





Business Plan

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Table of Contents

Confidential	defined.
I. Instructions	4
Execution	defined.
II. Instructions	5
Competition	defined.
III. Instructions	6
Production	defined.
IV. Instructions	8
SWOT	11
Competition	defined.
Competition	defined.
Marketing	defined.
Pricing	defined.
Distribution	defined.
V. Instructions	defined.
VI. Instructions	19
Management	defined.
Organization	20
VII. Instructions	21
VIII. Instructions	22
IX. Instructions	defined.
X. Instructions	defined.
Now That You're (Almost) Finished . . .	Error! Bookmark not defined.



I. Instructions: Executive Summary

Time, the most precious of all the assets one possesses and the most limited one too. Imagine having a mechanism to save this precious asset and investing the same in rather expanding your business or spending it in leisure with your family. That's Allure – a remote control for your lifestyle.

Not just any concierge service, Allure is first of kind application backed by world's first conversational mobile commerce engine. Targeting specifically the high net worth individuals from Qatar, Allure brings the best of global world with a touch of local flavor. Allure is created to fulfill the needs of Middle Eastern societies and boasts of full Arabic app functionality. Allure shall cater the members in 4 broad segments i.e.

- ❖ Exquisite Dining,
- ❖ Luxury Goods,
- ❖ Exotic Travels and
- ❖ Unique Experiences.

Allure targets to bridge the gap between the expectation of Qataris, especially the ones travelling abroad and the level of service provided by existing concierge service providers. The free service apps are more of service aggregators and have acute local focus. The apps with paid membership either charges too high without corresponding service or lacks the international focus required for unparalleled service.

One of the most alluring part is that Allure is in partnership with world renowned Velocity Black. The interface of Allure is built on the same platform, using the same system and software as Velocity Black. Based in the capital of Qatar, Doha, Allure is live in 60 cities globally and is available 24*7*365 at the palm of your hand.

The target customer base of Allure is the already tech savvy population of Qatar. Of the total population based in Qatar, including the locals, Arab expats as well as western and Asian expats, about 44% falls into the category of high value segment. This is the target customer base of Allure. We expect to add about 0.5% of the "high value segment" in Qatar during 2021-2024 which gives Allure the revenue visibility of \$12.5 million.



II. Company Description

1. Company mission statement

Allure – An ultra exclusive private member's club and concierge service available at member's finger tips with just one mission – to salvage and use the scarcest resource, Time.

2. Company philosophy and vision

- a. At Allure, the team's philosophy is to be in complete sync with member's expectation of exceptional personal service. It is to ensure that our members never have to spend the time in planning the journey but uses the time to enjoy the journey.
- b. Company's vision is to be the One when it comes to fulfilling the needs of elite Middle Eastern societies. Allure strives to ensure the presence of local flavor at global level for every Qatari member, wherever on the globe he or she is.

3. Company goals

In the immediate short term i.e. over the span of next 3 years, Allure plans to tap into 0.50% of the Qatar's high value segment thereby giving revenue visibility of ~\$12.5 million.

Over a longer horizon, sky remains the limit with the available traction of 44% high value households in Qatar alone.

4. Target market

Qatar is, by far, the richest country in the world with Gross National Income per capital of \$116,799 (as per 2019 reporting) more than \$20,000 higher than any other nation. Further the country has more oil reserves than all but two countries worldwide - equal to 13% of the global supply. With a population of 2.83 million of which 44% constitute as high value segment, the size of the pie is large enough to remain untapped.

5. Industry

Given the uniqueness of Qatar's rich economy and the fact that the Qatar's luxury goods market valued at USD 1.84 billion is expected to grow at a healthy CAGR of 2.55% till 2024, the industry is all set to grow from here. The industry outlook remains positive and Allure, with its strategic partnership with Velocity Black, is well positioned to reap the benefit of this growth.

The peers of Allure in the Qatar market would be players like Centurion, Billionaire Concierge, Tistahel etc However, the competition continues to be local in nature and with Allure's international presence at competitive pricing, the growth is expected to be manifold.

6. Legal structure

- a. Allure is a standalone entity but built on partnership agreement with Velocity Black. The structure is based on revenue sharing model and other commission business.
- b. Allure has established its base in Doha, the capital of Qatar.

III. Products & Services

This section expands on the basic information about your products and services included in the Executive Summary and Company Description. Here are some items to consider:

1. What do we bring to the table:

In short, Allure presents a remote control for the elite's lifestyle.

Built on the already successful model, system and technology of Value Black, Allure offers a highly curated and segmented offer to fulfill the needs of Middle Eastern Societies. In the era of readily available luxuries, Allure offers its members one thing that they are always short of – time. Based on the philosophy that time is the scarcest and most precious assets, Allure offers the right mix of state of the art cutting edge technology along with human expertise to concoct a service never experienced before. As they say about Allure, "It's something that has never been done before."

Allure further targets to bridge the gap in the current concierge service available to the Qataris currently. Even though Qatar is the land of ultra rich, no existing concierge service offers the host of services and benefits that is warranted for the Who's who of the oil world based out of Qatar.

2. The problem the product or service solves:

The gap that Allure targets to fill in is that the existing market solutions in Qatar do not serve the purpose of concierge service in its true sense. In such an industry, one of the key point is customization. Every concierge offer around the world is generic and differs for every market. What Allure offers is a tailor made experience designed specifically for Arabic society to be used on the global level. The issues which remain unresolved with the present market offerings are as follows –

A. Limited Access to Services

- i. Limited access to top hotels and villas worldwide
- ii. Limited variety of bespoke experiences
- iii. Limited access to international events
- iv. Limited access to travel solutions
- v. Lack of access to luxury goods and services.

B. Time Delays

- i. Hours spent on individuals booking processing
- ii. Time zone differences
- iii. Processing delays caused by the supplies

C. Scalability

- i. Lack of app with high scalability in Qatar
- ii. Limited existing service offering for Qataris travelling abroad
- iii. Lack of app assisting with restaurant bookings regardless of where the member is
- iv. Lack of an app guaranteeing global fast lane access to clubs, venue and lounges.



Against the gaping flaws in the existing service model, Allure, in association with Velocity Black, presents the following deliverables which is expected to reset the benchmarks in the heart of every Qatari presently availing such a service.

3. **Why Allure:**

Even though Qatar has the ultra rich population, the services available are not upto the mark. Allure brings bespoke solution to the gaps mentioned above. Some of the outstanding and differentiating factors are

- A. Instant response – Allure services offers guaranteed response within 60 seconds - 24 hours a day, 7 days a week and 365 days a year. Whichever time zone the member is in, the unique chat feature powered by cutting edge AI is always at disposal.
- B. Unparalleled access to a global network of services including travel, dining, experiences, bespoke events and luxury goods.
- C. Powered by the backup from Velocity Black, the fulfillment rates for requests across all industries are the highest in the space of any service.
- D. Presence of local concierge teams in multiple destinations around the world.
- E. Presence of an in house team of specialists with access to unique, off market itineraries from Antarctic Expeditions to meeting with world leaders.
- F. Host of other benefits which include upgrades, resort credits, early check ins, late check outs and complimentary transfers. Allure is not there just to spend the member's money but also to ensure due savings wherever warranted.

Allure is built on a breakthrough technology and it would not be wrong to call it as the pioneer in conversational mobile commerce engine for the affluent consumer. Allure has deployed technology to reimagining and at the same time simplifying the concierge service for its members. Most importantly, with the backing of Velocity Black's invaluable experience and technology, the acceptance of the platform amongst the target class is expected to be very high.

4. **Pricing the Service:**

Allure is built on partnership agreement with Velocity Black wherein Allure receives a percentage cut of the memberships and In-App related purchases. The pricing has been kept very competitive to get the attention of the masses in the elite class. While the annual membership is tentatively kept at USD 3100 annually, Allure targets to bank NET \$1400 from each membership and net \$ 450 for the membership activation fee in the first year. Another potent revenue driver will be a net commission of 10-14% on the all the purchases made by Allure members through the app.

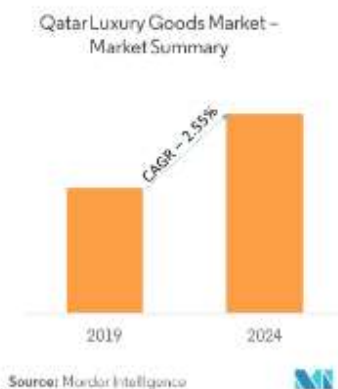
On a conservative basis, even with the initial target base of 0.5% of the Qatar high value segment population, Allure targets to clock \$12.5 million from 2021-2024 on cumulative basis.

IV. Instructions: Marketing Plan

This section provides details on your industry, the competitive landscape, your target market and how you will market your business to those customers.

I. Market research

For Allure, the initial target market is Qatar and its ultra rich population of High Net worth Individuals. The country has a high standard of living for its legal citizens. With no income tax, Qatar is one of the countries with the lowest tax rates in the world. The unemployment rate in June 2013 was 0.1%. As of 2016, Qatar has the fourth highest GDP per capita in the world accordingly to IMF. The economic growth of Qatar has been almost exclusively based on its petroleum and natural gas industries. In 2012, Qatar retained its title of richest country in the world (according to per capita income) for the third time in a row, having first overtaken Luxembourg in 2010. According to the study published by the Washington-based Institute of International Finance, Qatar's per capita GDP at purchasing power parity (PPP) was \$106,000 (QR387,000) in 2012, helping the country retain its ranking as the world's wealthiest nation. Luxembourg came a distant second with nearly \$80,000 and Singapore third with per capita income of about \$61,000. The research put Qatar's GDP at \$182bn in 2012 and said it had climbed to an all-time high due to soaring gas exports and high oil prices. Its population stood at 1.8 million in 2012. The same study published that Qatar Investment Authority (QIA), with assets of \$115bn, was ranked 12th among the richest sovereign wealth funds in the world.



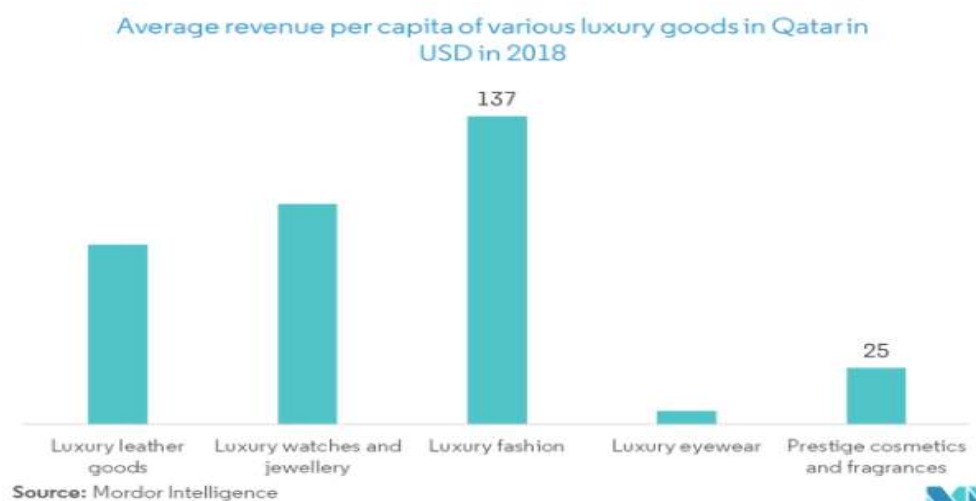
The Qatari Luxury Goods market is expected to grow at a healthy CAGR of 2.55% in the forecast period 2019-2024 which is currently valued at USD 1.84 Billion. Qatar is regarded as the world's fastest growing luxury market as it holds majority stake in the Italian fashion brand Valentino as well as the landmark department stores Harrods and Printemps in London and Paris. Qatar is also developing its own luxury label named Qela. Qataris are considered as the biggest buyers of goods in the Middle East but they often shop in Dubai. The Mall of Qatar's infrastructure is being improved in the run-up to the 2022 World Cup with the luxury industry posing a huge potential to grow in the country. GCC retail report 2019 suggests that the expenditure towards luxury goods in Qatar has remained strong despite the fall in GDP per capita.

Current Trend - COVID-19 and the sharp fall in hydrocarbon revenues will lead to a contraction of real GDP growth of 2% in 2020. The decline has been mitigated by infrastructure related spending ahead of the FIFA World Cup in 2022, continued expansion of LNG capacity, and fiscal and monetary response. Steps taken to improve the business environment, as well as the final push ahead of the World Cup are expected to underpin growth in the medium-term. The annual growth rate for 2020 is expected to be -2%, driven by a curtailed hydrocarbon sector and deteriorating non-energy market sentiment. Real GDP growth in Qatar will turn positive again in 2021 as energy prices stabilize at around US\$42bbl, global LNG demand picks up, and non-energy economic sentiment improves once the pandemic is controlled. Over the medium-term, growth will reach around 3% by 2022 from delivery and legacy investments for the FIFA World Cup.

Key Market Trends

Qatar is the regional luxury fashion hub

The main factors that aid Qatar to becoming a regional luxury fashion hub are the higher incomes of Qataris and the increasing investment in the luxury fashion sector. The higher incomes tend to support consumer spending in the luxury fashion segment that encourage customers to spend considerable amounts on the luxury fashion with every fashion cycle. Consumers are inclined to spend more on the high-end electronic goods and fashion accessories over the experiential luxury such as holidays and spa treatments. There is substantial demand for modes fashion in Qatar and is expected to continue to grow in the coming future. Within the Qatari retail market, the capital city of Doha has been THE PEARL of QATAR as the manmade island which is dedicated for luxury shopping and entertainment.



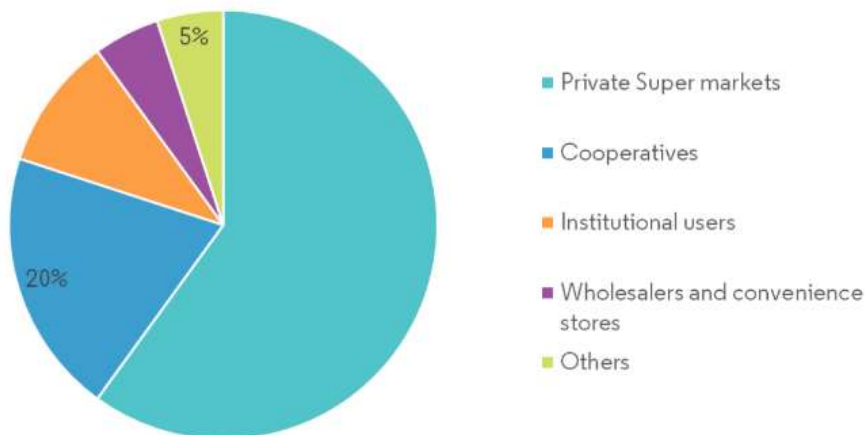
Mono branding is the leading luxury goods channel in Qatar

Sale of personal luxury goods in the Middle East primarily represented by the GCC countries is also expected to witness a steady growth of 4.0% between 2019 and 2024. Qatar is increasingly becoming a regional hub for luxury brands with the Qatari-brands such as global fashion brand QELA and high-end luxury health and beauty boutique store Pharmakeia.

The wider presence of an affluent consumer base has attracted several luxury retailers to the city. With Qatar's organized retail space currently going through a period of rapid expansion and with a strong pipeline of mall openings, several international and regional retailers continue to establish and expand

their presence in the country. In 2018, Doha had a total retail gross leasable area (GLA) of nearly 1.6 million sqm, an increase of about 974,000sqm over 2013. Of the total, Doha's organized retail market has about 1.4 million sqm of GLA spread across 21 retail malls.

Distribution channel trend for Qatar Luxury Goods market



Source: Mordor Intelligence



2. Competitive Landscape

The Qatar luxury market is moderately fragmented with more than 50% of the market taken by many smaller local players tying up with luxury retailers across various sectors such as fashion, jewellery and other accessories such as eyewear and leather goods.

Major Players

- 1 Chanel
- 2 LVMH
- 3 Rolex
- 4 Kering

Market Concentration



Source: Mordor Intelligence



3. SWOT Analysis of Allure



Strengths –

- High entry barriers** – While this factor could have played as an entry barrier for Allure as well, however, given the connect with Velocity Black, Allure has mitigated this weakness and has rather made this as its strength. While the setup cost is not high but to obtain requisite liaisoning is a challenge which Allure has been able to surpass. This is an industry where if you are a nobody, then people won't hire you because they don't know you. People would contact you if they have heard your name from some valid sources.
- Advanced on Learning curve** – With the past experience of Velocity Black at the disposal of Allure, the concierge platform is well advanced on the learning curve. To be proficient in concierge services, you need a great experience. You have to guess exactly what your client wants, and offer him the same service that he's looking for. If you meet the demands of your client, only then he'd hire you. Otherwise, a bad reputation precedes your name and you would lose clients.
- High Profit margins** – Given the fact that Allure will be dealing with the ultra high net worth individuals where more than the price factor, the service factor matters more, the price charged and commission thereof are expected to be high. In view of the same, Allure has kept the membership charges as significantly low. As compared to following charges by the competitors, Allure is charging USD 3100 annually.
 - Centurion – USD 5000 annually
 - Billionaire Concierge - GBP 8600 annually
 - Tistahel – USD 6666 annually



- d. Lesser Risk Involved – Allure works on an asset light model. It's the contacts and reputation that plays the major role in establishing the business. The key expenditure is the cutting edge AI powered proprietary technology. However, in case of Allure, the same is also been provided by Velocity Black as part of the partnership agreement. This places the stakeholders at Allure at much comfortable position.

Weaknesses

- a. Difficulty in Differentiation - Booking flights, arranging transports, creating appointments with trainers and doctors, and vacation planning are such services that every concierge person offers the same thing. Therefore, it's very difficult to differentiate your services from competitors. It's because the majority of the clients want the same trainer, flight, and tourist spot.
- b. High Transportation Cost – The services requested by the members are generally of significantly high cost. Services like transportation cost, restaurant cost, and other costs are high. When such costs are high, then service provider is left with a limited profit margin. If Allure charges high on expensive products/services, then it would be very costly for its clients. In the world of comparison, abnormally high arbitrage opportunity does not exists for long.
- c. Fewer Startup Cost - Fewer start-up costs could be advantageous and disadvantageous at the same time, because when the initial cost is low any reputable person could enter into the concierge service business and target Allures clients with the same services.

Opportunities

- a. Incremental Online Sales – In the modern times when database is one of the more precious assets, having the details of HNI clients is surely the way forward. Once the concierge service is up and running, Allure can branch out to start its own online stores to sell additional products and services as desired by the client.
- b. Affiliate Marketing – Affiliate Marketing is another great opportunity in the sector wherein clients could be referred to other stores and in the process the commission income can be increased. So avenues for other sources of income are ample.
- c. Selling of Business – While the same is currently not on the cards, one of the great ways for the early investors to exit is via stake sale. Once the brand gets registered in the mind of the customers and Allure brand becomes an inelastic necessary product then the PE multiple fetched by such models are considered to be very high.

Threats

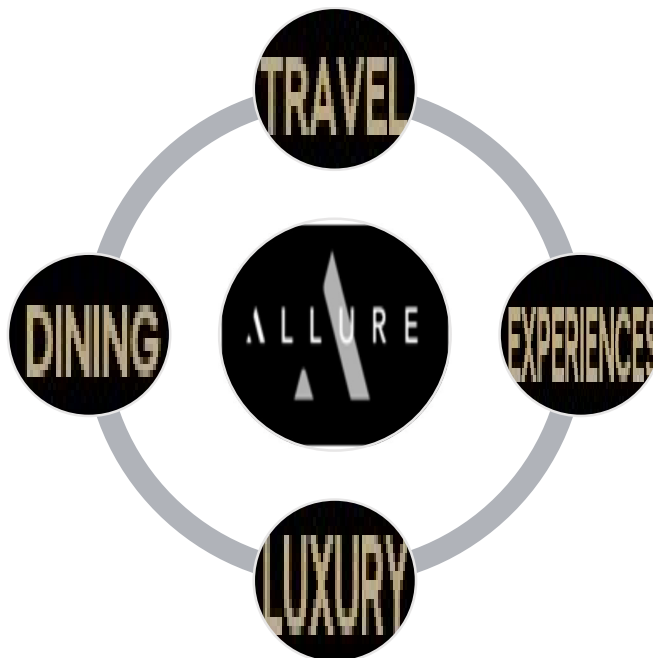
- a. Reputation is all that matters – Misjudging and miscalculating the wishes of the members can land the service provider in a soup. The sector is more driven by word of mouth than any marketing strategy undertaken. On the same lines, a bad word of mouth will spread like wildfire leading to bad reputation. Hence, the performance of every single employee at Allure would



matter. Right from the marketing personnel to the call center guy. The behavior as well as execution is expected to be spotless.

- b. High Insurance Cost – One of the costlier aspects of business which has a direct impact on the profitability is the high insurance cost. Insurance providers' banks on the reputation of the concierge providers and charge hefty amounts in insurance premium. Insurance is one such indispensable item that cannot be done away with.
- c. Economic Uncertainty – Allure caters to the luxurious need of the elite class. Luxury falls in the elastics product category i.e. the demand and hence the price is fluctuation in nature and depends on multiple aspects with economic condition being one of the major factors. Given the current state of economy, impact of the Covid-19 pandemic and decrease in the crude prices in the international market, the earnings of Qataris has also taken a hit. While the same is mitigated as there is currently no major alternative of oil, in future, any shift in the demand for oil may have detrimental impact on the wealth of the Qataris leading to direct impact on the demand of services offered by Allure.

4. Product/service features and benefits



Allure targets to be the one stop shop for its members when it comes to 4 broad parameters –

Travel – Allure provides all inclusive travel packages for its members. Be it an official trip to a key location across the globe or an unheard indiscreet adventurous location for leisure trip, Allure has it all. Allure works with the world's best service providers to ensure availability of any option sought by the members. The benefits include upgrades, resort credits, early check in, late check outs and complimentary transfers. Allure has all the key hotels as part of the tie-ups. Members are offered upto 30% savings on business and first class transatlantic flights including complimentary first use of The Private Suite at LAX, handpicked network of boutique hotels and private villas. Allure has its own in house team of specialists with access to unique, off the market itineraries from Antarctic expeditions to meetings with world leaders.

Dining – Owing to the strong liasioning network built by Allure in conjunction with Velocity Black, the members will have instant access to the most prestigious and “always booked” restaurants around the world. Allure specializes in rare culinary experiences at hard to book restaurants such as Osteria, Francescana or Nobu Mailbu. Whether it's a business lunch for one, a dinner party for 40, or a cocktail date to impress, we are here to help. With friends in all the right places, Allure can recommend and reserve you a table at world best restaurants, even when they are fully booked to everyone else. Not only does Allure ensures table booking, the team is equipped to make culinary recommendations at the restaurant selected by the member.

Experiences – One of the core philosophies here at Allure is that a travel experience, a unique one, is far worth more than other products or services. Hence, Allure presents its series of exceptional once in a

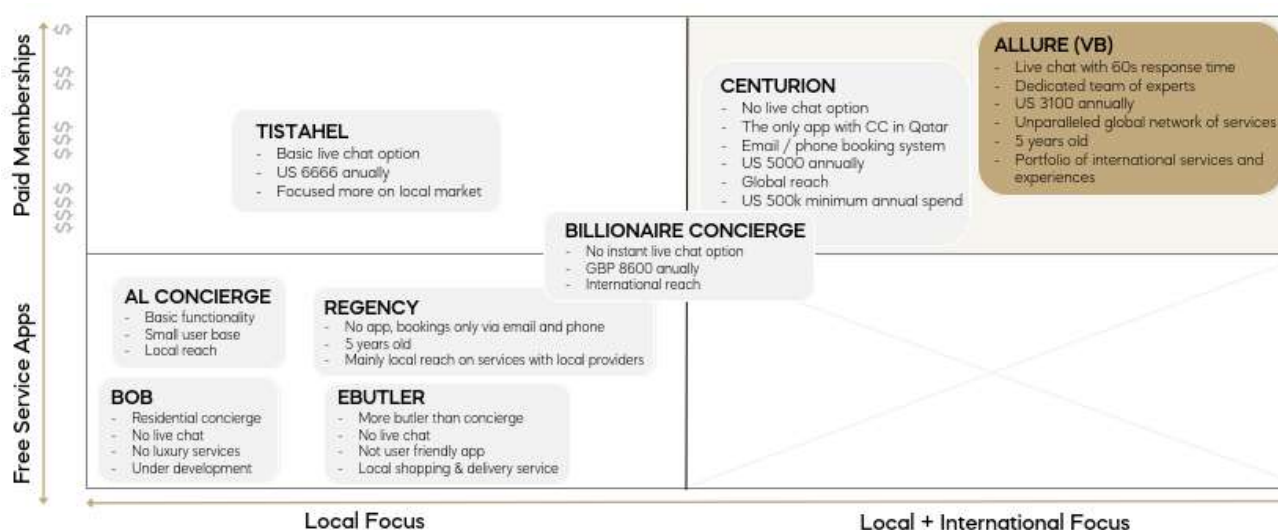
lifetime experiences from courtside Wimbledon tickets to a private flight into the edge of space. We have it all. When a member makes a wish, Allure leaves no stone unturned to make it come true, for the right price. Using its global contacts and partners, Allure helps make dreams come true for its members.

Luxury Goods – Because of the unique stature that Allure’s potential customers have, we expect that the requirement of the customers will also be unique when it comes to luxury goods. Allure assures its members that even though the sought after luxury good is not available online, it isn’t out of their hands. Allure with its in house team of curators has a keen eye for quality items and indomitable spirit. The team is qualified and skillful to find even the most conspicuous item. With its global network of contacts and right friends at right places, Allure assures to find luxury goods that many other concierge would fail to procure. Allure boasts of having access to sold out luxury fashion, whether it’s the latest Hermes bag, Rolex or one off Yeezy Sneakers. The list would include gifts as simple as door step delivery of exotic flowers from around the world to as grandeur as the latest customs supercars and Yachts with no waiting list.

5. Key competitors

While it will not be right to comment that Allure would not face competition, it will not be an overstatement to say that comparing Allure to most of other competition will be comparing apples to oranges. Allure, like its target customer base, is also unique. While the existing concierge companies in the Qatar market are working mainly locally, they also do not cater for the high net worth individuals travelling abroad. Scalability, global reach, instant access and guaranteed response time is that most of the competition lack and is exactly what Allure promises to deliver.

Given below is the brief snapshot of where Allure stands when it comes to competition. The same is followed by detailed comparison with some of the competitors worth comparing with.



As seen above, comparing Allure, or for that matter any of the paid membership concierge services, cannot be compared directly with the free services apps. The free services apps like Al Concierge, Regency, BOB and EBulter have local focus and acts more like a service aggregator rather than top class concierge service provider.



However, a just comparison can be made across companies like Billionaire Concierge, Tistahel and Centurion. Following is the gist of the comparison to show how Allure scores across different parameters as compared to the other competitors.

6. Positioning/Niche

There are certain factors that make Allure so unique and ahead of its competition. Allure is built on a breakthrough technology i.e. the world's first conversational mobile commerce engine for the affluent consumer. Allure, in conjunction with Velocity Black, has introduced this disruptive technology targeting the Qatar market. The cutting edge technology will help in re-imagining and simplifying the member's experience for discovering and booking travel, dining, events and experiences.

When it comes to positioning, following niche factors bestows the competitive advantage for Allure –

- **We are the fastest** – Allure guarantees instant access, anytime and anywhere i.e. available 24/7/365 regardless of the time zone the member is in. Further, it guarantees reply within a minute of member's chat enquiry.
- **Convenience** - Allure provides a fully digital experience to its members. Every transaction is done via live chat while all payments are processed remotely across multiple cards and accounts. The aspect makes Allure even more relevant in the current Covid-19 scenario.
- **Fulfillment** – Allure boasts of highest fulfillment rate of requests in the World across different concierge services. With its global network of contacts and friends at the right places, Allure is able to make members' dream come true.
- **Bespoke** – When it comes to executing a work for our member, personalization is the lowest of all the benchmarks. Allure offers the most tailor made / customized service to its clients.
- **Exclusivity** – Allure is a private members club. Not anyone and everyone can join the elite class. A new prospective member has to be first referred and then they have to go through a joining process to become part of the exclusivity. It is precisely of this reason that Allure can boast of much higher quality of a member's community.
- **Digitalization** – Allure has done to the concierge sector what no other player has done till now. Because Allure is entirely digital and everything is done real time, Allure learns about its members much faster and in a more in-depth manner. This helps the team to understand the members and take personalization to the next level. It has thus proved to be a game changer for wealthy minorities who are more difficult to please.
- **Member's Interest and Savings at heart** – Unlike other service providers, Allure does not believe in only making the member spend. Savings while spending is key to Allure's philosophy. Hence, without compromising on the quality of member's experience, Allure also suggests methods to save members' money by offering complimentary services, discounts on online spends, free upgrades etc.



7. How you will market your product/service

Velocity Black needs no introduction when it comes to the elite class society. The name is well known, renowned and respected even by its peers. The fact that Allure (with its logo having remarkable resemblance to Velocity Black's logo) is in partnership with Velocity Black will play well with the elite class. As a top class concierge provider, marketing technique is also required to be different. Further, since the target audience of the marketing stunt is also limited, traditional methods like television advertisement or classified in local newspaper will not serve the purpose.

While the marketing campaign is an ongoing process, following are some of the key steps undertaken to grab target clientele's attention

- Referral Programme – The most crucial of all the marketing stunts that Allure is going to undertake, the aura of exclusivity is the most important one. In line with Velocity Black's model, not anyone and everyone can become a member here at Allure. Apart from other steps undertaken, referral model is the most important one. Apart from getting direct reference which helps in building the customer base, the referral programme creates a sense of exclusivity and uniqueness amongst the members. In a way, this acts like a key marketing method for the service.
- Word of Mouth – Exclusive services are advertised in exclusive manners and there is nothing more exclusive and reliable advertisement than being recommended by one elite to another about the service offered by Allure. In Qatar, the elite society is closely held and the Who's who of the industry knows each other well. In such a scenario, a good word about the great service offered by Allure will spread like wildfire.
- Website – A well established website with a clear and simple call to action is being ensured. The website, its content, the background color and the images, every aspect of it will introduce Allure to the target client.
- Strong Social Media Presence – In the world of digitization and with Qatar being the country with highest mobile usage (countries of 50k+ citizens), presence in social media is a must. Qatar has a 95% mobile penetration. Further, the top social media applications used by the Qataris are Whatsapp, Facebook, Instagram and Snapchat amongst other applications. Accordingly, the marketing campaign are being targeting with these facts in mind.
- Other Means – While marketing campaign is an ongoing process, some of the other avenues being targeted are upscale publications, corporate trade magazines, websites that cater to the potential clients and classified in luxury magazines.

8. Promotional budget

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9. Location or proposed location

Allure has established its base in the capital of Qatar, Doha.



However, being a truly digital platform, the access is not restricted to the physical presence in Doha alone. The app is live in 60 cities globally while ensuring to bring the local flavor and knowledge, years of experience and full Arabic functionality.

Allure also plans to bank on the physical offices of Velocity Black at their existing networks in London, New York, Los Angeles and Miami.

V. Instructions: Management & Organization

This section should give readers an understanding of the people behind your business, their roles and responsibilities, and how they will help you achieve your goals. It should also show that you have the experience and resources to launch and grow a successful business. Investors will want to know that you have a qualified team leading your business.

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If they have experience or specializations that will increase your chances of success, explain. For instance, does your mentor have experience launching and growing a similar business?

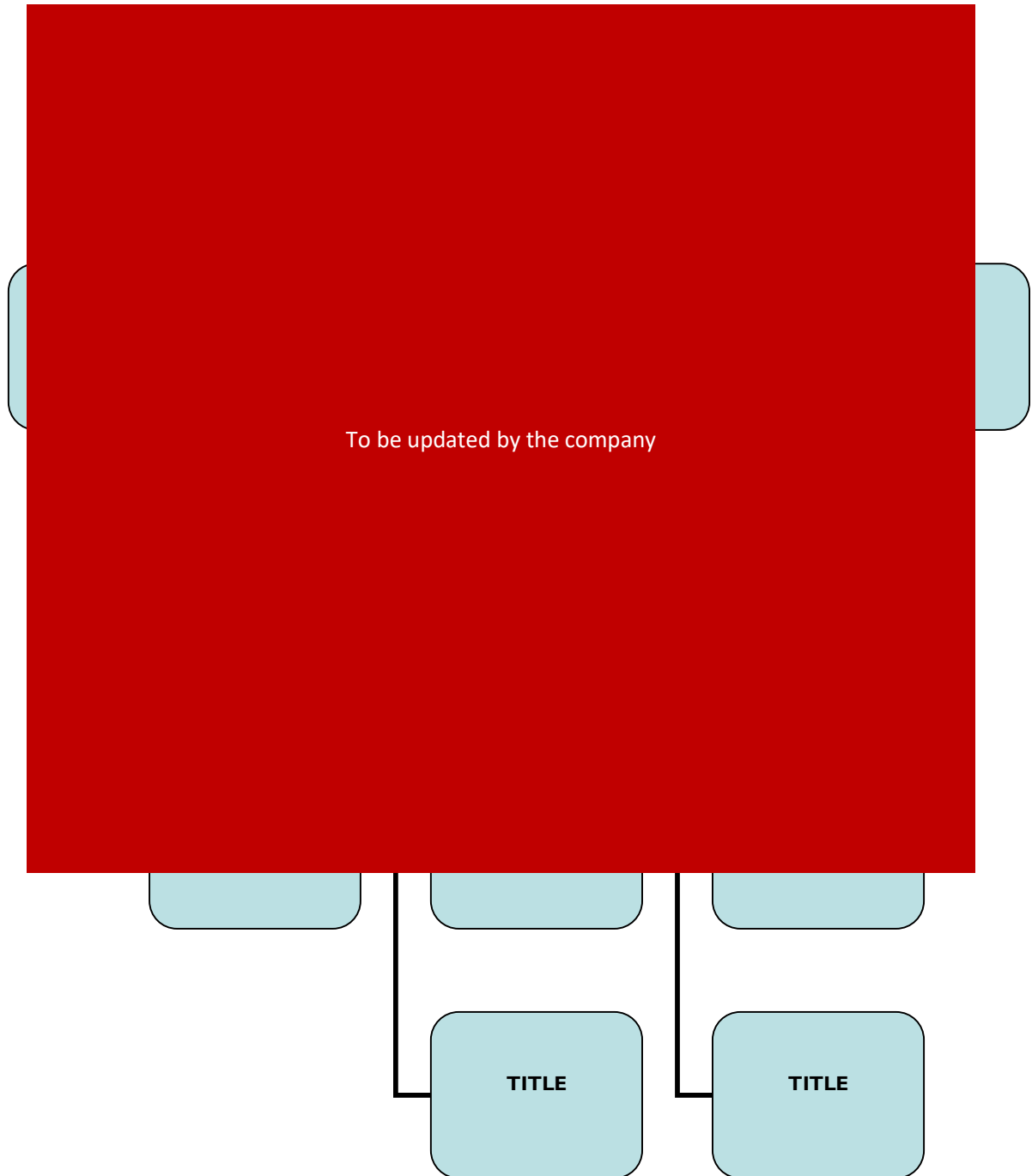
4. **Organization Chart**

Develop and include an organization chart. This should include both roles that you've already filled and roles you plan to fill in the future.

After reading the Management & Organization section, the reader should feel confident that you have a qualified team leading your business.

Use the Management Worksheet and Organization Chart on the next two pages to highlight your management team.

Organization Chart



VII. Instructions: Startup Expenses & Capitalization

In this section, detail the expenses involved in opening for business and how much capital you'll need. (Do not include ongoing expenses after your business opens; those are listed in the Financial Plan.) Estimating startup expenses as accurately as possible helps you gather enough startup capital.

1. Start-Up Expenses

Download and complete the [Start-Up Expenses](#) template. In working on this Business Plan, you should already have gathered most, if not all, of the information you need. In the body of this section, be sure to explain all of the assumptions behind the figures. How did you come up with these expenses? If you've secured or expect to secure loans, explain the source/s, amount/s and terms. If you've secured or expect to secure investors, explain how much each investor will contribute and what percentage of ownership each receives in return.

VIII. Instructions: Financial Plan

Your financial plan is perhaps the most important element of your business plan. Lenders and investors will review it in detail. Developing your financial plan helps you set financial goals for your startup and assess its financing needs. Include the following:

	P&L (\$k)					
	2020 Dec-20	2021 Dec-21	2022 Dec-22	2023 Dec-23	2024 Dec-24	2025 Dec-25
Membership Sales (\$k)		2,500	3,880	5,160	4,720	5,040
Sales Commission (\$k)		250	582	1,290	1,180	1,260
Retained Membership Sales (\$k)		0	1,744	4,276	7,447	9,995
Retained Memberships Commission (\$k)		0	262	1,069	1,862	2,499
Revenue		2,750	6,467	11,795	15,209	18,793
Growth (%)			135%	82%	29%	24%
Complimentary Membership Costs (\$k)		(255)	0	0	0	0
Cost of Initiation Fee / for Non Comps (\$k)		(281)	(437)	(581)	(531)	(567)
Cost of Memberships (up to 25 memb.) (\$k)		(473)	(630)	(630)	(630)	(630)
Cost of Memberships (26 memb. and above) (\$k)		(760)	(1,273)	(1,881)	(1,672)	(1,824)
Retained Members Costs (\$k)		0	(1,125)	(2,759)	(4,805)	(6,448)
Cost of Services		(1,769)	(3,465)	(5,850)	(7,638)	(9,469)
Gross Profit		981	3,003	5,945	7,571	9,324
Margin (%)		36%	46%	50%	50%	50%
Opex		(819)	(1,681)	(2,389)	(2,798)	(3,229)
Opex		(819)	(1,681)	(2,389)	(2,798)	(3,229)
Growth (%)			30%	9%	(1%)	(0%)
EBIT		162	1,322	3,556	4,773	6,096
Margin (%)		6%	20%	30%	31%	32%
EBITDA		172	1,333	3,567	4,784	6,107
Margin (%)		6%	21%	30%	31%	32%
Interest		0	0	0	0	0
PBT		162	1,322	3,556	4,773	6,096
Tax		(50)	(132)	(356)	(477)	(610)
Net Income		112	1,190	3,200	4,296	5,486
Margin (%)		4%	18%	27%	28%	29%

Balance Sheet (\$k)

	2020 Dec-20	2021 Dec-21	2022 Dec-22	2023 Dec-23	2024 Dec-24	2025 Dec-25
Assets						
Cash		500	1,684	652	842	964
Account receivable		35	60	94	119	134
Other current assets		40	70	109	138	155
Total Current Assets		575	1,814	855	1,098	1,254
LT Assets (Startup & Capex)		110	110	110	110	110
Total Assets		685	1,923	964	1,208	1,363
Liabilities						
Accounts payable		19	32	47	60	68
Other current liabilities		19	32	47	60	68
Payroll liabilities		8	13	19	24	27
Total Current Liabilities		46	77	112	143	163
LT Liabilities		36	65	92	115	130
Total Liabilities		82	142	204	258	293
Shareholders' Equity						
SHE		603	1,781	760	950	1,071
Liabilities & SHE		685	1,923	964	1,208	1,363

Cash Flow Statement (\$k)

	2020 Dec-20	2021 Dec-21	2022 Dec-22	2023 Dec-23	2024 Dec-24	2025 Dec-25
Net Revenue	0	112	1,190	3,200	4,296	5,486
Changes in NWC		(29)	(23)	(38)	(23)	(13)
Current assets		75	55	73	53	33
Current liabilities		46	31	35	31	20
Depreciation		(10)	(11)	(11)	(11)	(11)
Operating CF	0	74	1,155	3,151	4,262	5,462
Capex	51	59	0	0	0	0
CF Before Financing Activities	(51)	15	1,155	3,151	4,262	5,462
SHE Movements	500	0	0	(4,211)	(4,095)	(5,355)
Contributions	500	0	0	0	0	0
Dividends	0	0	0	(4,211)	(4,095)	(5,355)
LT Debt Movements	0	36	29	27	23	15
FCF	449	51	1,184	(1,032)	190	122
Cash BOP		449	500	1,684	652	842
Cash EOP	449	500	1,684	652	842	964

