

Core State Holdings (CSH) USA

2019-20 Financial Forecast and Forecast Valuation

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Budget May 1, 2019/April 31, 2020 Summary

(USD\$ in \$, unless specified)

Calendar 2019-20

	May	June	July	August	September	October	November	December	January	February	March	April	2019-20
Revenue													
Advertising Sales	2,500	5,000	12,000	24,000	50,000	60,000	84,000	96,000	135,000	150,000	165,000	180,000	963,500
Monthly Memberships	1,350	4,499	9,448	16,196	25,194	36,442	49,939	65,685	83,681	101,677	121,923	142,168	658,204
Sponsored Articles	500	2,500	5,000	7,500	7,500	10,000	12,500	12,500	21,250	25,500	25,500	25,500	155,750
Total Transaction Fee Collected	250	2,500	7,500	12,500	17,500	25,000	37,500	50,000	37,500	50,000	62,500	75,000	377,750
PTPWallet Gems Sales	344	574	1,148	1,722	2,870	2,870	2,870	2,870	2,870	2,870	2,870	2,870	26,748
Merchant API Transaction Fee Collect	25	70	250	800	2,000	7,800	12,800	19,000	26,400	30,000	42,000	55,800	196,945
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	4,969	15,143	35,346	62,718	105,064	142,112	199,609	246,055	306,701	360,047	419,793	481,338	2,378,897
COGS													
Network Cost	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,575	2,575	2,575	2,575	26,900
Marketing Cost	42,125	52,286	62,114	60,395	61,731	64,306	108,963	114,219	134,445	156,117	181,028	198,568	1,236,297
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
SG&A_Labour Expenses													
Sales/Marketing Expense	8,649	10,814	14,002	19,926	30,411	36,964	47,363	55,796	71,821	68,079	74,353	82,717	520,896
Office and Development Department	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Executive G&A	63,647	6,014	8,035	11,272	15,506	12,106	14,980	18,303	21,335	24,002	26,990	30,067	252,257
Security and Monitoring Department	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Labour Expense	21,000	31,500	36,500	47,000	51,000	63,000	58,500	58,500	62,000	63,500	63,500	71,500	627,500
Total	145,496	110,689	130,725	148,668	168,723	186,451	239,882	256,893	300,177	322,273	356,445	393,428	2,759,850
Operating Margin	(140,527)	(95,546)	(95,380)	(85,950)	(63,659)	(44,339)	(40,273)	(10,838)	6,524	37,774	63,348	87,911	380,953
<i>Operating Margin</i>	<i>-2828.0%</i>	<i>-631.0%</i>	<i>-269.8%</i>	<i>-137.0%</i>	<i>-60.6%</i>	<i>-31.2%</i>	<i>-20.2%</i>	<i>-4.4%</i>	<i>2.1%</i>	<i>10.5%</i>	<i>15.1%</i>	<i>18.3%</i>	<i>-16.0%</i>
S,G & A	77	22	27	36	51	54	67	79	98	97	106	118	833
EBITDA	(140,604)	(95,568)	(95,407)	(85,986)	(63,710)	(44,393)	(40,340)	(10,917)	6,426	37,677	63,241	87,793	(381,786)
<i>EBITDA Margin</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>2%</i>	<i>10%</i>	<i>15%</i>	<i>18%</i>	<i>nm</i>

Budget 2019-20 - Year-over-Year (YOY) Comparison

(USD\$ in \$, unless specified)

	2019	2020	2021	2022	2023	2024	2025
Advertising Sales	-	963,500	1,300,725	1,690,943	2,113,678	2,536,414	2,916,876
Monthly Memberships	-	658,204	1,184,767	1,658,673	2,239,209	2,575,090	2,961,354
Sponsored Articles	-	155,750	163,538	171,714	180,300	189,315	198,781
Total Transaction Fee Collected	-	377,750	944,375	1,699,875	2,549,813	3,442,247	4,130,696
PTPWallet Gems Sales	-	26,748	30,761	35,375	40,681	46,783	53,801
Merchant API Transaction Fee Collected	-	196,945	256,029	345,638	483,894	725,841	1,052,469
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total Revenue	-	2,378,897	3,880,193	5,602,218	7,607,575	9,515,690	11,313,977
Percentage Increase	nm	#DIV/0!	63%	44%	36%	25%	19%
Total COGS	-	1,263,197	1,326,357	1,458,993	1,604,892	1,765,381	1,941,919
Operating Margin	-	1,115,700	2,553,836	4,143,226	6,002,682	7,750,309	9,372,057
Margin Percentage	#DIV/0!	47%	66%	74%	79%	81%	83%
SG&A							
Sales/Marketing Expense	-	520,896	703,210	879,012	1,098,765	1,318,518	1,516,296
Executive G&A	-	252,257	378,385	567,578	709,473	886,841	975,525
Office/Development Department	-	60,000	72,000	108,000	151,200	181,440	199,584
Labor Expense	-	627,500	784,375	980,469	1,176,563	1,411,875	1,694,250
	-	-	-	-	-	-	-
Total SG&A	-	1,460,653	1,937,970	2,535,059	3,136,000	3,798,674	4,385,655
EBITDA	-	(344,953)	615,866	1,608,167	2,866,682	3,951,635	4,986,402

Budget 2019-20 - Profit & Loss Statement

(USD\$ in \$, unless specified)

	May	June	July	August	September	October	November	December	January	February	March	April	2019-20
Revenues by Segment													
CSH Product and Services	4,969	15,143	35,346	62,718	105,064	142,112	199,609	246,055	306,701	360,047	419,793	481,338	2,378,897
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	4,969	15,143	35,346	62,718	105,064	142,112	199,609	246,055	306,701	360,047	419,793	481,338	2,378,897
COGS													
Network Cost	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,575	2,575	2,575	2,575	26,900
Marketing Cost	42,125	52,286	62,114	60,395	61,731	64,306	108,963	114,219	134,445	156,117	181,028	198,568	1,236,297
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total COGS	44,200	54,361	64,189	62,470	63,806	66,381	111,038	116,294	137,020	158,692	183,603	201,143	1,263,197
Operating Margin	(39,231)	(39,218)	(28,843)	249	41,258	75,731	88,571	129,761	169,681	201,356	236,190	280,195	1,115,700
Operating Margin Percentage	-789.5%	-259.0%	-81.6%	0.4%	39.3%	53.3%	44.4%	52.7%	55.3%	55.9%	56.3%	58.2%	46.9%
SG&A_Labour Expenses													
Sales/Marketing Expense	8,649	10,814	14,002	19,926	30,411	36,964	47,363	55,796	71,821	68,079	74,353	82,717	520,896
Office and Development Department	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Executive G&A	63,647	6,014	8,035	11,272	15,506	12,106	14,980	18,303	21,335	24,002	26,990	30,067	252,257
Security and Monitoring Department	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Labour Expense	21,000	31,500	36,500	47,000	51,000	63,000	58,500	58,500	62,000	63,500	63,500	71,500	627,500
Total SG&A	101,296	56,328	66,536	86,198	104,917	120,070	128,844	140,599	163,156	163,581	172,843	192,284	1,496,653
EBITDA	(140,527)	(95,546)	(95,380)	(85,950)	(63,659)	(44,339)	(40,273)	(10,838)	6,524	37,774	63,348	87,911	(380,953)
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income	(140,527)	(95,546)	(95,380)	(85,950)	(63,659)	(44,339)	(40,273)	(10,838)	6,524	37,774	63,348	87,911	(380,953)

Budget 2019-2020 Cash Flow Statement

(USD\$ in \$, unless specified)

	May	June	July	August	September	October	November	December	January	February	March	April
Cash Flow from Operations												
Net Income	(140,527)	(95,546)	(95,380)	(85,950)	(63,659)	(44,339)	(40,273)	(10,838)	6,524	37,774	63,348	87,911
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Flow from Operations	(140,527)	(95,546)	(95,380)	(85,950)	(63,659)	(44,339)	(40,273)	(10,838)	6,524	37,774	63,348	87,911
Cash Flow from Investing												
Capital Expenditures	924,600	(401,022)	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Flow from Investing	924,600	(401,022)	-	-	-	-	-	-	-	-	-	-
Cash Flow from Financing												
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Flow from Financing	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Flow	784,073	(496,568)	(95,380)	(85,950)	(63,659)	(44,339)	(40,273)	(10,838)	6,524	37,774	63,348	87,911
Cash at Beginning of Period	-	-	-	-	-	-	-	-	-	-	-	-
Cash at End of Period	784,073	(496,568)	(95,380)	(85,950)	(63,659)	(44,339)	(40,273)	(10,838)	6,524	37,774	63,348	87,911

2019-2020 Budget - Revenue Buildup

(USD\$ in \$, unless specified)

	May	June	July	August	September	October	November	December	January	February	March	April	2019-20		
CannaSOS/PTPWallet Products															
Sales Volume in Units													Volume		
Sales Volume in Units	Advertising Sales Volume	5	10	15	30	50	60	70	80	90	100	110	120	740	
	Monthly Membership for Businesses	15	35	55	75	100	125	150	175	200	200	225	225	1,580	
	Sponsored Articles	1	5	10	15	15	20	25	25	25	30	30	30	231	
	PTPWallet Transaction Volume	1000	10000	30000	50000	70000	100000	150000	200000	150000	200000	250000	300000		
	PTPWallet Gems Sales Volume	300	500	1,000	1,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	23,300	
	Merchant API Accounts	10	20	50	80	100	130	160	190	220	250	280	310	1,800	
	Merchant API Transaction Volume per Store	20	20	20	20	20	40	40	40	60	60	60	60		
		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unit Pricing															
Unit Pricing	Advertising Price	\$ Average Cost	500.00	500.00	800.00	800.00	1,000.00	1,200.00	1,200.00	1,500.00	1,500.00	1,500.00	1,500.00		
	Monthly Memberships	\$ Average Cost	89.98	89.98	89.98	89.98	89.98	89.98	89.98	89.98	89.98	89.98	89.98		
	Sponsored Articles	\$ Average Cost	500.00	500.00	500.00	500.00	500.00	500.00	500.00	850.00	850.00	850.00	850.00		
	Transaction Fee in Wallet	%	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50		
	Withdraw Transaction Fee	%	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50		
	Average Usage per User/month		25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00		
	PTPWallet Gem	\$	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64		
	Merchant API fee	%	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50		
Merchant Average Purchasing	\$	25.00	35.00	50.00	100.00	200.00	300.00	400.00	500.00	400.00	400.00	500.00	600.00		
Sales													Sales		
Sales	Advertising Sales		2,500	5,000	12,000	24,000	50,000	60,000	84,000	96,000	135,000	150,000	165,000	180,000	963,500
	Monthly Memberships		1,350	4,499	9,448	16,196	25,194	36,442	49,939	65,685	83,681	101,677	121,923	142,168	658,204
	Sponsored Articles		500	2,500	5,000	7,500	7,500	10,000	12,500	12,500	21,250	25,500	25,500	25,500	155,750
	Total Transaction Fee Collected		250	2,500	7,500	12,500	17,500	25,000	37,500	50,000	37,500	50,000	62,500	75,000	377,750
	PTPWallet Gems Sales		344	574	1,148	1,722	2,870	2,870	2,870	2,870	2,870	2,870	2,870	2,870	26,748
	Merchant API Transaction Fee Collected		25	70	250	800	2,000	7,800	12,800	19,000	26,400	30,000	42,000	55,800	196,945
			-	-	-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Core State Holdings Revenues		4,969	15,143	35,346	62,718	105,064	142,112	199,609	246,055	306,701	360,047	419,793	481,338	2,378,897	
Other Revenue															
		-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Other Revenues		-	-	-	-	-	-	-	-	-	-	-	-	-	
Revenue - Grand Total		4,969	15,143	35,346	62,718	105,064	142,112	199,609	246,055	306,701	360,047	419,793	481,338	2,378,897	

2019-2020 Budget - COGS Buildup

(USD\$ in \$, unless specified)

	May	June	July	August	September	October	November	December	January	February	March	April	2019-20	
Core State Holdings COGS														
Network Cost	Cloud Network Cost	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,500.0	1,500.0	1,500.0	1,500.0	14,000.0	
	License fee for CRM Sales force	825.0	825.0	825.0	825.0	825.0	825.0	825.0	825.0	825.0	825.0	825.0	9,900.0	
	License fee for software	250.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0	3,000.0	
	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cost	2,075.0	2,075.0	2,075.0	2,075.0	2,075.0	2,075.0	2,075.0	2,075.0	2,575.0	2,575.0	2,575.0	2,575.0	26,900.0	
Marketing Cost	Paid Articles	15,000	15,000	15,000	15,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	100,000	
	Press Release Distribution	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	19,200	
	Local Newspaper Ad	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	55,000	
	Social Network Ad (FB, Twitter, LinkedIn)	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	-	-	-	40,000	
	Expo	-	7,000	7,000	7,000	7,000	7,000	7,000	-	-	7,000	7,000	63,000	
	Newspapers Interview	4,000	-	4,000	-	4,000	-	4,000	-	4,000	-	4,000	-	24,000
	Stimulation of the client base	500	500	500	500	500	500	1,500	1,500	1,500	1,500	1,500	1,500	12,000
	Paid Advertising Banners (CPC, CPM, CPA)	10,000	10,000	10,000	8,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	78,000
	Apple Advertising	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
	Printing and Mail Cost	-	-	1,500	-	1,500	-	-	-	-	-	-	-	3,000
	License fee for PTPWallet software	155	786	2,225	3,756	5,593	8,918	18,610	25,155	23,370	29,005	37,580	46,785	201,933
	License fee for CanvaSOS software	870	2,400	5,290	9,539	16,539	21,288	51,254	60,965	83,976	97,012	109,348	121,684	580,164
Total Marketing Costs	42,125	52,286	62,114	60,395	61,731	64,306	108,963	114,219	134,445	156,117	181,028	198,568	1,236,297	
COGS - Grand Total	44,200	54,361	64,189	62,470	63,806	66,381	111,038	116,294	137,020	158,692	183,603	201,143	1,263,197	

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2019-2020 Budget - SG&A Build-up

(USD\$ in \$, unless specified)

	May	June	July	August	September	October	November	December	January	February	March	April	2019-20
Executive Package													
Sales Management Commission	497	1,514	3,535	6,272	10,506	7,106	9,980	12,303	15,335	18,002	20,990	24,067	130,107
Travel/Expense	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Legal Fees	30,000	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	46,500
Entertainment	500	500	500	1,000	1,000	1,000	1,000	2,000	2,000	2,000	2,000	2,000	15,500
Escrow Service	30,150	-	-	-	-	-	-	-	-	-	-	-	30,150
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Executive	63,647	6,014	8,035	11,272	15,506	12,106	14,980	18,303	21,335	24,002	26,990	30,067	252,257
Sales & Marketing													
Sales Commission Cost	1,149	3,314	7,502	13,426	22,911	29,464	40,863	49,296	63,321	59,579	67,853	76,217	434,896
SEO Specialist	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Designer	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Video Creator	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Translated Services	1,000	1,000	-	-	1,000	1,000	-	-	2,000	2,000	-	-	8,000
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sales & Marketing	8,649	10,814	14,002	19,926	30,411	36,964	47,363	55,796	71,821	68,079	74,353	82,717	520,896
Security and Monitoring Department													
Monitoring Cost	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Security Cost	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Office	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Total SG&A	77,296	21,828	27,036	36,198	50,917	54,070	67,344	79,099	98,156	97,081	106,343	117,784	833,153

2019-20 Budget - Labor Build-up

(USD\$ in \$, unless specified)

	May	June	July	August	September	October	November	December	January	February	March	April	2019-20
Executive Payroll													
President	6,000	6,000	6,000	6,000	6,000	6,000	8,000	8,000	8,000	8,000	8,000	8,000	84,000
CFO	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	7,000	7,000	7,000	7,000	68,000
VP of Business Development	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	44,000
VP of Sales	-	-	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	36,000
VP of Marketing	-	-	-	-	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	28,000
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Executive Payroll	11,000	15,000	15,000	19,000	19,000	23,000	25,000	25,000	27,000	27,000	27,000	27,000	260,000
Sales Payroll													
Sales Mgr. East Cost USA	2,500	2,500	2,500	2,500	2,500	2,500	4,000	4,000	4,000	4,000	4,000	4,000	39,000
Sales Mgr. West Cost USA	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	4,000	4,000	4,000	4,000	33,500
Sales Mgr. Central Cost USA	-	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	4,000	4,000	4,000	29,500
Sales Agent	-	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	25,000
Sales Agent	-	-	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	22,500
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Payroll	2,500	5,000	10,000	12,500	12,500	12,500	14,000	14,000	15,500	17,000	17,000	17,000	149,500
Marketing Department													
Marketing Mgr. East Cost USA	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
Marketing Mgr. West Cost USA	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	44,000
Marketing Mgr. Central Cost USA	-	-	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	36,000
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Marketing Department	4,000	8,000	8,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	128,000
Developing Department													
UI/UX Specialist for USA Market	-	-	-	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	32,000
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Development Department by Cash	-	-	-	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	32,000
Administration Payroll													
Accounting	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000
Audit	-	-	-	-	-	8,000	-	-	-	-	-	8,000	16,000
Total Administrator Payroll	3,500	3,500	3,500	3,500	3,500	11,500	3,500	3,500	3,500	3,500	3,500	11,500	58,000
Subtotal Costs	21,000	31,500	36,500	47,000	51,000	63,000	58,500	58,500	62,000	63,500	63,500	71,500	627,500
Total Costs	21,000	31,500	36,500	47,000	51,000	63,000	58,500	58,500	62,000	63,500	63,500	71,500	627,500

2019-2020 Budget - Equity & Debt

(USD\$ in \$, unless specified)

	2019	2019	2019	2019	2019	2019	2019	2019	2019	2020	2020	2020	2020	2019-20
	May	June	July	August	September	October	November	December	January	February	March	April		
Crowdfunding	1,005,000	-	-	-	-	-	-	-	-	-	-	-	-	1,005,000
Offering Expenses (FP Fees)	(80,400)	-	-	-	-	-	-	-	-	-	-	-	-	(80,400)
Expenses for IPO Company, Marketing, Capital Reserve	-	(401,022)	-	-	-	-	-	-	-	-	-	-	-	(401,022)
Equity Raise	924,600	401,022	-	-	-	-	-	-	-	-	-	-	-	523,578
Negative Net Income	- 140,527	- 95,546	- 95,380	- 85,950	- 63,659	- 44,339	- 40,273	- 10,838	6,524	37,774	63,348	87,911		
Total Negative Net Income	- 140,527	- 95,546	- 95,380	- 85,950	- 63,659	- 44,339	- 40,273	- 10,838	-	-	-	-	-	576,511
Positive Net Income	-	-	-	-	-	-	-	-	6,524	37,774	63,348	87,911	-	195,557
Debit	784,073	496,568	95,380	85,950	63,659	44,339	40,273	10,838	6,524	37,774	63,348	87,911	-	142,625
Purchasing Shares Class B														
Capital Stock Shares Class B (Qty) New Investor	150,000	-	-	-	-	-	-	-	-	-	-	-	-	150000
Capital Cost per Share Class B	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 7.71	\$ 8.48	\$ 9.32	\$ 10.26		
Capital Stock Shares Class B (Qty) Old Investor	150,000	-	-	-	-	-	-	-	-	-	-	-	-	150000
Total Capital Stock of Shares Class B	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	
ROI														
Interest (cash pay) dividend	-	-	-	-	-	-	-	-	1,957	11,332	19,004	26,373		
Dividend per Share									0.01	0.04	0.06	0.09		
<i>From Net Income</i>														
<i>Dividend Rate</i>														30.0%

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Total Shares: 300000 Preferred Shares Class B
Purchase Price per Share: \$ 6.70
Total Equity Amount: \$ 2,010,000.00

ROI	2019-20												Total
	May	June	July	August	September	October	November	December	January	February	March	April	
Dividend payout	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,957.35	\$ 11,332.34	\$ 19,004.30	\$ 26,373.26	\$ 58,667.24
Cost of Equity	\$ 2,010,000.00	\$ 2,010,000.00	\$ 2,010,000.00	\$ 2,010,000.00	\$ 2,010,000.00	\$ 2,010,000.00	\$ 2,010,000.00	\$ 2,010,000.00	\$ 2,311,500.00	\$ 2,542,650.00	\$ 2,796,915.00	\$ 3,076,606.50	\$ 3,076,606.50
Total ROI for 2019-2020													\$ 3,135,273.74

ROI by Years	2019/2020	2021	2022	2023	2024	2025	Total
Total Revenue	2,378,897	3,880,193	5,602,218	7,607,575	9,515,690	11,313,977	
Total COGS	1,263,197	1,326,357	1,458,993	1,604,892	1,765,381	1,941,919	
Sales/Marketing Expense	520,896	703,210	879,012	1,098,765	1,318,518	1,516,296	
Executive G&A	252,257	378,385	567,578	709,473	886,841	975,525	
Office/Development Department	60,000	72,000	108,000	151,200	181,440	199,584	
Labour Expense	627,500	784,375	980,469	1,176,563	1,411,875	1,694,250	
Net Profit -	344,953	615,866	1,608,167	2,866,682	3,951,635	4,986,402	2019-2025
Dividends payout	58,667	184,759.83	482,449.99	860,004.64	1,185,490.40	1,495,920.69	\$ 4,267,292.80
Cost of Equity	3,076,607	3,691,927.80	4,430,313.36	5,316,376.03	6,379,651.24	7,655,581.49	
Total ROI for 2019-25							\$ 11,922,874.28

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2019-25 Valuation Analysis

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Total Shares:

300000 Preferred Shares Class B

2019-25 Valuation Analysis

Valuation by Years	2019/2020	2021	2022	2023	2024	2025
Market Capitalization of Equity	3,076,607	3,691,928	4,430,313	5,316,376	6,379,651	7,655,581
Income Approach	1,585,882	2,712,705	4,023,866	4,345,775	4,693,437	5,068,912
Reproduction Cost	7,500,000	7,875,000	8,268,750	8,682,188	9,116,297	9,572,112
Average Equity Valuation Price	4,054,163	4,759,878	5,574,310	6,114,780	6,729,795	7,432,202

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