

Financial Projections & Cash Flow Analysis

Detailed 5-year financial roadmap with quarterly cash flow breakdowns

Executive Summary

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|--|--|--|---|
| SEED INVESTMENT £750,000 18-month runway | AVG. MONTHLY BURN £42k Variable by phase | FIRST REVENUE Q1 2028 After Q4 2027 contracts | BREAK-EVEN Q4 2028 Year 3 |
|--|--|--|---|

Understanding Our Revenue Timeline

We anticipate closing first sales contracts in **Q4 2027** (Year 2). However, following standard SaaS accounting practices, revenue is recognized upon service delivery. With typical NHS procurement and onboarding cycles (3-6 months), revenue recognition begins in **Q1 2028** (Year 3). This is why Year 2 shows contracts signed but £0 revenue — it's an accounting timing difference, not a lack of sales activity.

Year 1 (2026): Foundation & Validation

Q1 2026

- Founder salaries begin
- Compliance Officer hiring
- Regulatory strategy finalization
- Monthly Burn: **£50k** | Quarterly Spend: **£150k** | Cash Balance: **£600k**

Q2 2026

- Clinical Validation Lead onboarded
- Team complete (4 founders + 2 hires)
- UKCA prep & documentation begins
- Monthly Burn: **£50k** | Quarterly Spend: **£150k** | Cash Balance: **£450k**

Q3 2026

- NHS pilot studies launch
- UKCA certification process starts
- Technical documentation complete
- Monthly Burn: **£40k** | Quarterly Spend: **£120k** | Cash Balance: **£330k**

Q4 2026

- UKCA submission to notified body
- Pilot studies data collection
- Initial clinical validation results
- Monthly Burn: **£40k** | Quarterly Spend: **£120k** | Cash Balance: **£210k**

Year 1 Total: Revenue: £0 | Spend: **£540k** | Net: **-£540k** | Remaining Runway: 6 months

Year 2 (2027): Certification & First Sales

Q1 2027

- UKCA certification in progress
- Pilot studies wrap-up
- Clinical validation reports
- Monthly Burn: **£35k** | Quarterly Spend: **£105k** | Cash Balance: **£105k**

Q2 2027

- **UKCA certification received**
- **Series A fundraising begins (£2M-£3M)**
- Commercial launch preparation
- Monthly Burn: **£35k** | Cash Balance reaches £0 → Series A closes

Q3 2027

- Sales activities begin
- NHS trust demos & presentations
- Contract negotiations start
- Contracts Signed: 0 | Revenue: £0

Q4 2027

- **First contracts signed: 2-3 NHS trusts**
- Implementation planning begins
- Contract Value: £150k-£200k
- Revenue Recognized: £0 (Revenue starts Q1 2028)

Year 2 Total: Contracts Signed: £150k-£200k | Revenue Recognized: £0 | Spend: **£300k** | Net: **-£300k**

Year 3 (2028): Revenue & Growth

| Quarter | Key Milestones | Revenue | Costs | Net |
|---------|---|---------|-------|------------|
| Q1 2028 | First revenue recognized, initial 2-3 trusts go live, 3 new contracts signed | £0 | £150k | - £150k |
| Q2 2028 | 10 NHS trusts onboarded, 2 private hospitals signed, revenue ramp accelerates | £175k | £160k | +£15k |
| Q3 2028 | Additional trusts onboarding, positive cash flow achieved | £250k | £170k | + £80k |
| Q4 2028 | Break-even achieved, 12 NHS + 2 private active, international expansion prep | £275k | £180k | +£95k |

Year 3 Total: Revenue: **£700k** | Costs: **£660k** | Net Profit: **+£40k** | Customers: 10 NHS + 2 private

Year 4 (2029): Scale & International Expansion

Key Milestones

- **Q1:** 15 NHS trusts operational
- **Q2:** Middle East expansion begins (UAE, Saudi Arabia)
- **Q3:** 3 diagnostic labs signed (high-volume contracts)
- **Q4:** Team expansion to 12 employees

| | |
|------------------|---------------------------------|
| Annual Revenue: | £2.4M |
| Operating Costs: | £1.2M |
| Net Profit: | +£1.2M |
| Customers: | 15 NHS + 3 Middle East + 3 labs |

Year 5 (2030): Market Leadership

Key Milestones

- **Q1-Q2:** Malaysia & GCC expansion
- **Q2:** 20 NHS trusts + national framework agreement
- **Q3:** Additional blood cancer types (MDS, lymphoma)
- **Q4:** Series B fundraising for pan-cancer expansion

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|------------------|-------------------------|
| Annual Revenue: | £5.6M |
| Operating Costs: | £2.4M |
| Net Profit: | +£3.2M |
| Customers: | 20+ NHS + international |

5-Year Financial Summary

| Year | Period | Customers | Contracts Signed | Revenue | Costs | Net P/L |
|--------|--------|-------------------------------|------------------|---------|-------|---------|
| Year 1 | 2026 | Pilots & validation | — | £0 | £540k | -£540k |
| Year 2 | 2027 | UKCA approval, first sales | Q4: 2-3 trusts | £0 | £300k | -£300k |
| Year 3 | 2028 | 10 NHS + 2 UK private | 10 additional | £700k | £660k | +£40k |
| Year 4 | 2029 | 15 NHS + Middle East + 3 labs | 18 total active | £2.4M | £1.2M | +£1.2M |
| Year 5 | 2030 | 20 NHS + Malaysia + GCC | 25+ total active | £5.6M | £2.4M | +£3.2M |

Key Assumptions & Notes

Seed Runway (18 months)

- £750k total investment
- Variable burn: £50k → £40k → £35k monthly
- Covers team, regulatory, pilots, operations
- Series A required by Q2 2027

Revenue Recognition

- Contracts signed Q4 2027
- Revenue recognized upon service delivery (Q1 2028+)
- NHS payment terms: 30-60 days
- Annual subscription model

Series A Fundraising

- Target: £2M-£3M in Q2-Q3 2027
- Funds growth, sales team, international expansion
- Post-UKCA, with pilot validations complete
- Valuation: £8M-£12M pre-money

Pricing Strategy

- NHS Trusts: £50k-£100k/year
- Private Hospitals: £75k-£150k/year
- Diagnostic Labs: £100k-£200k/year
- Based on case volume & complexity

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These projections are based on current market conditions, regulatory timelines, and conservative customer acquisition estimates. Actual results may vary. Built on WHO & ICC global standards — ready to scale worldwide.