Business Plan

& Valuation Presentation

Contents

OUR
VISION & MISSION

Our Mission

BlueFin Swim Academy exists to empower individuals of all ages to become confident, capable, and safe swimmers. By offering private lessons, group classes, and advanced programs, the academy provides structured, supportive instruction that progresses at each learner's pace, builds foundational water skills, and cultivates lifelong water safety habits. The mission centers on improving health, confidence, and independence through expert coaching, inclusive learning environments, and measurable skill development; without such instruction, individuals miss the critical competence and reassurance that swimming offers. Through every lesson, BlueFin Swim Academy aims to create value for students, families, and communities by enabling safer waterways, personal resilience, and a lifelong love of swimming.

Our Vision

In twenty years, BlueFin Swim Academy aspires to be the leading regional catalyst for water confidence and excellence, shaping generations of safe, skilled swimmers. The vision envisions universally accessible programs that empower people to pursue athletic, recreational, and therapeutic swimming opportunities with ease. By fostering innovation in pedagogy, safety, and inclusion, the academy seeks to set the standard for progressive swim education, expand communities of practice, and inspire others to value water proficiency as a fundamental life skill for all ages.

Summary Financials Dashboard

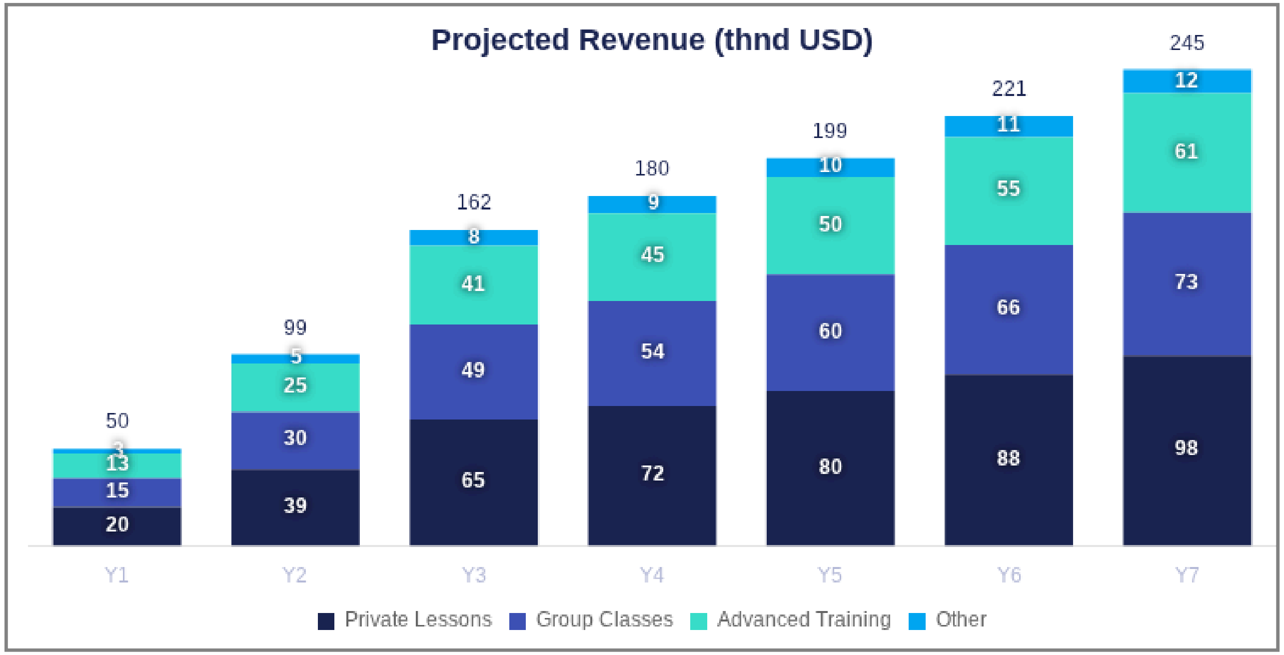
Key performance indicators
(Base Scenario Y3)

$ 162k
Revenue

$ 110k
Gross Profit

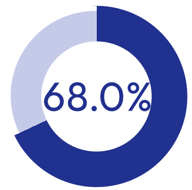
$ 65k
EBITDA

0.00%
Target Market Share

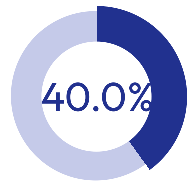


Margins
(Stabilized by Y3)

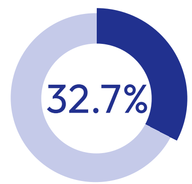
GP Margin



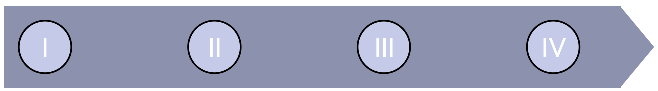
EBITDA Margin



PbT Margin



Project Phases



Foundational Offering
Core Expansion & Market Defense
New Revenue Streams
Future Growth Horizons

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 $ 74k

Y1 CAPEX $ 60k

WC $ 6k

About the Company: General Overview

General Overview

BlueFin Swim Academy provides comprehensive swim education across age groups, from children to adults. The organization focuses on building water confidence, foundational techniques, stroke development, and essential water safety, delivered through a flexible mix of private lessons, group classes, and advanced training programs. Certified instructors prioritize a supportive, encouraging environment that allows students to progress at a comfortable pace while achieving measurable skill improvements. As part of the Other Schools and Instruction industry within Educational Services, the academy emphasizes safety, technique, and confidence in the water, positioning itself as a trusted partner for families and individuals seeking structured, high-quality aquatic education. By combining expert coaching with well-designed curricula, BlueFin Swim Academy aims to foster lifelong swimming ability and a solid foundation for healthy, active lifestyles. The school also seeks to expand access to aquatic education through scalable programming and community outreach, reinforcing its commitment to safety, skill mastery, and personal growth.

Sources: Company's Proprietary Vision

The Main Phases: Projects & Impacts

01 Foundational Offering

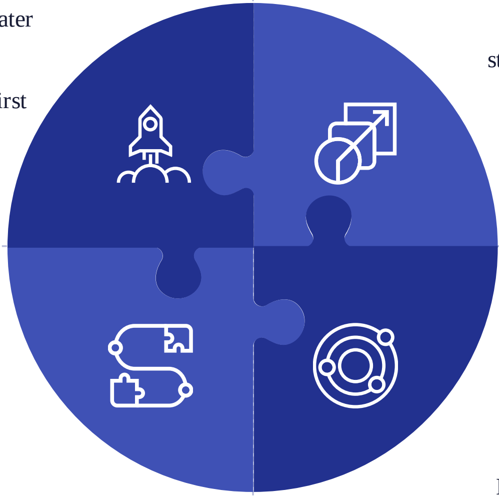
Phase I.

BlueFin Swim Academy launches a foundational curriculum with water confidence, basic techniques, and safety, offering private and group lessons to a broad age range. The MVP establishes a trusted safety-first brand and steady enrollment.

03 New Revenue Streams

Phase III

Beyond teaching technique, BlueFin explores complementary revenue streams such as private coaching packages, summer intensives, and age-specific camps, cultivating new profit centers and cross-sell opportunities.



02 Core Expansion & Market Defense

Phase II

The academy expands its core program with progressive stroke development and advanced classes, strengthening instructor-certification standards and broadening reach to families and schools, while reinforcing retention and referrals.

04 Future Growth Horizons

Phase IV.

Looking ahead, the academy evaluates high-risk, high-reward ventures such as competitive swim performance pathways, remote coaching platforms, or partnerships with community wellness initiatives, positioning for long-term, transformative growth.

Product Impact on Core Stakeholders

Main Stakeholder	Product Benefits
Students (Swimmers)	Individuals enrolling in private or group lessons who directly benefit from skill development, confidence, and safety education.
Parents / Guardians	Primary decision-makers investing in their children's swimming education, safety, and long-term health benefits.
Instructors & Staff	Certified teachers and coaches whose professional development and job stability are supported by program expansion and standardization.
School Partners / Local Communities	Schools and community organizations that can integrate swimming programs into curricula and wellness initiatives, expanding reach.
Local Government & Regulators	Regulatory bodies and policymakers interested in child safety, aquatics standards, and community health outcomes.
Investors / Financial Partners	Backers seeking sustainable growth and revenue diversification through expanded offerings and new ventures.
Industry Partners / Vendors	Suppliers of aquatic gear, safety equipment, and professional development resources that support program quality and scalability.

Sources: Company's Proprietary Assessment

Key Performance Components

Competitive Advantage

Progressive Learning Path

BlueFin Swim Academy offers structured, stepwise curricula for all ages, ensuring consistent skill progression from water confidence to advanced strokes within a supportive, customizable pace.

Certified Instruction Team

Denotes a highly qualified instructor pool delivering standardized coaching, safety-first practices, and personalized feedback to accelerate skill development across private, group, and advanced programs.

Safe, Supportive Environment

A focus on patient instruction, small class sizes, and motivational coaching creates a comfortable atmosphere that builds swimmer confidence while prioritizing water safety and wellbeing.

Marketing and Growth Strategy

BlueFin Swim Academy targets families, teens, and adults at different skill levels, tailoring messaging to water confidence, safety, and progression, driving higher engagement and enrollment across private, group, and advanced programs.

The academy partners with schools, pediatric clinics, and local clubs to host open houses and free trial sessions, expanding reach, building trust, and generating steady referrals from trusted community channels.

Content focused on beginners tips, stroke development milestones, and safety practices positions BlueFin as a knowledgeable authority, while highlighting instructor credentials to boost credibility and enrollment confidence.

Target Groups

	Industries	Description
I	Families with Young Children	Parents seeking foundational water safety and early swimming skills for their toddlers and preschoolers, prioritizing a safe, supervised environment and gradual confidence-building.
II	School-Aged Youth & Teens	Schools and families looking for structured swim programs to complement physical education, improve stroke technique, and foster healthy, lifelong water safety habits.
III	New/First-Time Adult Swimmers	Adults who want beginner-friendly, confidence-building instruction or a refresher to learn basics, water safety, and comfortable swimming in a non-intimidating setting.
IV	Competitive & Performance-Oriented Swimmers	Youth and teens pursuing higher-level training to develop competitive strokes, endurance, and performance pathways with certified instructors.
V	Private Coaching Seekers	Individuals or families seeking personalized, one-on-one coaching for accelerated skill gains, individualized feedback, and flexible scheduling.
VI	Summer & Seasonal Programs Enthusiasts	Parents and students attracted to camps, summer intensives, and age-specific programs that escalate skills during school breaks.
VII	Community & Wellness Partners	Organizations and community centers interested in partnerships for water-safety education, youth wellness initiatives, and cross-promotion of programs.

Sources: Company's Proprietary Assessment

Painpoints & Solutions

Solution from Phase I to Phase IV

#	Painpoints		Solution
1	Brand Trust & Safety Perception	Prospective families may hesitate to enroll due to safety concerns and lack of visible safety credentials or trusted reputation.	Develop a certified safety-first framework and communicate it through visible certifications, onboarding videos, and safety milestones to build trust from day one.
2	Broad Age Range Engagement	Catering to a broad age range can dilute program relevance and progression for different developmental stages.	Create age-specific tracks (Kids, Teens, Adults) with tailored curricula and progress checks to maintain engagement across groups.
3	Enrollment & Retention Volatility	Fluctuating enrollment and high churn threaten steady revenue and capacity planning.	Implement onboarding journeys, loyalty incentives, and performance dashboards to boost initial sign-ups and long-term retention.
4	Instructor Certification & Quality Control	Maintaining consistent teaching quality across expanding classes is challenging as enrollment grows.	Institute a standardized certification ladder, regular skills assessments, and a mentorship program for new instructors.
5	Curriculum Progression Clarity	Parents and students may not clearly see progression paths or timeframes for skill advancement.	Publish transparent progression roadmaps with skill ladders and milestones tied to assessment rubrics.
6	School & Family Outreach	Limited reach to schools and family networks can constrain growth beyond private lessons.	Develop partnerships with schools and community organizations and offer school-based programs and family bundles.
7	Operational Scalability	Scaling logistics (scheduling, space, equipment) as enrollment grows can strain operations.	Adopt scalable scheduling, standardized equipment kits, and process automation to support larger cohorts.

Strategic Analysis: SWOT

Strength

1) Strong niche in family-oriented swim education, appealing to safety and confidence-building. 2) Certified instructors ensure credibility and high instructional quality. 3) Flexible delivery with private, group, and advanced programs attracts diverse students. 4) Safe, supportive environment fosters steady skill progression and retention. 5) Clear curriculum progression supports measurable outcomes and word-of-mouth growth.

Weaknesses

1) Limited brand recognition as a new entrant in the broad education market. 2) Seasonal demand and weather-related class disruptions can affect enrollments. 3) High dependency on certified instructors may constrain scalability. 4) Operating costs rise with pool maintenance and facility standards. 5) Competition from community pools and urban swim schools could erode market share.

Opportunities

1) Expanding partnerships with schools and pediatric clinics to funnel referrals. 2) Online scheduling, progress tracking, and parent-facing updates to improve engagement. 3) Corporate wellness programs and birthday party offerings to diversify revenue. 4) Franchise or satellite locations to scale reach and reduce travel barriers. 5) Community safety initiatives and certifications to boost visibility and trust.

Threats

1) Economic downturn reducing discretionary spending on enrichment activities. 2) Regulatory changes or safety standards increasing operating costs. 3) Health concerns or pandemics impacting in-person swim classes. 4) Competitors lowering prices or offering incentivized programs. 5) Seasonal pool closures or maintenance causing revenue volatility.

Pestel: Analysis

P	E	S	T	E	L
Political 7 / 10	Economic 8 / 10	Social 7 / 10	Technological 6 / 10	Environmental 5 / 10	Legal 8 / 10
Regulatory Compliance: Education and child-safety regulations influence operations and staffing.	Enrollment Demand: Seasonal and regional demand affect class enrollment and revenue.	Health & Wellness: Rising emphasis on physical activity and safety supports demand.	EdTech & Apps: Online scheduling, progress tracking, and virtual coaching tools.	Water & Facility Safety: Facility standards, cleaning, and water quality impact operations.	Liability & Compliance: Liability insurance and child-safety regulations govern risk.
Public Funding: Possible access to local subsidies or grants for youth programs and safety training.	Pricing Pressure: Competition may impact pricing and affordability for families.	Parental Involvement: Parents value progress updates and safe environments for kids.	Measurement Tools: Use of sensors or video analysis for technique feedback.	Sustainable Practices: Energy/water efficiency and waste reduction considerations.	Labor Law: Hiring and wage regulations affect staffing costs.

BlueFin Swim Academy should prioritize safety compliance, scalable enrollment strategies, and technology-enabled coaching to sustain growth in the educational services market.

Scores reflect the relative importance and potential impact of each PESTEL factor on the business

VRIO Framework: Analysis

Value — V

Does the resource or capability enable the firm to exploit an opportunity or neutralize a threat in the environment?

Delivers structured swim instruction addressing safety, confidence, and skill progression—leveraging certified instructors to meet diverse learner needs and support ongoing participation.

No → Competitive Disadvantage

Yes →

Rarity — R

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

Access to certified instructors and a standardized curriculum is limited to similar specialized swim programs, reducing comparable competitors.

No → Competitive Parity

Yes →

Imitability — I

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

Instructor certification, program design, and safety protocols are costly to replicate and cultivate trust among families.

No → Temporary Competitive Advantage

Yes →

Organization — O

Is the firm organized to exploit the resource or capability?

Operational systems, staffing, and safety-first culture align with the curriculum to exploit the resource effectively.

No → Unused Competitive Advantage

Yes →

Sustainable Competitive Advantage

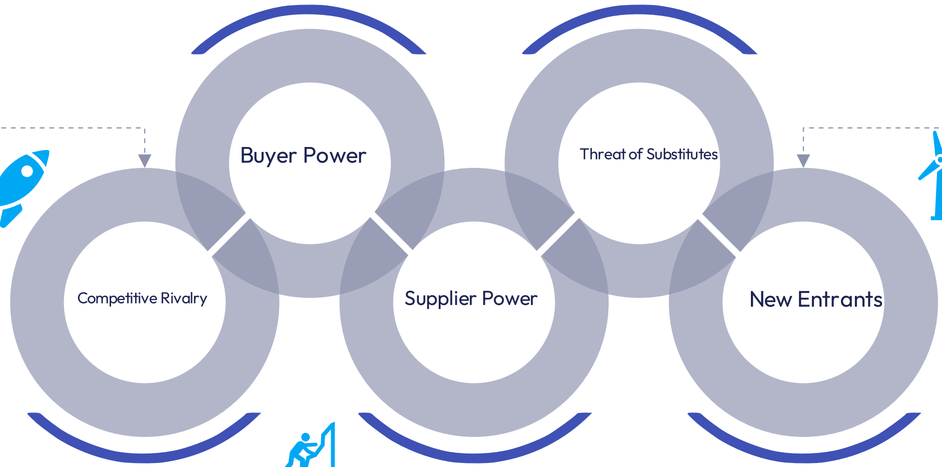
BlueFin's combination of certified staff, proven curriculum, and safety emphasis enables sustainable competitive advantage in swim education, though differentiation depends on ongoing quality and engagement.

Porter’s Five Forces: Analysis

Moderate; customers can choose between multiple providers and schedules

Moderate; alternative fitness or water-safety options exist

High number of swim schools and coaching programs heightens competition



Moderate; certification and safety standards influence entry, but scalable lesson formats exist

Low to Moderate; instructors and facilities are available but quality matters

BlueFin Swim Academy faces moderate competitive pressure with differentiation through safety, coaching quality, and flexible formats.

High
Moderate
Low

Management Team

Overview

Overview

Overview

Overview

History & Roadmap

May 2028

National Expansion

Open 5+ regional centers; franchising framework initiated.

Nov 2027

Community & Partnerships

Forge school partnerships; run safety outreach, events.

Jul 2027

Quality Assurance & Scale

Implement KPI dashboards; expand to two new sites.

Mar 2027

Curriculum & Certification

Develop standardized curricula and trainer credentialing program.

Dec 2026

Program Diversification

Introduce private, group, and beginner-to-intermediate tracks.

Sep 2026

Market Entry & Brand Build

Launch flagship location; establish brand, schedule, and safety standards.

Current Status .

BlueFin Swim Academy is in early market entry with initial location planning, branding, and safety protocol development.

Sources: Company's Proprietary Vision

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	Legal structure, registrations, and compliance plan	Not Started	High	CFO	1 month
3	Initial budget and financial model for Foundational Offering	Not Started	High	CFO	1 month
4	Brand identity and safety-first branding guidelines	Not Started	High	CMO	2 weeks
5	Site, facility, and equipment readiness plan	Not Started	Medium	COO	1 month
6	Technology and booking system selection overview	Not Started	Medium	CIO	1 month
7	Instructor onboarding and certification standards outline	Not Started	High	CPO	6 weeks
8	Risk assessment and contingency planning	Not Started	Low	CLO	2 months
Marketing					
1	Define target market segments and personas for marketing campaigns	Not Started	High	CMO	1 month
2	Develop brand messaging and safety-first positioning aligned with Foundational Offering MVP	Not Started	High	CBO	4 weeks
3	Launch a basic responsive website and landing pages for private vs group lessons	Not Started	High	CIO	6 weeks
4	Create onboarding marketing collateral (safety pledge, class overview, schedules)	Not Started	Medium	CPO	5 weeks
5	Set up social media profiles and a content calendar focused on water safety and beginner progress	Not Started	Medium	CMO	3 weeks
6	Develop lead generation tactics (local school partnerships, community events)	Not Started	High	CSO	2 months
7	Implement beginner-friendly referral program to drive enrollment	Not Started	Medium	CRO	1 month
8	Measure, report, and optimize marketing performance (KPIs: inquiries, leads, conversion rate, CAC)	Not Started	High	CFO	3 months

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
Phase 1 & Technical Set Up for next Phases					
1	Define MVP scope and core offerings for Foundational Offering	Not Started	High	CPO	M08 2026
2	Develop safety-first brand guidelines and onboarding materials	Not Started	High	CMO	M08 2026
3	Create funding and pricing model for private and group lessons	Not Started	High	CFO	M08 2026
4	Recruit and certify initial roster of instructors	Not Started	High	COO	M09 2026
5	Set up basic student management and scheduling system	Not Started	High	CIO	M09 2026
6	Develop foundational curriculum and lesson plans (water confidence, basic techniques, safety)	Not Started	High	CPO	M08 2026
7	Establish enrollment targets and initial marketing funnel	Not Started	Medium	CRO	Q4 2026
8	Pilot private and group lesson trials with select families	Not Started	Medium	CSO	M09 2026
Phase 2					
1	Define core program milestones and language for marketing	Not Started	High	CMO	M08 2026
2	Standardize instructor certification requirements and training materials	Not Started	High	CPO	M09 2026
3	Develop family and school outreach partnerships plan	Not Started	High	CSO	M10 2026
4	Build tiered progression tracking system for swimmers	Not Started	Medium	CIO	M11 2026
5	Create retention and referral program (member rewards, incentives)	Not Started	High	CRO	M12 2026
6	Pilot progressive stroke development curriculum with select classes	Not Started	High	CTO	Q1 2027
7	Scale marketing channels and enrollments across channels	Not Started	Medium	CMO	Q2 2027
8	Define performance metrics and dashboards for Phase 2 outcomes	Not Started	Low	CIO	Q3 2027

Overview of Phases

#	Check List Item	Status	Priority	Area	ETA
Phase 3					
1	Private coaching packages launch	Not Started	High	CPO	M09 2026
2	Summer intensives program design	Not Started	High	CPO	M10 2026
3	Age-specific camps pilot	Not Started	Medium	CRO	M08 2026
4	Private coaching packages sales framework	Not Started	High	CMO	M09 2026
5	Cross-sell opportunity mapping (bundles)	Not Started	Medium	CIO	M10 2026
6	Instructor certification refresh for expanded programs	Not Started	High	CFO	Q4 2026
7	Partnerships with local schools for after-school programs	Not Started	Medium	CSO	Q1 2027
8	Summer camp enrollment funnel optimization	Not Started	Low	CBO	Q3 2026
Phase 4					
1	Assess viability of competitive swim performance pathways	Not Started	High	CRO	Q4 2026
2	Develop remote coaching platform concept and technical requirements	Not Started	High	CTO	M08 2026
3	Partnership outreach with community wellness initiatives	Not Started	Medium	CRO	Q1 2027
4	Create a feasibility study for private coaching packages expansion	Not Started	Medium	CPO	Q2 2027
5	Pilot remote coaching trial with selected families	Not Started	Medium	CRO	Q3 2027
6	Explore partnerships with schools for remote or hybrid programs	Not Started	Low	CBO	Q4 2027
7	Assess regulatory and safety considerations for high-risk ventures	Not Started	High	CLO	Q4 2026
8	Define long-term financing needs and risk management strategy	Not Started	Low	CFO	M12 2026

Core Risks & Mitigation Strategies

1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	Facility and equipment downtime	COO	Maintain spare parts, service contracts, and backup equipment inventory.
2	Staff availability and turnover	CPO	Cross-train staff and maintain a robust pool of substitute instructors.
3	Scheduling and enrollment management	CFO	Implement flexible scheduling software with waitlists and analytics.
4	Safety incidents and incident response	CISO	Establish rigorous safety protocols and incident response drills.
5	Liability and insurance coverage gaps	CFO	Review and update insurance coverage; maintain risk registers.

2. Regulatory and legal risks

#	Risk Type	Area	Mitigation Strategy
1	Liability and negligence liability exposure	CFO	Implement comprehensive waivers and robust incident reporting protocols.
2	Compliance with child protection and safeguarding regulations	CPO	Enforce mandatory background checks and safeguarding training for all staff.
3	Privacy and data protection compliance	CIO	Adopt data minimization, encryption, and PCI-compliant payment processes.
4	Advertising and marketing regulatory compliance	CMO	Review marketing content for accuracy; align with advertising standards.
5	Employment and contractor classification	CFO	Regular audits of contractor agreements and payroll classifications.

Core Risks & Mitigation Strategies

3. Strategic/Market Risk

#	Risk Type	Area	Mitigation Strategy
1	Market adoption and competition	CSO	Differentiate through safety-first brand and flexible scheduling
2	Brand trust and reputation volatility	CFO	Proactive safety protocols and transparent communication
3	Talent attraction and retention	CPO	Competitive compensation and clear career pathways
4	Regulatory and safety standard shifts	CIO	Continuous compliance reviews and adaptable curricula
5	Strategic reliance on partnerships	CEO	Diversify channels and build direct-to-consumer options

4. Finance risk

#	Risk Type	Area	Mitigation Strategy
1	Cash flow volatility	CFO	Establish monthly cash forecasting and maintain 3–6 months reserves.
2	Dependence on single revenue stream	CFO	Diversify with private lessons, camps, and partner programs.
3	Pricing pressure and discounting	CFO	Implement value-based pricing and clear tiered packages.
4	Capital expenditure overrun	CFO	Tight capex governance with stage-gated approvals.
5	Debt and credit risk	CFO	Negotiate favorable terms and maintain debt covenants monitoring.

5. Other general risks

#	Risk Type	Area	Mitigation Strategy
1	Market demand fluctuations	CMO	Diversify programs; offer flexible scheduling and promotions
2	Technology and data privacy	CIO	Implement strong privacy policy and secure systems
3	Dependence on key instructors	COO	Build pipeline with certified trainers; provide incentives
4	Brand reputational risk	CRO	Prioritize safety; proactive community engagement
5	Economic downturn impact	CFO	Offer value-based pricing; maintain lean operations

Sources: Company's Proprietary Assessment

Market Overview (TAM, SAM and SOM)

Target Available Market (TAM)	Sports Coaching Subindustry	$ 13,900,000k	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 10.80%
Service Available Market (SAM)	0.02%	As a small, locally focused swim academy with a 0.074k USDk capital base, the serviceable market will be a conservative slice of the national TAM. Given the need for certified instructors, facilities, and local demand, capturing roughly 0.02% of the 13,900,000k USD TAM reflects realistic scope for a single operator expanding gradually (e.g., private/group..	
Service Obtainable Market Y1-Y3 (SOM)	Year 1 1.80000% Year 2 3.20000% Year 3 4.76000%	Given BlueFin Swim Academy's capital and the SAM size, a cautious entry is prudent. Year 1 targets a modest share within the allowed 0.44%–3.99% range, reflecting early market penetration through niche SME channels, certified instruction quality, and local community focus. Year 2 increases tempo with expanded classes and partnerships, while Year 3...	

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 $ 74k

Y1 Cash Flow Stream (thnd USD)	Inflows	Outlows
Gross Profit	36	
Payroll Expenses		7
Rent & Utilities		2
Marketing and Branding		1
Legal and Professional Fees		1
CAPEX		60
Training and Development		1
Communication Expenses		1
Representation and Entert.		0
Office supplies		0
Other Miscellaneous		0
CAPEX & WC shortage Y1		36
Buffer		38
Total Required Investment (thnd USD)		74

Payroll Expenses 9.33%

Rent & Utilities 2.54%

Marketing and Branding 1.36%

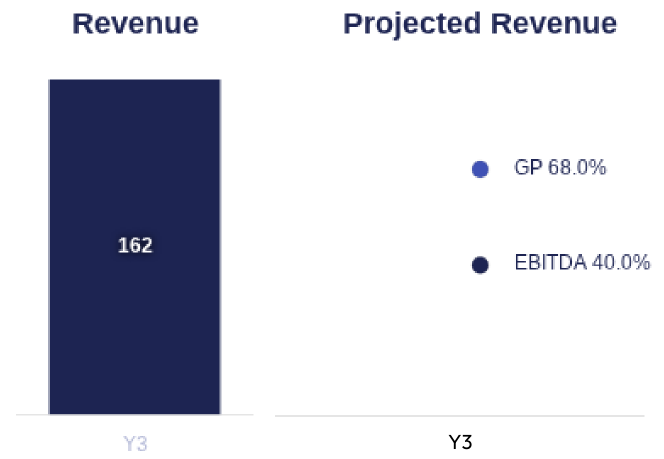
Legal and Professional Fees 1.02%

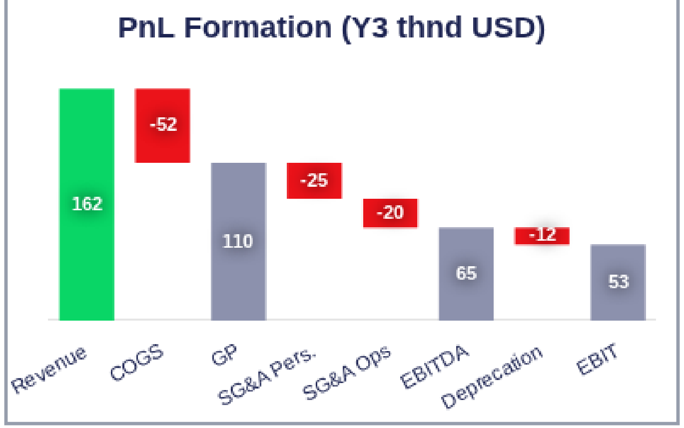
CAPEX 83.04%

Other 2.71%

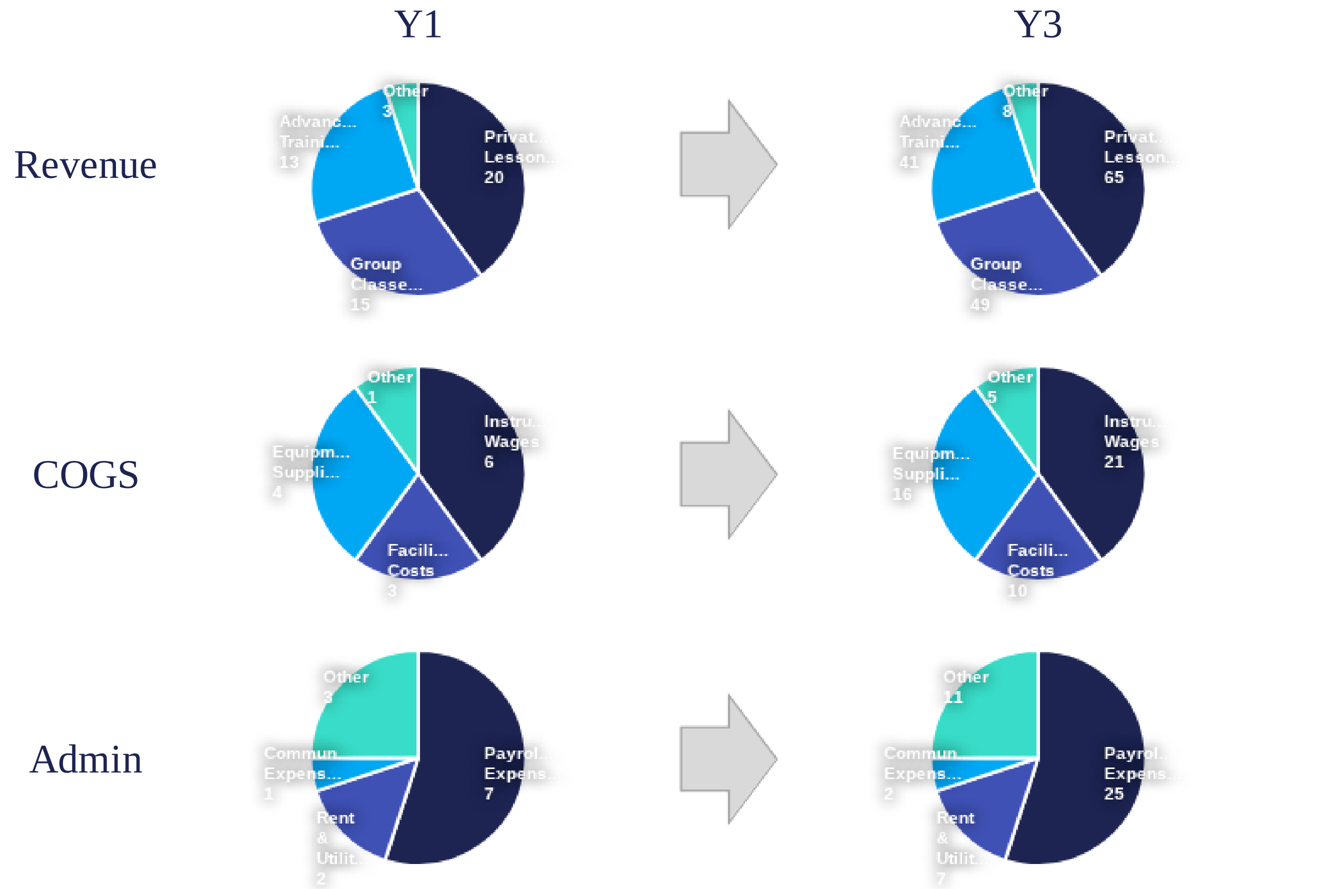
Financials Dashboard

Y3 PL formation and Margins





Business Line Breakdown (thnd USD)

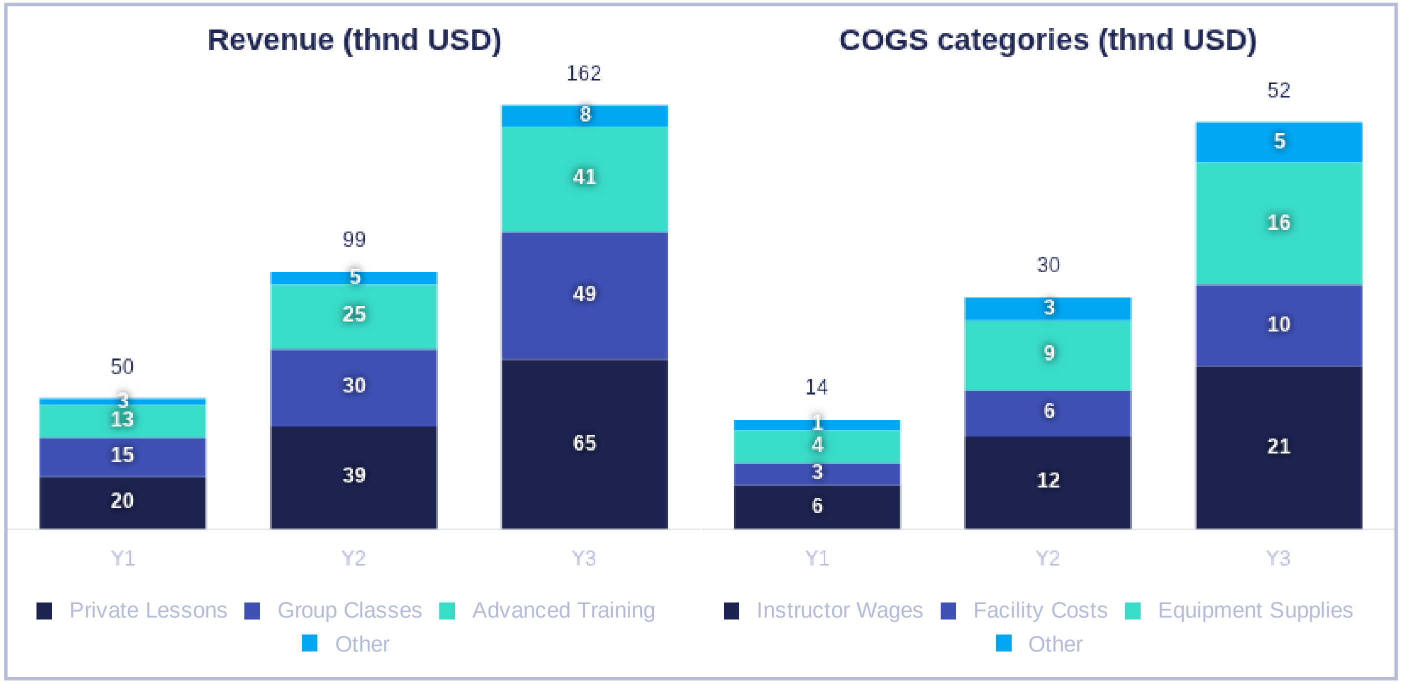


Revenue Formation Narrative

BlueFin Swim Academy targets a sizable, yet reachable opportunity in the Educational Services sector within the Sports Coaching sub-sector. With a total addressable market of 13,900,000k USD, the company will pursue a serviceable portion defined by 0, focusing on local demand for water confidence, technique development, and safety programs. Revenue projections are anchored by the defined lines of business: Private Lessons contributing 40, Group Classes at 30, Advanced Training at 25, and Other accounting for 5. The Year 1 revenue target is 33.36k USD, rising to 59.603k USD in Year 2 and 89.452k USD in Year 3, reflecting a gradual scale via private and group offerings, plus optional advanced sessions. The SOM trajectory is calibrated to evolve from 1 in Year 1 to 2 in Year 2 and 3 in Year 3, aligning early market entry with quality instruction, community partnerships, and targeted outreach. Capital to enable initial operations is 74k USD, with a lean asset base that supports certified instructors, safe facilities, and scalable scheduling. Four lines of business are designed to capture diverse student needs: Private Lessons, Group Classes, Advanced Training, and Other, together yielding the proposed mix of 40, 30, 25, and 5 respectively. This narrative emphasizes a prudent, revenue-focused path that leverages local presence, high instructional quality, and scalable growth to translate market opportunity into sustainable yearly revenue growth for BlueFin Swim Academy.

$ 162k 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
Private Lessons	*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%*
Group Classes	*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%*
Advanced Training	*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%*
Other	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*	*5.00%*

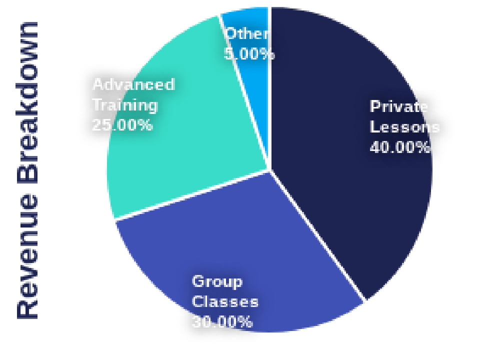
Private Lessons	1	1	1	2	2	2	2	2	2	2	2	2	20	39	65
Group Classes	1	1	1	1	1	1	1	1	1	2	2	2	15	30	49
Advanced Training	1	1	1	1	1	1	1	1	1	1	1	1	13	25	41
Other	0	0	0	0	0	0	0	0	0	0	0	0	3	5	8
Total Revenue (thnd USD)	3	3	3	4	4	4	5	5	5	5	5	5	50	99	162

Total revenue is expected to reach $ 162k by year 3.

Main revenue driver are:

- Private Lessons which generates $ 65k by Year 3
- Group Classes which generates $ 49k by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 80.18 %



COGS Calculation Details

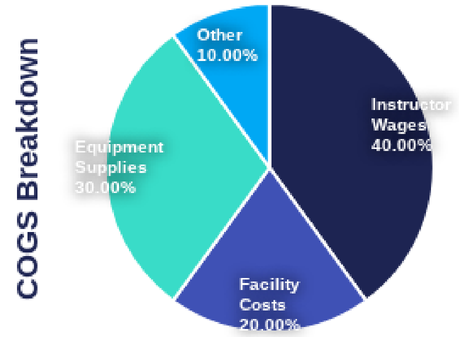
COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Instructor Wages	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*11.20%*	*12.00%*	*12.80%*
Facility Costs	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*5.60%*	*6.00%*	*6.40%*
Equipment Supplies	*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	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*2.80%*	*3.00%*	*3.20%*
Instructor Wages	0	0	0	0	0	0	1	1	1	1	1	1	6	12	21
Facility Costs	0	0	0	0	0	0	0	0	0	0	0	0	3	6	10
Equipment Supplies	0	0	0	0	0	0	0	0	0	0	0	0	4	9	16
Other	0	0	0	0	0	0	0	0	0	0	0	0	1	3	5
Total COGS (thnd USD)	1	1	1	1	1	1	1	1	1	1	1	1	14	30	52

Total COGS is expected to reach '$ 52k by year 3.

Main revenue driver are:

- Instructor Wages which generates $ 21k by Year 3
- Equipment Supplies which generates $ 16k by Year 3

Expected CAGR for total COGS in Y1-Y3 is 92.62 %



SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Payroll Expenses	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*13.47%*	*14.44%*	*15.40%*
Rent & Utilities	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.67%*	*3.94%*	*4.20%*
Communication Expenses	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.23%*	*1.31%*	*1.40%*
Office supplies	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.49%*	*0.52%*	*0.56%*
Legal and Professional Fees	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.58%*	*1.68%*
Marketing and Branding	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*1.96%*	*2.10%*	*2.24%*
Representation and Entertainment	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.73%*	*0.79%*	*0.84%*
Training and Development	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.58%*	*1.68%*
Other Miscellaneous	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
Payroll Expenses	0	0	0	1	1	1	1	1	1	1	1	1	7	14	25
Rent & Utilities	0	0	0	0	0	0	0	0	0	0	0	0	2	4	7
Communication Expenses	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2
Office supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Legal and Professional Fees	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
Marketing and Branding	0	0	0	0	0	0	0	0	0	0	0	0	1	2	4
Representation and Entertainment	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Training and Development	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
Other Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total SG&A (thnd USD)	1	1	1	1	1	1	1	1	1	1	1	1	12	26	45

PaT Expectations

Income Statement (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Revenue	**3**	**3**	**3**	**4**	**4**	**4**	**5**	**5**	**5**	**5**	**5**	**5**	**50**	**99**	**162**
Private Lessons	1	1	1	2	2	2	2	2	2	2	2	2	20	39	65
Group Classes	1	1	1	1	1	1	1	1	1	2	2	2	15	30	49
Advanced Training	1	1	1	1	1	1	1	1	1	1	1	1	13	25	41
Other	0	0	0	0	0	0	0	0	0	0	0	0	3	5	8
COGS	**-1**	**-1**	**-1**	**-1**	**-1**	**-1**	**-1**	**-1**	**-1**	**-1**	**-1**	**-1**	**-14**	**-30**	**-52**
Instructor Wages	-0	-0	-0	-0	-0	-0	-1	-1	-1	-1	-1	-1	-6	-12	-21
Facility Costs	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-3	-6	-10
Equipment Supplies	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-4	-9	-16
Other	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-1	-3	-5
Gross Profit	2	2	2	3	3	3	3	3	3	4	4	4	36	69	110
SG&A Personal Expenses	-0	-0	-0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-7	-14	-25
SG&A Operating Expenses	-0	-0	-0	-0	-0	-0	-1	-1	-1	-1	-1	-1	-6	-12	-20
EBITDA	1	1	1	2	2	2	2	2	2	2	2	2	24	43	65
Depreciation	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-12	-12	-12
EBIT	1	1	1	1	1	1	1	1	1	1	1	1	12	31	53
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit before Tax	1	1	1	1	1	1	1	1	1	1	1	1	12	31	53
Tax	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-3	-8	-14
Profit after Tax (thnd USD)	0	0	0	1	1	1	1	1	1	1	1	1	9	23	39

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	11	13	14	15	17	19	20	22	24	26	29	31	31	57	98
Accounts Receivable	3	3	3	4	4	4	5	5	5	5	5	5	5	10	17
Inventory	1	1	1	1	1	1	1	1	1	1	1	2	2	3	5
Prepaid Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Deferred Tax Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Assets	16	17	19	20	22	24	26	28	31	33	36	38	38	71	122
Facility and Pool Infrastructure	32	31	31	31	31	30	30	30	30	29	29	29	29	26	22
Equipment and Furnishings	14	14	13	13	13	13	12	12	12	12	11	11	11	8	6
IT and Administrative Systems	7	7	6	6	6	6	6	5	5	5	5	5	5	2	7
Licensing, Branding, and Miscellaneous	7	6	6	6	6	5	5	5	4	4	4	4	4	7	4
Non-Current Assets	59	58	57	56	55	54	53	52	51	50	49	48	48	43	39
Total Assets	75	75	76	77	77	78	79	81	82	83	85	86	86	115	160
Accounts Payable	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Short-Term Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax Liabilities	0	0	0	1	1	1	1	2	2	2	3	3	3	8	14
Current Liabilities	0	0	1	1	1	1	2	2	2	3	3	3	3	9	15
Loans and Other Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	0	0	1	1	1	1	2	2	2	3	3	3	3	9	15
Paid-In Capital	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	9	32
Current Period Earnings	0	1	1	2	2	3	4	5	6	7	8	9	9	23	39
Total Equity	74	75	75	76	76	77	78	79	80	81	82	83	83	106	145

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	13	11	13	14	15	17	19	20	22	24	26	29	-	31	57
Cash from Sales of Goods / Services	-	3	3	3	4	4	4	5	5	5	5	5	45	94	156
Payments to Employees / Vendors	-1	-2	-2	-2	-2	-2	-2	-2	-3	-3	-3	-3	-28	-57	-99
Advances Paid / Received	-	-	-0	-	-	-0	-	-	-0	-	-	-0	-0	-0	-0
Taxes Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-3	-8
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CF from Operating Activities	-1	1	1	1	2	2	1	2	2	2	2	2	17	34	48
Acquisition of															
Facility and Pool Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-32	-	-
Equipment and Furnishings	-	-	-	-	-	-	-	-	-	-	-	-	-14	-	-
IT and Administrative Systems	-	-	-	-	-	-	-	-	-	-	-	-	-7	-	-7
Licensing, Branding, and Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-7	-7	-
CF from Investing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-60	-7	-7
Loans Received / Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments Received / Paid	-	-	-	-	-	-	-	-	-	-	-	-	74	-	-
CF from Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-	74	-	-
Ending Balance	11	13	14	15	17	19	20	22	24	26	29	31	31	57	98

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

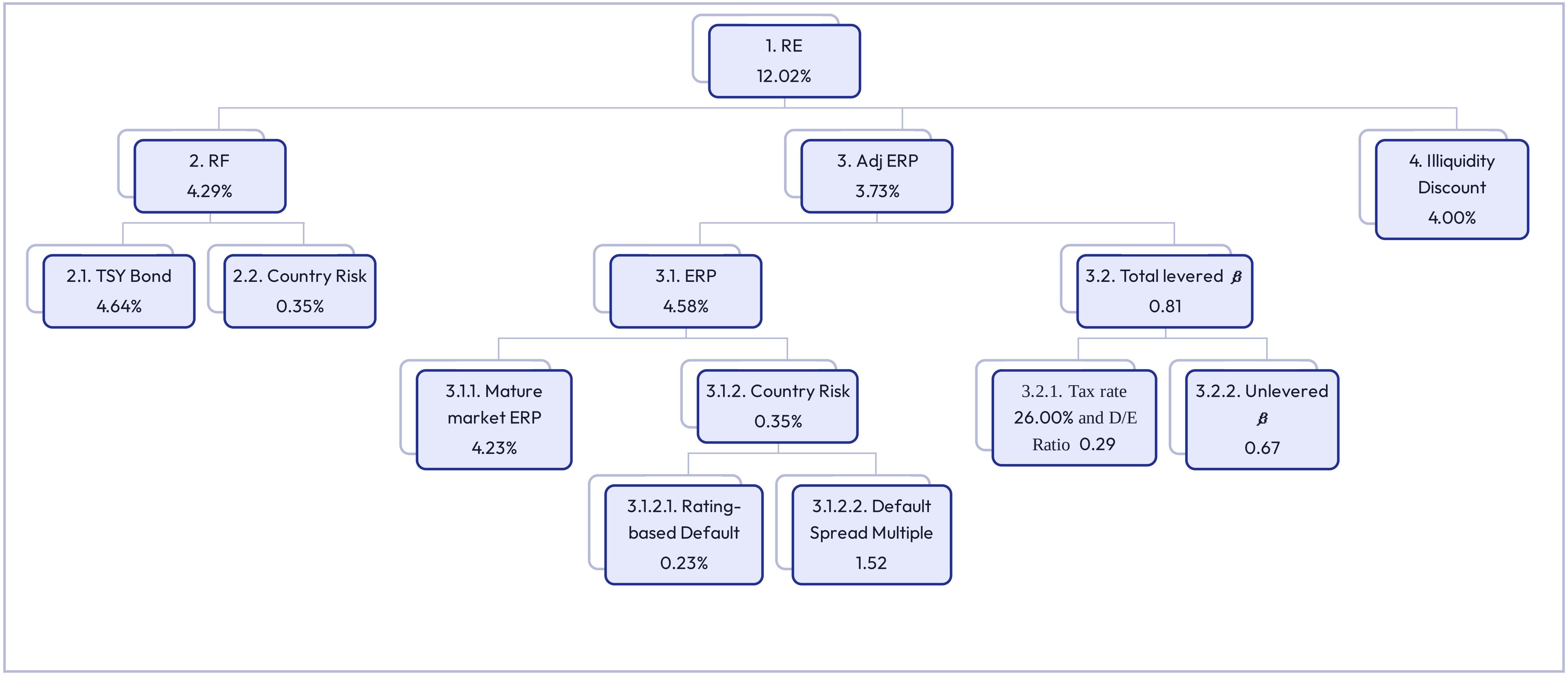
Cash Flow Statement - Indirect (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Initial Balance	13	11	13	14	15	17	19	20	22	24	26	29	-	31	57
EBIT	1	1	1	1	1	1	1	1	1	1	1	1	12	31	53
Δ Receivables & Prepaids	-3	-	-0	-1	-	-0	-1	-	-0	-1	-	-0	-6	-5	-7
Δ Payables	0	-	-	0	-	-	0	-	-	0	-	-	0	0	0
Δ Inventory	-	-	-0	-	-	-0	-	-	-0	-	-	-0	-2	-1	-2
Δ Depreciation	1	1	1	1	1	1	1	1	1	1	1	1	12	12	12
Tax Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-3	-8
Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CF from Operating Activities	-1	1	1	1	2	2	1	2	2	2	2	2	17	34	48
Acquisition of															
Facility and Pool Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-32	-	-
Equipment and Furnishings	-	-	-	-	-	-	-	-	-	-	-	-	-14	-	-
IT and Administrative Systems	-	-	-	-	-	-	-	-	-	-	-	-	-7	-	-7
Licensing, Branding, and Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-7	-7	-
CF from Investing Activities	-	-	-	-	-	-	-	-	-	-	-	-	-60	-7	-7
Loans Received / Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments Received / Paid	-	-	-	-	-	-	-	-	-	-	-	-	74	-	-
CF from Financing Activities	-	-	-	-	-	-	-	-	-	-	-	-	74	-	-
Ending Balance	11	13	14	15	17	19	20	22	24	26	29	31	31	57	98

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



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/

Sources: Aswath Damodaran, Investing.com

Business Valuation

DCF	(thnd USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
	Profit after Tax	**9**	**23**	**39**	**44**	**48**	**53**	**59**
	Growth% Y4-Y7				10.80%	10.80%	10.80%	10.80%
	Growth% Y7	5.60%						
	WACC'	**12.02%**						
	PV Y1-Y7 at Y0	8	18	28	28	27	27	27
	PV Y7 --> Y0	441						
	NPV (thnd USD)	604						

Assumed 3Y Survival Rate 50%

Final Valuation $ 302k

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 12.02 % to determine the Firm Value.

Starting from year 3 onwards, the cash flows are estimated to grow at a rate of 7.20 %, 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.

Sources: Company's Proprietary Planning

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 Ra te (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	$ 162k	$ 187k	$ 138k	$ 162k	$ 162k	$ 162k	$ 162k
	Gross Profit Y3	$ 110k	$ 127k	$ 94k	$ 121k	$ 100k	$ 110k	$ 110k
	GP Margin	68%	68%	68%	74%	62%	68%	68%
	EBITDA Y3	$ 65k	$ 75k	$ 55k	$ 75k	$ 55k	$ 65k	$ 65k
	EBITDA Margin	40%	40%	40%	46%	34%	40%	40%
	Net Profit Y3	$ 39k	$ 47k	$ 32k	$ 47k	$ 32k	$ 39k	$ 39k
	Profit Margin	24%	25%	23%	29%	19%	24%	24%
	Final Valuation	$ 302k	$ 358k	$ 246k	$ 361k	$ 243k	$ 378k	$ 250k

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

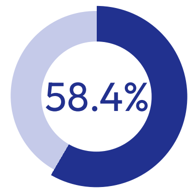
This scenario explores the challenges of managing rapid growth while dealing with operational bottlenecks. A surge in demand and revenue places significant strain on supply chains and internal processes. Despite achieving higher sales volumes, inefficiencies in scaling lead to increased costs and a heightened 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

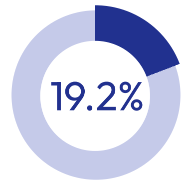
Results

$ 146k Valuation	$ 195k Revenue Y3
$ 37k EBITDA	$ 19k 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

The Perfect Storm

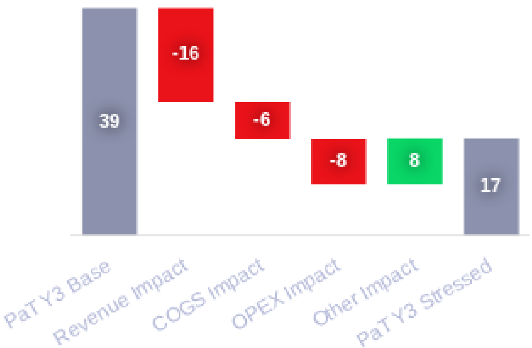
Story

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

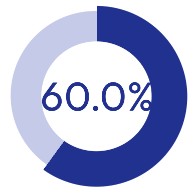


$ 106k
Valuation

$ 146k
Revenue Y3

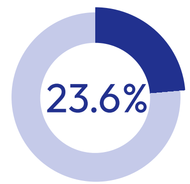
$ 35k
EBITDA

$ 17k
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	$ 40k	$ 45k	$ 48k	$ 53k	$ 55k	$ 60k	$ 46k	$ 47k	$ 49k	$ 52k	$ 53k	$ 55k
	Y2	$ 79k	$ 89k	$ 94k	$ 103k	$ 108k	$ 118k	$ 90k	$ 93k	$ 96k	$ 102k	$ 104k	$ 107k
	Y3	$ 130k	$ 146k	$ 154k	$ 171k	$ 179k	$ 195k	$ 148k	$ 153k	$ 158k	$ 167k	$ 172k	$ 177k
Gross Profit	Y1	$ 29k	$ 32k	$ 34k	$ 38k	$ 40k	$ 43k	$ 33k	$ 34k	$ 35k	$ 37k	$ 38k	$ 39k
	Y2	$ 55k	$ 62k	$ 66k	$ 72k	$ 76k	$ 83k	$ 63k	$ 65k	$ 67k	$ 71k	$ 73k	$ 75k
	Y3	$ 88k	$ 99k	$ 105k	$ 116k	$ 122k	$ 133k	$ 101k	$ 104k	$ 107k	$ 114k	$ 117k	$ 120k
GP Margin	Y1	72%	72%	72%	72%	72%	72%	72%	72%	72%	72%	72%	72%
	Y2	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
	Y3	68%	68%	68%	68%	68%	68%	68%	68%	68%	68%	68%	68%
EBITDA	Y1	$ 19k	$ 21k	$ 23k	$ 25k	$ 26k	$ 29k	$ 22k	$ 22k	$ 23k	$ 24k	$ 25k	$ 26k
	Y2	$ 34k	$ 39k	$ 41k	$ 45k	$ 47k	$ 52k	$ 39k	$ 41k	$ 42k	$ 44k	$ 46k	$ 47k
	Y3	$ 52k	$ 58k	$ 62k	$ 68k	$ 71k	$ 78k	$ 59k	$ 61k	$ 63k	$ 67k	$ 69k	$ 71k
EBITDA Margin	Y1	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%	48%
	Y2	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%
	Y3	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
Net Profit	Y1	$ 5k	$ 7k	$ 8k	$ 10k	$ 11k	$ 12k	$ 7k	$ 8k	$ 8k	$ 9k	$ 10k	$ 10k
	Y2	$ 17k	$ 20k	$ 22k	$ 25k	$ 26k	$ 30k	$ 20k	$ 21k	$ 22k	$ 24k	$ 25k	$ 26k
	Y3	$ 30k	$ 35k	$ 37k	$ 42k	$ 44k	$ 49k	$ 35k	$ 36k	$ 38k	$ 41k	$ 42k	$ 44k
Profit Margin	Y1	13%	16%	17%	18%	19%	21%	16%	17%	17%	18%	19%	19%
	Y2	21%	22%	23%	24%	24%	25%	23%	23%	23%	24%	24%	24%
	Y3	23%	24%	24%	24%	25%	25%	24%	24%	24%	24%	25%	25%
Final Valuation		$ 227k	$ 265k	$ 283k	$ 321k	$ 339k	$ 377k	$ 268k	$ 280k	$ 291k	$ 313k	$ 324k	$ 336k

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

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