Sheet Statement

Balance Sheet (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Cash & Cash Equivalents	65	69	72	75	80	84	88	94	99	104	111	118	118	189	284
Accounts Receivable	10	10	10	11	11	11	14	14	14	16	16	16	16	26	40
Inventory	4	4	5	5	5	6	6	6	7	7	7	7	7	11	19
Prepaid Expenses	0	0	1	1	1	1	1	1	1	1	1	1	1	1	2
Deferred Tax Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Assets	78	83	87	92	97	102	108	114	120	127	134	141	141	228	345
Gallery Space Renovation and Interior Build-out	22	22	22	22	21	21	21	21	21	21	20	20	20	18	16
Display and Exhibition Systems	28	27	27	27	26	26	26	25	25	25	24	24	24	20	16
Security, Insurance, and IT Infrastructure	29	28	28	27	27	26	26	25	25	25	24	24	24	18	12
Art Storage, Handling, and Conservation Equipment	8	8	8	8	8	8	7	7	7	7	7	7	7	5	3
Non-Current Assets	87	86	85	84	82	81	80	79	78	77	76	74	74	61	47
Total Assets	165	168	171	175	179	183	188	193	198	204	210	216	216	289	392
Accounts Payable	0	0	0	1	1	1	1	1	1	1	1	1	1	1	2
Short-Term Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax Liabilities	1	2	2	3	4	5	7	8	9	11	12	14	14	22	32
Current Liabilities	1	2	3	4	5	6	7	9	10	11	13	14	14	24	35
Loans and Other Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1	2	3	4	5	6	7	9	10	11	13	14	14	24	35
Paid-In Capital	162	162	162	162	162	162	162	162	162	162	162	162	162	162	162
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	39	103
Current Period Earnings	2	4	7	10	12	15	19	23	26	31	35	39	39	64	92
Total Equity	164	166	169	172	174	177	181	185	188	193	197	201	201	265	357

Cash Flow Statement - Direct

Cash Flow Statement - Direct (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Initial Balance	69	65	69	72	75	80	84	88	94	99	104	111	-	118	189
Cash from Sales of Goods / Services	-	10	10	10	11	11	11	14	14	14	16	16	136	241	373
Payments to Employees / Vendors	-5	-5	-6	-6	-6	-7	-8	-8	-9	-9	-9	-9	-92	-155	-255
Advances Paid / Received	-	-	-0	-	-	-0	-	-	-0	-	-	-0	-1	-0	-1
Taxes Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-14	-22
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CF from Operating Activities	-5	4	3	3	5	4	4	6	5	5	7	7	44	72	94
Acquisition of															
Gallery Space Renovation and Interior Build-out	-	-	-	-	-	-	-	-	-	-	-	-	-22	-	-
Display and Exhibition Systems	-	-	-	-	-	-	-	-	-	-	-	-	-28	-	-
Security, Insurance, and IT Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-29	-	-
Art Storage, Handling, and Conservation Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-8	-	-
CF from Investing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-88	-	-
Loans Received / Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments Received / Paid	-	-	-	-	-	-	-	-	-	-	-	-	162	-	-
CF from Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-	162	-	-
Ending Balance	65	69	72	75	80	84	88	94	99	104	111	118	118	189	284

Assumptions:

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

Cash Flow Statement - Indirect

Cash Flow Statement - Indirect (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Initial Balance	69	65	69	72	75	80	84	88	94	99	104	111	-	118	189
EBIT	3	3	3	4	4	4	5	5	5	6	6	6	53	86	125
Δ Receivables & Prepaids	-10	-	-0	-2	-	-0	-3	-	-0	-2	-	-0	-17	-11	-15
Δ Payables	0	-	-	0	-	-	0	-	-	0	-	-	1	1	1
Δ Inventory	-	-	-1	-	-	-1	-	-	-1	-	-	-0	-7	-4	-8
Δ Depreciation	1	1	1	1	1	1	1	1	1	1	1	1	14	14	14
Tax Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-14	-22
Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CF from Operating Activities	-5	4	3	3	5	4	4	6	5	5	7	7	44	72	94
Acquisition of															
Gallery Space Renovation and Interior Build-out	-	-	-	-	-	-	-	-	-	-	-	-	-22	-	-
Display and Exhibition Systems	-	-	-	-	-	-	-	-	-	-	-	-	-28	-	-
Security, Insurance, and IT Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-29	-	-
Art Storage, Handling, and Conservation Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-8	-	-
CF from Investing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-88	-	-
Loans Received / Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments Received / Paid	-	-	-	-	-	-	-	-	-	-	-	-	162	-	-
CF from Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-	162	-	-
Ending Balance	65	69	72	75	80	84	88	94	99	104	111	118	118	189	284

Assumptions:

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

Cost of Capital Estimation

Required Return on Equity Derivation

- 1. RE 12.91%
  - 2. RF 4.29%
    - 2.1. TSY Bond 4.64%
    - 2.2. Country Risk 0.35%
  - 3. Adj ERP 4.62%
    - 3.1. ERP 4.58%
      - 3.1.1. Mature market ERP 4.23%
      - 3.1.2. Country Risk 0.35%
        - 3.1.2.1. Rating-based Default 0.23%
        - 3.1.2.2. Default Spread Multiple 1.52
    - 3.2. Total levered β 1.01
      - 3.2.1. Tax rate 26.00% and D/E Ratio 0.13
      - 3.2.2. Unlevered β 0.92
  - 4. Illiquidity Discount 4.00%

Sources: Aswath Damodaran, web search

Cost of Capital: CAPM Inputs

Methodology

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

Additional Assumptions

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

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

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

Survival of new establishments

	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%	46.68%	38.21%	34.12%	31.02%
Information	80.75%	62.85%	49.49%	37.70%	31.24%	28.29%	24.78%
Financial activities	84.09%	69.57%	58.56%	49.24%	43.93%	40.34%	36.90%
Business services	82.32%	66.82%	55.13%	44.28%	38.11%	34.46%	31.08%
Health services	85.59%	72.83%	63.73%	55.37%	50.09%	46.47%	43.71%
Leisure	81.15%	64.99%	53.61%	43.76%	38.11%	34.54%	31.40%
Other services	80.72%	64.81%	53.32%	43.88%	37.05%	32.33%	28.77%
All firms	81.24%	65.77%	54.29%	44.36%	38.29%	34.44%	31.18%

http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html https://pages.stern.nyu.edu/~adamodar/pdfiles/papers/younggrowth.pdf http://pages.stern.nyu.edu/~adamodar/

Business Valuation

DCF

(thnd USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Profit after Tax	**39**	**64**	**92**	**107**	**124**	**144**	**168**
Growth% Y4-Y7				16.05%	16.05%	16.05%	16.05%
Growth% Y7	5.60%						
WACC'	**12.91%**						
PV Y1-Y7 at Y0	35	50	64	66	68	70	72
PV Y7 --> Y0	1,035						
NPV (thnd USD)	1,459						

Assumed 3Y Survival Rate: 50%

Final Valuation: $ 729k

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 12.91 % to determine the Firm Value.

Starting from year 3 onwards, the cash flows are estimated to grow at a rate of 10.70 %, 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. Taking into account the project's current stage of development and risk profile, the final survival rate has been assumed at 50%. 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...	lower by 10%
		This scenario models an increase in the discount rate (RoE) driven by higher market risk, macroeconomic instability, or industry-	

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	$ 387k	$ 445k	$ 329k	$ 387k	$ 387k	$ 387k	$ 387k
	Gross Profit Y3	$ 205k	$ 236k	$ 174k	$ 242k	$ 169k	$ 205k	$ 205k
	GP Margin	53%	53%	53%	62%	44%	53%	53%
	EBITDA Y3	$ 139k	$ 159k	$ 118k	$ 175k	$ 102k	$ 139k	$ 139k
	EBITDA Margin	36%	36%	36%	45%	26%	36%	36%
	Net Profit Y3	$ 92k	$ 108k	$ 77k	$ 119k	$ 65k	$ 92k	$ 92k
	Profit Margin	24%	24%	23%	31%	17%	24%	24%
	Final Valuation	$ 729k	$ 851k	$ 607k	$ 940k	$ 519k	$ 904k	$ 608k

Sources: Company's Proprietary Information

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 challenges.

Scenario Name

Growth Under Pressure

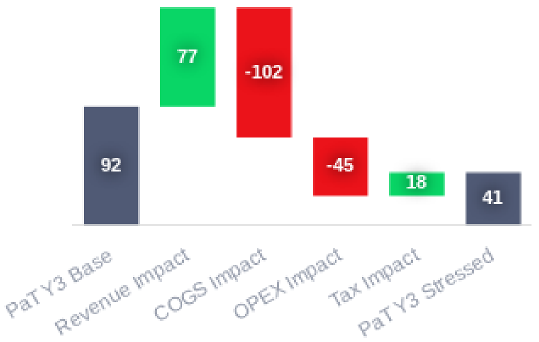
Story

This scenario explores the challenges of managing rapid growth while dealing with operational bottlenecks. A surge in demand and revenue places significant strain on supply chains and internal processes. Despite achieving higher sales volumes, inefficiencies in scaling lead to increased costs and a heightened risk perception, keeping the discount rate elevated. 'Growth Under Pressure' examines how businesses can balance seizing growth opportunities while investing in infrastructure, talent, and systems to support scalability.

KPIs impact

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

Results

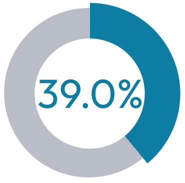


$ 328k
Valuation

$ 464k
Revenue Y3

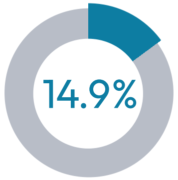
$ 69k
EBITDA

$ 41k
Profit After Tax



Gross Profit Margin Y3

EBITDA Margin Y3



Stress Test: The Perfect Storm

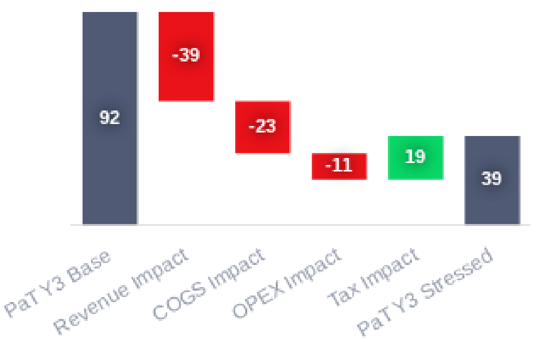
Stress tests provide a comprehensive view of how businesses might perform under extreme conditions, enabling better preparation for the uncertainties of challenges.

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

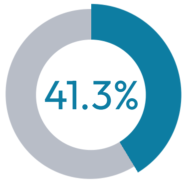
KPIs impact

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

Results

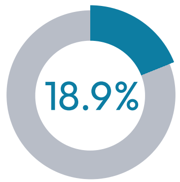


$ 256k Valuation	$ 348k Revenue Y3
$ 66k EBITDA	$ 39k Profit After Tax



Gross Profit Margin Y3

EBITDA Margin Y3



Sensitivity Analysis: SAM & SOM

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

		SAM						SOM					
		-20%	-10%	-5%	5%	10%	20%	-9%	-6%	-3%	3%	6%	9%
Revenue	Y1	$ 122k	$ 137k	$ 144k	$ 160k	$ 167k	$ 183k	$ 138k	$ 143k	$ 148k	$ 157k	$ 161k	$ 166k
	Y2	$ 201k	$ 226k	$ 238k	$ 264k	$ 276k	$ 301k	$ 228k	$ 236k	$ 244k	$ 259k	$ 266k	$ 274k
	Y3	$ 310k	$ 348k	$ 368k	$ 406k	$ 426k	$ 464k	$ 352k	$ 364k	$ 375k	$ 399k	$ 410k	$ 422k
Gross Profit	Y1	$ 72k	$ 81k	$ 85k	$ 94k	$ 99k	$ 108k	$ 82k	$ 84k	$ 87k	$ 92k	$ 95k	$ 98k
	Y2	$ 112k	$ 126k	$ 133k	$ 148k	$ 155k	$ 169k	$ 128k	$ 132k	$ 136k	$ 145k	$ 149k	$ 153k
	Y3	$ 164k	$ 185k	$ 195k	$ 215k	$ 226k	$ 246k	$ 187k	$ 193k	$ 199k	$ 211k	$ 218k	$ 224k
GP Margin	Y1	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%
	Y2	56%	56%	56%	56%	56%	56%	56%	56%	56%	56%	56%	56%
	Y3	53%	53%	53%	53%	53%	53%	53%	53%	53%	53%	53%	53%
EBITDA	Y1	$ 53k	$ 60k	$ 63k	$ 70k	$ 73k	$ 80k	$ 61k	$ 63k	$ 65k	$ 69k	$ 71k	$ 73k
	Y2	$ 80k	$ 90k	$ 95k	$ 105k	$ 110k	$ 120k	$ 91k	$ 94k	$ 97k	$ 103k	$ 106k	$ 109k
	Y3	$ 111k	$ 125k	$ 132k	$ 146k	$ 152k	$ 166k	$ 126k	$ 130k	$ 134k	$ 143k	$ 147k	$ 151k
EBITDA Margin	Y1	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%
	Y2	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
	Y3	36%	36%	36%	36%	36%	36%	36%	36%	36%	36%	36%	36%
Net Profit	Y1	$ 29k	$ 34k	$ 37k	$ 42k	$ 44k	$ 49k	$ 35k	$ 36k	$ 38k	$ 41k	$ 42k	$ 44k
	Y2	$ 49k	$ 56k	$ 60k	$ 67k	$ 71k	$ 79k	$ 57k	$ 59k	$ 62k	$ 66k	$ 68k	$ 70k
	Y3	$ 72k	$ 82k	$ 87k	$ 98k	$ 103k	$ 113k	$ 83k	$ 86k	$ 89k	$ 95k	$ 99k	$ 102k
Profit Margin	Y1	24%	25%	25%	26%	26%	27%	25%	25%	26%	26%	26%	26%
	Y2	24%	25%	25%	26%	26%	26%	25%	25%	25%	26%	26%	26%
	Y3	23%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
Final Valuation		$ 567k	$ 648k	$ 689k	$ 770k	$ 811k	$ 892k	$ 656k	$ 681k	$ 705k	$ 754k	$ 778k	$ 803k

Glossary

Abbreviations

Adj - Adjusted
Admin - Administrative Expense
Av - Average
b - Billions of
B2B - Business to Business
B2C - Business to Customer
C-level - Chief level
CAGR - Compounded Annual Growth Rate
CAPEX - Capital Expenditure
CAPM - Capital Asset Pricing Model
CBDO - Chief Business Development Officer
CEO - Chief Executive Officer
CF - Cash FLow
CFO - Chief Financial Officer
COGS - Cost of OODS Sold
CPO - Chief Product Officer
CTO - Chief Technology Officer
D/E - Debt to Equity
DCF - Discounted Cash Flow
Depr. - Depreciation
Dev - Developer
EBIT - Earnings Before Interest and Taxes
EBITDA - Earnings Before Interest, Axes, Depreciation, and Amortization

HR - Human Resources
Inv. - Inventory
k - Thousands of
KPI - Key Performance Indicators
LE - Legal Entity
LFY - Last Fiscal Year
LLM - Large Language Model
m - Millions of
MTD - Month-To-Date
MVP - Minimum Viable Product
NDA - Non-Disclosure Agreement
NFT - Non-Fungible Token
NPV - Net Present Value
OPEX - Operating Expense
P&L - A Profit and Loss (P&L) Statement
PaT - Profit after Tax
PbT - Profit before Tax
PE - Private Equity
PL - Profit and Loss
POC - Proof of Concept
PPE - Property, Plant, and equipment
PV - Present Value
RE - Return on Equity

Sources: Company's Proprietary Information

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