

Neurahaus

The Business Plan

Welcome to the future

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Non-Disclosure Agreement

This agreement between Carl Habib (the “Disclosing Party”) and the reader of this document (the “Receiving Party”) is effective as of this moment and is intended to prevent the unauthorized disclosure of Confidential Information (as defined below) contained in and relating to the business plan of Disclosing Party. The parties agree as follows:

1. Confidential Information

“Confidential Information” is proprietary trade secret information contained within and relating to Disclosing Party’s business plan including but not limited to: business description, marketing plan, sales revenue forecast, profit and loss forecast, capital spending plan, cash flow forecast, future trends, personnel plan, business goals, personal financial statement, supporting documents and information conveyed in writing or in discussion that is indicated to be confidential.

2. Non-Disclosure

Receiving Party will treat Confidential Information with the same degree of care and safeguards that it takes with its own Confidential Information, but in no event less than a reasonable degree of care. Without Disclosing Party’s prior written consent, Receiving Party will not: (a) disclose Confidential Information to any third party; (b) make or permit to be made copies or other reproductions of Confidential Information; or (c) make any commercial use of Confidential Information.

Receiving Party will carefully restrict access to Confidential Information to those of its officers, directors and employees who are subject to non-disclosure restrictions at least as protective as those set forth in this Agreement and who clearly need such access to participate on Receiving Party’s behalf in the analysis and negotiation of a business relationship or any contract or agreement with Disclosing Party. Receiving Party will advise each officer, director or employee to whom it provides access to any Confidential Information that they are prohibited from using it or disclosing it to others without Disclosing Party’s prior written consent.

3. Return of Business Plan Materials

Upon Disclosing Party’s request, Receiving Party shall within 30 days return all original materials provided by Disclosing Party and any copies, notes or other documents in Receiving Party’s possession pertaining to Confidential Information.

4. Exclusions

This agreement does not apply to any information that: (a) was in Receiving Party’s possession or was known to Receiving Party, without an obligation to keep it confidential, before such information was disclosed to Receiving Party by Disclosing Party; (b) is or becomes public knowledge through a source other than Receiving Party and through no fault of Receiving Party; (c) is or becomes lawfully available to Receiving Party from a source other than Disclosing Party; or (d) is disclosed by Receiving Party with Disclosing Party’s prior written approval.

5. Term

This Agreement and Receiving Party’s duty to hold Confidential Information in confidence shall remain in effect until the 15th of January 2027 or until whichever of the following occurs first: (a) Disclosing Party sends Receiving Party written notice releasing it from this Agreement, or (b) Confidential Information disclosed under this Agreement ceases to be a trade secret.

6. No Rights Granted

This Agreement does not constitute a grant or an intention or commitment to grant any right, title or interest in Confidential Information to Receiving Party.

7. Warranty

Disclosing Party warrants that it has the right to make the disclosures under this Agreement.

8. General Provisions

(a) Relationships. Nothing contained in this Agreement shall be deemed to constitute either party a partner, joint venturer or employee of the other party for any purpose.

(b) Severability. If a court finds any provision of this Agreement invalid or unenforceable, the remainder of this Agreement shall be interpreted so as best to effect the intent of the parties.

(c) Integration. This Agreement expresses the complete understanding of the parties with respect to the subject matter and supersedes all prior proposals, agreements, representations and understandings. This Agreement may not be amended except in a writing signed by both parties.

(d) Waiver. The failure to exercise any right provided in this Agreement shall not be a waiver of prior or subsequent rights.

(e) Injunctive Relief. Any misappropriation of Confidential Information in violation of this Agreement may cause Disclosing Party irreparable harm, the amount of which may be difficult to ascertain, and therefore Receiving Party agrees that Disclosing Party shall have the right to apply to a court of competent jurisdiction for an order enjoining any such further misappropriation and for such other relief as Disclosing Party deems appropriate. This right of Disclosing Party is to be in addition to the remedies otherwise available to Disclosing Party.

(f) Indemnity. Receiving Party agrees to indemnify Disclosing Party against any and all losses, damages, claims or expenses incurred or suffered by Disclosing Party as a result of Receiving Party's breach of this Agreement.

(g) Attorney Fees and Expenses. In a dispute arising out of or related to this Agreement, the prevailing party shall have the right to collect from the other party its reasonable attorney fees and costs and necessary expenditures.

(h) Governing Law. This Agreement shall be governed in accordance with the laws of the country of residence of the discloser at the time of discovery of offence.

(i) Jurisdiction. The parties consent to the exclusive jurisdiction and venue of the federal and/or state courts located in the country of residence of the discloser at the time of discovery of offence in any action arising out of or relating to this Agreement. The parties waive any other venue to which either party might be entitled by domicile or otherwise.

(j) Successors & Assigns. This Agreement shall bind each party's heirs, successors and assigns. Receiving Party may not assign or transfer its rights or obligations under this Agreement without the prior written consent of Disclosing Party. However, no consent is required for an assignment or transfer that occurs: (a) to an entity in which Receiving Party owns more than fifty percent of the assets; or (b) as part of a transfer of all or substantially all of the assets of Receiving Party to any party. Any assignment or transfer in violation of this section shall be void.

I, the Receiving Party, agree to the above terms of the agreement by the fact of owning a copy of this document.

Executive Summary

1. Mission statement

Neurahaus is a company that sees the world in a new light. A world where people have their hands free, and their freedom back. We aim to revolutionize the field of technology towards the creation of a brain-computer culture that would potentially allow the interaction with any and all computer systems purely through the power of the human brain, allowing the creation of an unfathomable number of applications and opportunities.

2. Philosophy and vision

- a. Privacy, Transparency, Trust, Accountability, Openness, Loyalty.
- b. Our vision is to normalize and become the international standard for Brain Computer Interface Applications

3. Goals

First and foremost, we will create a device that allows special needs individuals to be able to move freely without the help of a caregiver by allowing them to control their wheelchair using the power of their brainwaves.

Our second goal is to create a device that would allow mental health specialists to better monitor their patients during the sessions and in case it is needed at any time of the day which would prove useful for mentally unstable individuals and recovering addicts by having someone always watching over them in time where they might be most vulnerable.

The many goals after that will be reviewed and discussed in the future.

Industry Analysis

The global consumer electronics market was worth 729.11 Billion USD in 2019 and expected to be worth USD 1,500 Billion (2026) (approx. 205% expected growth over 7 years) making it an industry with exceptionally high growth rate. This industry is expected on the short term to add intelligence to every object, used in the average person's daily life and on the long term to robotize hand labor for a more relaxed human future. Since everything is turning into smart objects, and our company offers a revolutionary way to communicate with smart objects, Neurahaus is very well positioned to take advantage of the trends of the market. Being a free for all industry, the tech world thrives on innovation, adaptation, and flexibility, leaving the main participants to be Multinational companies as major players and anyone who desires to be consumers. The main key success factors in tech are timing and money.

- a. Our target is to provide devices that allow our consumers to control smart objects through their brain. Neurahaus will be involved in the IOT and smart assistants' industry

Our suite of products:

- i. Neurahaus Telekinesis: A smart house control system that will provide control of smart appliances
- ii. Neurahaus Auto: A wheelchair control system that will give the autonomy for special needs people the ability to move freely.
- iii. Neurahaus Freud: A psychology assistance system that assists therapy sessions through live analysis of the brainwave interactions.

- iv. Neurahaus Dive: A full dive gaming system that is long awaited by the gaming community.

Specs and details are confidential on a need-to-know basis

- b. Neurahaus will be a GmbH since it will be based in Berlin. GmbH structure offer a high flexibility to the company and limited liability to the shareholders. We have a plan to have a strategic alliance with an EEG headband company.

Our target market & customers

- a. Location: Global, mainly Western countries (North America and Europe)
- b. Advertising: 30% will see the ad, between 10-15% will be interested and around 5% will click on it, a very substantial number in a global sense.
- c. Who are our customers:
 - i. -Young people(18-28 y/o) with an up and coming lifestyle that follow social trends and are interested/addicted to tech.
 - ii. -Working class: (30-45 y/o) who have overwhelming jobs.
 - iii. -Disabled people who can't do everyday tasks.

Marketing Analysis

Everything is shifting towards the internet of things, smart TVs, smart phones, smart lights, smart fridges etc. causing smart assistants to boom in the industry because of their convenience, for instance, Google Home sold from October 2018 to January 2019 1 smart speaker per second. In addition, The us consumer electronics industry had a market size of above 301Billion USD in 2019.

a. Marketing strategy:

i. Target Market:

1. Tech enthusiasts that make up 10% of the world's population.
2. Young people(18-28 y/o) with an up and coming lifestyle that follow social trends and have integrated tech in their daily life.
3. People who have a cluttered schedule.
4. Special needs people who usually require daily assistance.

ii. Competencies:

1. The founders:

- a. Are passionate about the product and have a deep understanding of the potential and future opportunities of the technology.
- b. Are young people who understand the trends of the market yet have gathered experience from working in startups and multinationals to understand how business really works.
- c. Have the motivation for continuous learning and self-development.

- d. Have found the same vision and think on the same wavelength despite coming from different backgrounds and studying different domains creating a very well-rounded team.

2. The company:

Strengths: New Technology, Partnerships, Clear Vision	Weaknesses: Financially Constrained
Opportunities: Big range of potential products	Threats: Patents, Big Potential Competitor

We have no real competitor since all companies in the industry are providing EEG headsets. our only potential competitor at the moment is Microsoft who “wants to ‘read people’s brain waves’ to mine crypto currencies”.

If their idea reveals to be popular and accepted, they might start to invest more in the domain of brain waves analysis.

Contact information:

Microsoft Corp. Address:

Microsoft Visitor Center

15010 NE 36th, St. Redmond, WA 98052, US.

+1-425-882-8080.

Marketing Plan

- a. Location: The company will be based in Berlin which is a very hot hub for tech startups providing a lot of exposure and being one of the two yearly locations of the unmissable “Tech Crunch Disrupt” startup competition
- b. Advertising Strategy:
 - i. Online advertising: between 10-15% of advertisees will be interested and around 5% will click on it 0.5% at least will purchase.
 - ii. Launch of teaser on tech websites, magazines, an attendance at Tech Crunch Events.
 - iii. Partnerships with hospitals, psychology related associations and game development companies.
 - iv. Accepting cryptocurrency as payment.
 - v. Closed Beta for influential people of the tech world with limited access to a handful of select people.
 - vi. Seminars and participation in various informative webinars
- c. Pricing:

By comparing to the initial price of other older and successful technology's prices that are considered predecessors to our newer technologies the following prices were determined with a floor for each price at sale.

- i. Neurahaus Telekinesis: 120-200 USD. A system that allows smart house control.
- ii. Neurahaus Auto: 800 USD. A system that allows free movement on a wheelchair.

- iii. Neurahaus Freud: 800-1000 USD. A system that allows psychologists to understand their patients better by pinpointing important discussed topics.
- iv. Neurahaus Dive: 600-800 USD. A gaming system that allows the user to have a complete in-game experience.

d. Sales Forecast

Fiscal Year Begins January 15

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Total
Ver 1 Units sold	100	200	150	150	600
Sales Price/Unit (EUR)	800	800	800	800	800
Ver 1 Total (EUR)	80000	160000	120000	120000	480000

Table 1: Units sold in year 2

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Total
Ver 1 Units sold	200	300	150	200	850
Sales Price/Unit (EUR)	800	800	800	800	800
Ver 1 Total (EUR)	160000	240000	120000	160000	680000

Table 2: Units sold in year 3

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Total
Ver 2 Units sold	300	400	250	350	1300
Sales Price/Unit (EUR)	800	800	800	800	800
Ver 2 Total (EUR)	240000	320000	200000	280000	1040000

Table 3: Units sold in year 4

Economics of the business

- a. Costs
 - i. Fixed Costs
 - 1. Rent: 30000 EUR/year
 - 2. Gross Salaries: 34800 EUR/year
 - 3. Licenses and Patents: 15000 EUR
 - 4. Servers and website: 1200 EUR/year
 - 5. Cost of unit produced: 10EUR/unit
 - 6. Cost of headset for unit produced: 190EUR/unit
 - ii. Varying Costs (starting year 3):
 - 1. Production costs
 - 2. Advertising costs
 - 3. Equipment Costs
 - iii. Total Startup Cost: $15000 + 115200/\text{year EUR}$
- b. Total market size: 1.2 billion USD with CAGR of 15%
- c. Demand in target market: No data available
- d. Barriers to entry: High startup costs

Design and Development

a. Projected development cost

The design and development costs are comprised of employee salaries, equipment used in R&D and prototypes which amounts to a total of 91800 EUR.

b. Benchmarking & Proprietary Issues

ISO certification: 5000\$

Software, Licenses and Corporate Fees: 13000\$

Operations Plan

a. Location:

The company will be based in Berlin which is a very hot hub for tech startups providing a lot of exposure and being one of the two yearly locations of the unmissable “Tech Crunch Disrupt” startup competition.

b. Facilities and equipment:

Neurahaus has one office for work and development, 3 company computers, a PCB printer, materials for PCB printing, a motorized wheelchair and 5 EEG headsets.

c. Production:

The products will be designed in our offices, prototypes will be produced in our offices and products to market will be produced, assembled, and packaged in China.

Management Team

a. The founders and executives:

Our founders and executives by year 3 is composed of individuals with a wide range of backgrounds each joining the team at a separate stage, 3 of them being founders.

i. CEO (founder):

With a computer engineering degree and experience in a multinational company, the CEO, founder, and creator of the company has a strong vision and a clear direction of the product, leading in a very flexible yet target driven manner.

ii. CTO (joins at year 3):

With an electrical engineering master's degree and experience in a multinational company, the CTO has a deep understanding in development of prototypes and product research conducting in a meticulous and well thought of choice of technologies.

iii. CFO (founder, joins at year 2):

With a bachelor's degree in banking and finance, and experience in a multinational company, the CFO has a very critical and objective opinion, creating a very economical yet effective management of funds extending the runway of the company with very limited resources.

iv. Head of psychological R&D (founder, joins at year 3):

With a master's degree in organizational psychology and experience in an NGO dealing with special needs people, a startup, and the creation of his own company, our head of psychological research and development, has enough

market experience to be able to handle sensitive topics relating to the psychological side of our operation, in addition to generating several ideas for our product suite.

- b. The board of directors will consist of the CEO with 2 votes one to be assigned to an entity of their choosing, a neutral vote, and 2 votes for the investors for a total of 5 votes. In case of a tie, the vote that has the most market shares wins.

Overall schedule

The milestones to be achieved in the first 5 years are the following:

- a. Creation of a prototype (Completed)
- b. Company registration
- c. Get investment or funding
- d. Creation of second prototype of Neurahaus Auto
- e. Signing deal with EEG Headband production company and Wheelchair production company
- f. Announcement at big tech event
- g. Closed Beta Launch of Neurahaus Auto V1.0
- h. First sale
- i. Development of Neurahaus Auto V2.0
- j. 1000 sales of Neurahaus Auto V1.0
- k. Release of Neurahaus Auto V2.0
- l. Development of Neurahaus Freud V1.0
- m. 1000 sales of Neurahaus Auto V2.0
- n. Release of Neurahaus Freud V1.0

Financial Projection

A balance sheet will not be provided due to the absence of the exact values of many of our expenses and sales values.

The figures below represent the projections of our cash flow over the first 5 years, according to the milestones above mentioned and a 500 000 EUR investment divided over Series A and Series B milestones (planned by the founders). All values are in EUR.

Cash Flow Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Capital													0
Sales Revenue													0
Equity received	190000												190000
Total Revenue	190000												190000
Cost of Goods Produced													0
Operating Expenses	29600	2600	2600	2600	2600	2600	2600	2600	2600	2600	2600	2600	58200
Advertising													0
Licensing Cost	12000												12000
Salaries & Wages	2100	2100	2100	2100	2100	2100	2100	2100	2100	2100	2100	2100	25200
Total Expenses	43700	4700	4700	4700	4700	4700	4700	4700	4700	4700	4700	4700	95400
Net Income	146300	-4700	-4700	-4700	-4700	-4700	-4700	-4700	-4700	-4700	-4700	-4700	94600

Figure 1: Cash Flow of year 1

Cash Flow Year 2	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Capital	94600												94600
Sales Revenue													0
Equity received									155000				155000
Total Revenue	94600	0	0	0	0	0	0	0	155000	0	0	0	249600
Cost of Goods Produced										80000			80000
Operating Expenses	7600	2600	2600	2600	2600	2600	2600	2600	2600	2600	2600	2600	36200
Advertising	5000												5000
Licensing Cost	10000												10000
Salaries & Wages	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	39600
Total Expenses	25900	5900	5900	5900	5900	5900	5900	5900	5900	85900	5900	5900	170800
Net Income													78800

Figure 2: Cash Flow of year 2

Cash Flow Year 3	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Capital	0												0
Sales Revenue		80000			160000			120000			120000		480000
Equity received													480000
Total Revenue		80000			160000			120000			120000		480000
Cost of Goods Produced					40000					120000			160000
Operating Expenses	5600	2600	2600	2600	2600	2600	2600	2600	2600	2600	2600	2600	34200
Advertising													0
Licensing Cost	8000												8000
Salaries & Wages	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	39600
Total Expenses													241800
Net Income													238200

Figure 3: Cash Flow of year 3

Cash Flow Year 4	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Capital	317000												317000
Sales Revenue		160000			240000			120000			160000		680000
Equity received													0
Total Revenue	477000	0	0	240000	0	0	120000	0	0	160000	0	0	997000
Cost of Goods Produced					50000						260000		310000
Operating Expenses	12600	2600	2600	2600	2600	2600	2600	2600	2600	2600	2600	2600	41200
Advertising	10000												10000
Licensing Cost	10000												10000
Salaries & Wages	8000	8000	8000	8000	8000	8000	8000	8000	8000	8000	8000	8000	96000
Total Expenses	40600	10600	10600	60600	10600	10600	10600	10600	10600	270600	10600	10600	467200
Net Income													529800

Figure 4: Cash Flow of year 4

Cash Flow Year 5	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Capital	529800												529800
Sales Revenue		240000			320000			200000			280000		1040000
Equity received	155000												155000
Total Revenue													1724800
Cost of Goods Produced								250000					250000
Operating Expenses	53100	8100	8100	8100	8100	8100	8100	8100	8100	8100	8100	8100	142200
Advertising										15000			15000
Licensing Cost	12000												12000
Salaries & Wages	25000	25000	25000	25000	25000	25000	25000	25000	25000	25000	25000	25000	300000
Total Expenses													719200
Net Income													1005600

Figure 5: Cash Flow of year 5

The figure below represents the Net income statement over the 5-year projection.

NeuraHaus		NeuraHaus		NeuraHaus		NeuraHaus		NeuraHaus	
Income Statement on 1st year's end (14/01/2023)		Income Statement on 2nd year's end (14/01/2024)		Income Statement on 3rd year's end (14/01/2025)		Income Statement on 4th year's end (14/01/2026)		Income Statement on 5th year's end (14/01/2027)	
Capital	190000	Capital	249600	Capital	78800	Capital	317000	Capital	684800
Net Sales	0	Net Sales	0	Net Sales	360000	Net Sales	510000	Net Sales	740000
COGS	0	COGS	0	COGS	120000	COGS	170000	COGS	300000
Gross Income	0	Gross Income	0	Gross Income	480000	Gross Income	680000	Gross Income	1040000
Operating expenses		Operating expenses		Operating expenses		Operating expenses		Operating expenses	
Salaries & Wages	25200	Salaries & Wages	39600	Salaries & Wages	39600	Salaries & Wages	96000	Salaries & Wages	300000
Office Rent	30000	Office Rent	30000	Office Rent	30000	Office Rent	30000	Office Rent	96000
Server Rent	1200	Server Rent	1200	Server Rent	1200	Server Rent	1200	Server Rent	1200
Advertising exp.	0	Advertising exp.	5000	Advertising exp.	0	Advertising exp.	10000	Advertising exp.	15000
Licenses	12000	Licenses	10000	Licenses	8000	Licenses	10000	Licenses	12000
Equipment	27000	Equipment	5000	Equipment	3000	Equipment	10000	Equipment	45000
Total Op. Exp.	95400	Total Op. Exp.	90800	Total Op. Exp.	81800	Total Op. Exp.	157200	Total Op. Exp.	469200
Net Income	94600	Net Income	158800	Net Income	477000	Net Income	839800	Net Income	1255600

Figure 6: Net income statement projection over 5 years