AuroraSkin & Laser (Miami) - CPP Grade

Comprehensive Investment Analysis

Executive Summary

This comprehensive analysis of AuroraSkin & Laser (Miami) - CPP Grade presents a detailed financial evaluation including TTM performance normalization, multiple valuation approaches, LBO modeling, and risk assessment through Monte Carlo simulation and scenario analysis.

Key Financial Metrics (TTM 2024-Q3 → 2025-Q2)

• TTM Revenue: $8.75M

• Adjusted EBITDA: $1.81M (20.6% margin)

• Base Case Valuation (8.5x): $15.35M EV / $13.32M Equity

• EPV Intrinsic Value: $9.13M EV / $7.10M Equity

• LBO Returns: 22.8% IRR / 2.8x MoIC

Analysis Date: July 26, 2025

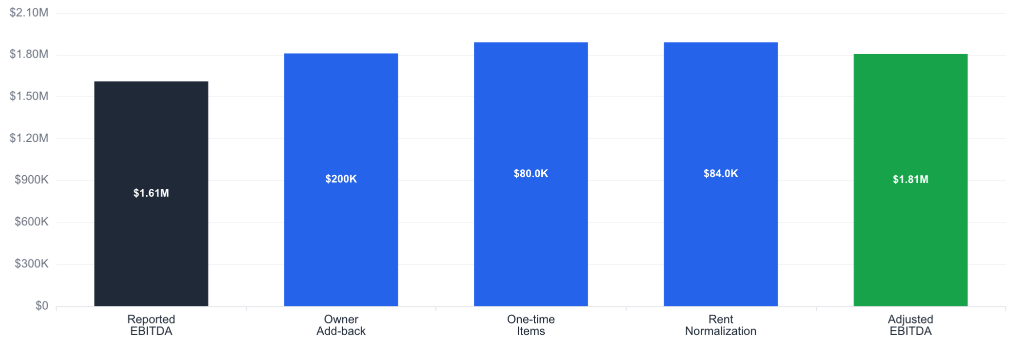
Generated by CPP Visual Report Kit

EBITDA Bridge Analysis

TTM normalization waterfall showing path from reported to adjusted EBITDA

AuroraSkin & Laser (Miami)

EBITDA Bridge - 2024-Q3 → 2025-Q2



Bridge Components

Reported EBITDA:	$1.61M
Owner Add-back:	$200K
One-time Items:	$80.0K
Rent Normalization:	-$84.0K
Adjusted EBITDA:	$1.81M

Margin Analysis

TTM Revenue:	$8.75M
Reported Margin:	18.4%
Adjusted Margin:	20.6%

Valuation Matrix

Enterprise and equity values across multiple scenarios (7.0x - 10.0x)

AuroraSkin & Laser (Miami)

Valuation Matrix - 2024-Q3 → 2025-Q2

Adj. EBITDA: $1.81M **Old Net Debt:** $1.94M **Base Case:** 8.5×

Multiple	Enterprise Value	Equity to Seller	EV/Revenue
7.0×	$12.64M	$10.61M	1.4×
7.5×	$13.54M	$11.52M	1.6×
8.0×	$14.45M	$12.42M	1.6×
8.5×	**$15.35M**	**$13.32M**	**1.8×**
9.0×	$16.25M	$14.22M	1.9×
9.5×	$17.16M	$15.13M	2.0×
10.0×	$18.06M	$16.03M	2.1×

Valuation Summary

Valuation Range:	$10.61M – $16.03M	Multiple Range:	7.0× – 10.0×
Base Case EV:	$15.35M	Revenue Multiple:	1.8×
Base Case Equity:	$13.32M	EBITDA Margin:	20.6%

Earnings Power Value Analysis

Intrinsic value calculation with WACC and reinvestment sensitivity

EPV Calculation

Current Assumptions:

EBIT:	$1.69M
Tax Rate:	26.0%
Reinvestment:	9.0% of EBIT
WACC:	12.0%

Calculation Steps:

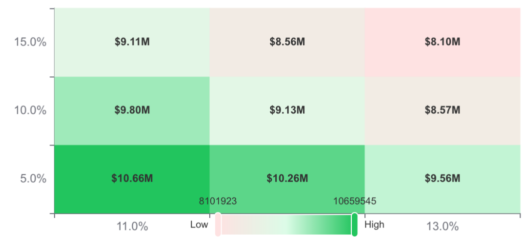
NOPAT:	$1.25M
Reinvestment:	$152K
Free Cash Flow:	$1.10M

EPV Results:

EPV Enterprise:	$9.13M
EPV Equity:	$7.10M
EPV Multiple:	5.1x

3×3 Sensitivity Analysis

EPV Enterprise Value by WACC and Reinvestment Rate



Sensitivity Insights:

Range:	$8.10M - $10.66M
Current Case:	$9.13M
vs Market Multiple:	59% of market multiple

EPV provides conservative valuation floor based on normalized earnings power

LBO Analysis Summary

Sources & uses, debt schedule, and projected returns analysis

LBO Sources & Uses

Entry EV	New Debt	Sponsor Equity	Equity to Seller
$15.35M	$11.13M	$4.22M	$13.32M
	73% of EV	INVESTED	EV - Old Debt

Debt Amortization Schedule

Exit Metrics (Year 5)

Exit Multiple:	8.0x
Year 5 EBITDA:	$2.65M
Exit EV:	$21.19M
Exit Debt:	$9.47M
Exit Equity:	$11.72M

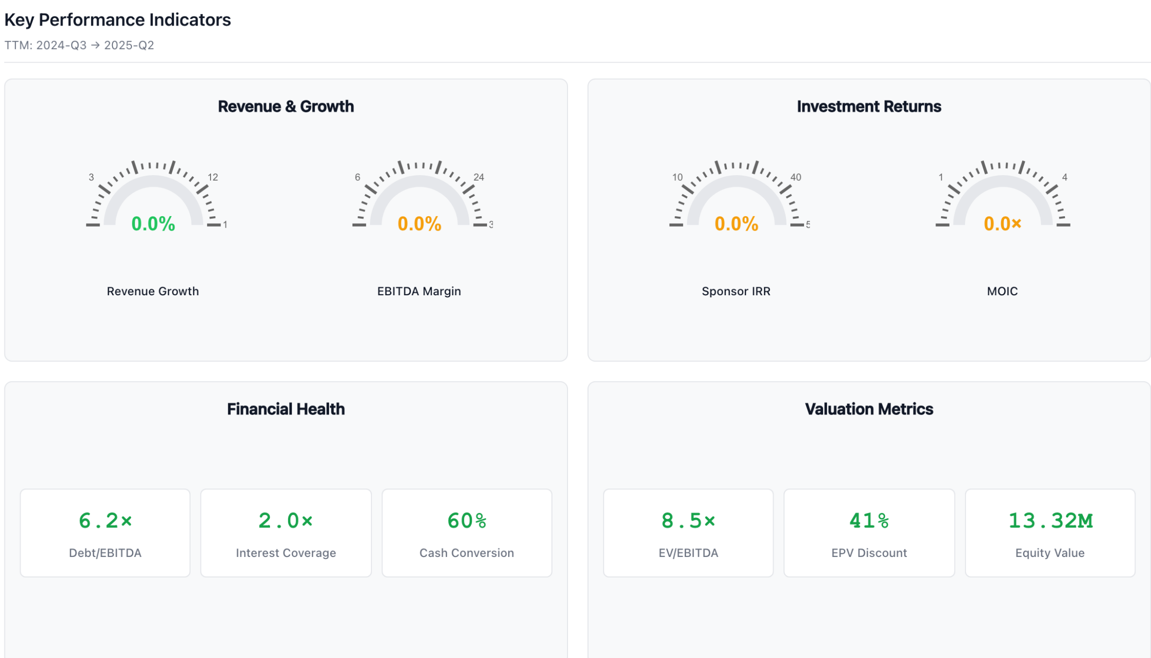
Returns Summary

Key Assumptions

Entry Debt %:	73%
Debt Rate:	8.5%
Cash Sweep:	80%
Hold Period:	5 years
Revenue CAGR:	8.0%
EBITDA CAGR:	8.0%

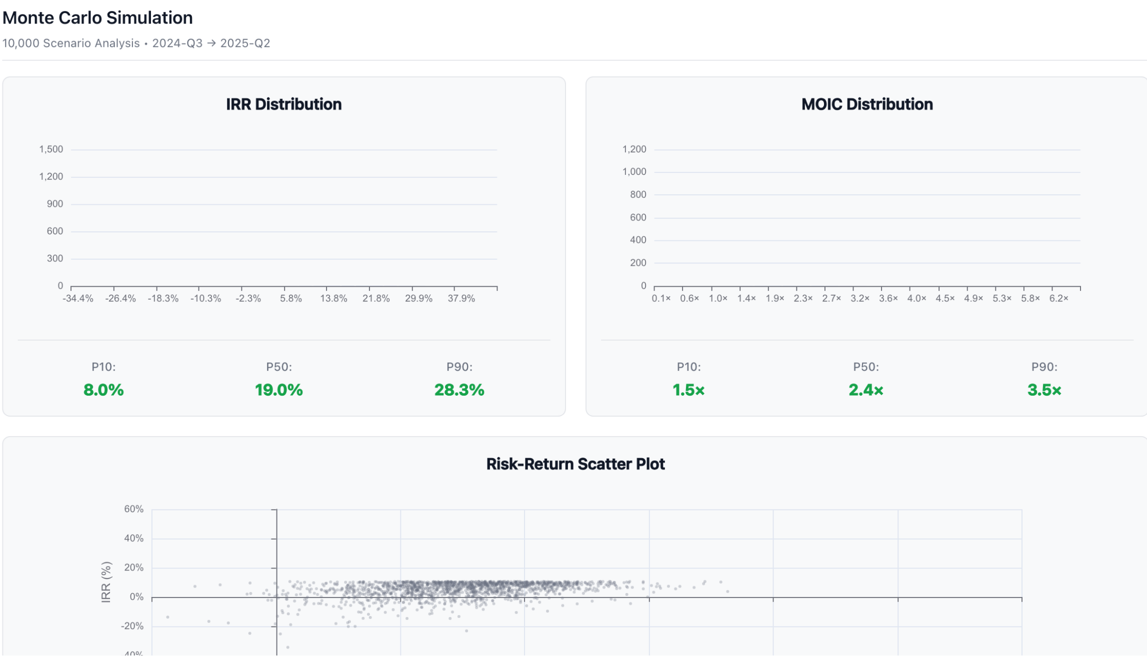
Key Performance Indicators

Operational metrics with performance benchmarks and targets



Monte Carlo Simulation

10,000-iteration risk analysis with statistical distributions



Scenario Analysis

Base, downside, and upside case modeling with equity impact

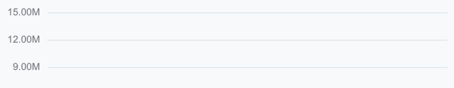
Scenario Analysis

Base / Downside / Upside • 2024-Q3 → 2025-Q2

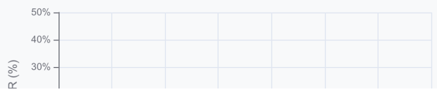
Key Metrics Comparison

Metric	Downside	Base Case	Upside	Range
Revenue CAGR	5.0%	**8.0%**	11.0%	*6.0%*
Year 5 Revenue	11.17M	**12.86M**	14.74M	*3.58M*
Year 5 EBITDA Margin	20.6%	**23.1%**	25.6%	*5.0%*
Year 5 EBITDA	2.30M	**2.98M**	3.78M	*1.48M*
Exit Multiple	6.5×	**8.0×**	9.5×	*3.0×*
Exit EV	14.98M	**23.80M**	35.91M	*20.93M*
Exit Equity	5.52M	**14.34M**	26.45M	*20.93M*
MOIC	1.3×	**3.4×**	6.3×	*5.0×*
IRR	5.5%	**27.7%**	44.3%	*38.8%*

Revenue Trajectory



Returns Comparison



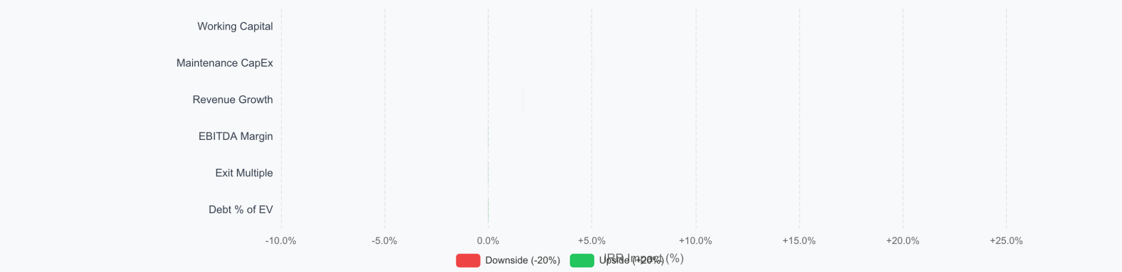
Sensitivity Analysis

IRR impact ranking of key value drivers

Sensitivity Analysis

Impact on Sponsor IRR • 2024-Q3 → 2025-Q2

Tornado Chart - IRR Sensitivity



Base Case IRR: 22.8%

Each variable moved ±20% from base case assumptions

Detailed Sensitivity Analysis

Variable	Base Case	Low (-20%)	High (+20%)	IRR Impact
Debt % of EV	72.5%	58.0% → 19.8%	87.0% → 45.0%	**25.2%**

Two-Way Sensitivity: Revenue Growth vs Exit Multiple