

Omega 10x Return Model (20M Valuation Target)

Illustrative model for a \$50K-\$100K investment targeting a 10x return at a \$20M valuation event within about 24 months.

1) 10x Math at a \$20M Valuation

Return multiple depends on ownership at the valuation event.

Investment	10x Return Needed	Ownership Required at \$20M	Implied Post-Money at Entry
\$50K	\$500K	2.5%	\$2.0M post-money
\$100K	\$1.0M	5.0%	\$2.0M post-money

Interpretation:

To deliver 10x at a \$20M valuation, a \$100K investor needs about 5% ownership at that event (2.5% for \$50K). This implies a low entry valuation (about \$2M post-money) unless the investor accepts a lower return or you target a higher valuation.

2) Dilution Reality Check

- Assume 20% dilution between now and the \$20M valuation (seed, bridge, or option pool).
- Required entry ownership = required exit ownership divided by (1 minus dilution).
- For a 10x at \$20M with 20% dilution: $5.0\% / 0.8 = 6.25\%$ entry ownership for \$100K.
- That implies an even lower entry valuation (about \$1.6M post-money).

3) Practical Options

- **Option A:** Offer higher ownership for early capital (aggressive, founder-dilutive).
- **Option B:** Keep a higher valuation but target a larger exit (\$50M-\$100M) to hit 10x.
- **Option C:** Use a SAFE with a valuation cap and discount to balance upside.

4) Revenue Path to Support a \$20M Valuation (Illustrative)

- **AI Receptionist:** 100 clinics x \$900/mo = \$90K MRR -> \$1.08M ARR.
- **AI Builder:** 500 paid seats x \$149/mo = \$74.5K MRR -> \$0.89M ARR.
- **Studio Services:** 6 projects x \$100K = \$0.6M + retainers (6 x \$6K/mo) = \$0.43M ARR.
- **Total ARR run-rate:** about \$2.4M (plus one-time services).

A \$20M valuation implies about 8-10x ARR at about \$2M ARR, or about 6-8x ARR at about \$2.5M-\$3M ARR.

5) Example Cap Table (Illustrative)

Holder	Ownership (Post-Seed Example)
Founders	80%
Option Pool	10%
Angel/Seed (this investor)	5-6%
Other early investors	4-5%

Notes

This document is for planning and investor discussion only and is not financial advice. Actual outcomes depend on execution, market conditions, pricing, churn, and fundraising terms.