Aurelian Manufacturing

Economic Tables & Projections

Investor & Bank Underwriting Document

REV7 — February 2026

Confidential

Section 1: Assumptions

Every projection in this document traces back to the assumptions in this section. All values are locked unless explicitly noted as variable.

1.1 Core Operating Assumptions

Parameter	Value	Source / Note
Theoretical hours per CNC per year	8,760	24h × 365d
Normalized hourly rate	3,000 NOK	Conservative floor. Defense/O&G rates higher.
Variable cost (startup)	13%	2027–2028
Variable cost (mature)	8%	2032+ (linear decline, see 1.1b)
Customer Program threshold	45% utilization	Marginal profit above threshold
Customer Program split above threshold	50%	Strategic customers only (see 3.5)
Target utilization (steady state)	60–65%	Of 8,760 theoretical hours

Utilization (%) always refers to percentage of 8,760 theoretical hours. No intermediate "available hours" concept is used.

1.1b Variable Cost Maturity Curve

The variable cost percentage declines linearly from 13% at startup to 8% at mature operations (2032+). The reduction is driven by tooling optimization, supplier agreements, predictive maintenance, and process stability.

Year	Variable Cost %	Driver	Comment
2027–2028	13.00%	New processes, testing	Startup level
2029	11.75%	Tooling optimization	First improvement cycle
2030	10.50%	Supplier agreements	Volume discounts
2031	9.25%	Predictive maintenance	Data-driven operations
2032+	8.00%	Mature operations	Steady state

1.2 CNC Machine Economics

Parameter	Value	Unit	Source
Cost per CNC incl. automation	10,000,000	NOK	Market analysis, MAZAK/DMG Mori
Depreciation life	8	years	Straight-line
Annual depreciation per CNC	1,250,000	NOK	10M ÷ 8 years
Debt interest rate	7.5%	%	Bank estimate
Debt per CNC (Seed, 50% EQ)	5,000,000	NOK	50% equity requirement
Debt per CNC (Serie A, 30% EQ)	7,000,000	NOK	30% EQ (proven operations)
Resale value (estimate)	60%	%	50–70% range, MAZAK premium

1.2b Debt Structure — Steady State (20 CNC)

Phase	CNC/Asset	Debt	Total Debt	Finance Cost (7.5%)
Seed CNC machines	5	5.0 MNOK/CNC	25.0 MNOK	1.88 MNOK
Shop base equipment	1 (set)	4.3 MNOK	4.3 MNOK	0.32 MNOK
Serie A CNC machines	15	7.0 MNOK/CNC	105.0 MNOK	7.88 MNOK
Total			**134.3 MNOK**	**10.07 MNOK**

1.2c Shop Base Setup — One-Time Investment per Site

The shop base setup is a one-time investment per production site covering measurement, material handling, and infrastructure. It does not scale with CNC count.

Item	Cost (MNOK)	Source
Measurement room (Wenzel CMM, Jenoptik, equipment)	3.91	Supplier quotes
Cutting / raw goods (automated saw, shelving, misc)	1.50	Supplier quotes
Compressor (Kaeser)	0.36	Supplier quote
Machine extraction (Absolent, 4 machines)	2.00	Supplier quote
Forklift (used + top brand)	0.85	Market estimate
Total shop base	**~8.6 MNOK**	**Ravema/Mazak**

Funded 50% equity / 50% bank debt. All items are physical assets with documented resale value. Depreciation: 8 years straight-line (~1.08 MNOK/year).

1.3 Staffing Model (Sub-Linear)

Parameter	Value	Note
Aurelian staff per CNC	0.8 FTE/CNC	Sub-linear scaling
Industry avg staff per CNC	2.5 FTE/CNC	Benchmark
Admin/Sales FTEs (constant)	4	Incl. BD/strategic sales from day one
Avg operational salary (incl. social)	1,100,000 NOK/year	
Avg admin salary (incl. social)	1,400,000 NOK/year	

1.3b Pre-Revenue Staffing Timeline

Period	Ops/Technical	Admin/Sales	Total	Funded By
2026 H1	0	2	2	Founders
2026 H2	0	3	3	Founders
2027 Q1–Q2	4 (training)	4	8	Seed
2027 Q3+	6	4	10	Seed
2028	6	4	10	Operations
2029	10	4	14	Operations
2030	13	4	17	Operations
2031	16	4	20	Operations
2032+	20	4	24	Operations

1.4 Fixed Costs (Non-Personnel)

Parameter	Value	Note
Facility lease (annual)	5,200,000 NOK	Starts Q3 2027. Separate line.
Non-facility opex at 20 CNC	3,000,000 NOK	IT, insurance, consumables infra
Opex scaling factor	150,000 NOK/CNC/year	Linear: 3.0M ÷ 20 CNC
Shop base depreciation	1,075,000 NOK/year	8.6M ÷ 8 years. Per site.

1.5 Revenue Formula

`Revenue per CNC = 8,760 × utilization% × 3,000 NOK`

Reconciliation: 8,760 × 60% × 3,000 = 15.768 MNOK per CNC. At 20 CNC = ~315 MNOK.

The hourly rate of 3,000 NOK is a conservative blended norm. Defense and Oil & Gas sector rates are higher; 3,000 serves as floor for priority sectors and norm for general industrial. Customer mix drives the actual blended rate — early revenue is skewed toward premium sectors.

Section 2: Scaling Trajectory

2.1 Machine Deployment Timeline

Period	Event	CNC (EOY)	Funding
Jun 2027	5 CNC delivered, commissioning	5	Seed
Aug 2027	Production starts	5	Seed
Q4 2028	Serie A Tranche 1 arrives	5 (+5)	Serie A
Q1 2029	Tranche 1 operational	10	Serie A
Q3 2029	Tranche 2 operational	15	Serie A
Q3 2030	Tranche 3 operational	20	Serie A

Serie A tranches are customer-driven. Base case assumes one tranche per year. Actual deployment may accelerate or decelerate based on order book.

2.2 Year-by-Year Revenue & Profit

Year	CNC (avg)	Util.	Revenue	Cost	Gross Profit	Customer Program	Aurelian Profit
2027 H2	5	20%	10.9	13.4	-2.5	—	-2.5
2028	5	37.5%	49.3	34.1	15.2	—	15.2
2029	12	42.5%	134	61.1	72.9	—	72.9
2030	17	47.5%	212	80.2	131.8	—	131.8
2031	20	52.5%	276	92.8	183.2	16.4	166.8
2032	20	57.5%	302	92.4	209.6	27.3	182.3
2033	22	60%	347	98.0	249.0	42.0	207.0
2034	24	62.5%	394	103.8	290.2	57.6	232.6
2035	25	65%	427	107.2	319.8	72.0	247.8

All amounts in MNOK. The Customer Program applies only when fleet utilization exceeds 45% and only to qualifying strategic customers. Accumulated Aurelian profit 2027–2035: ~1,254 MNOK.

2.3 Staffing Trajectory

Year	CNC	Operational FTEs	Admin FTEs	Total Staff
2027 Q3+	5	6	4	10
2028	5	6	4	10
2029	10–15	10	4	14
2030	15–20	13	4	17
2031	20	16	4	20
2032+	20–25	20	4	24

Section 3: Cost Structure Formulas

3.1 Personnel Cost

```
Personnel_Ops = Operational_FTE(year) × 1,100,000 NOK
Personnel_Admin = 4 × 1,400,000 = 5,600,000 NOK (constant from 2027)
Total_Personnel = Personnel_Ops + Personnel_Admin
```

3.2 Fixed Costs

```
Depreciation_CNC = total_CNC × 1,250,000
Depreciation_ShopBase = 1,075,000 (constant per site)
Finance_Cost = (Seed_CNC × 5,000,000 + ShopBase_Debt + SerieA_CNC × 7,000,000) × 7.5%
Facility = 5,200,000 (constant from Q3 2027)
Other_Opex = total_CNC × 150,000
```

3.3 Variable Costs

```
Variable_Cost = Revenue × var_cost_pct(year)
Where var_cost_pct: 13% (2027–2028) → 11.75% (2029) → 10.5% (2030) → 9.25% (2031) → 8% (2032+)
```

3.4 Customer Program

The Customer Program is Aurelian's value-sharing mechanism for strategic customers. When fleet utilization exceeds 45%, marginal profit above the threshold is shared 50/50 with qualifying customers.

```
Gross_Profit = Revenue − Total_Personnel − Depreciation − Finance_Cost − Facility − Other_Opex − Variable_Cost
If utilization > 45%: Customer_Program = (Revenue above threshold × (1 − var_cost%)) × 50%
If utilization ≤ 45%: Customer_Program = 0
Aurelian_Profit = Gross_Profit − Customer_Program
```

3.5 Customer Program — Model vs. Reality

The Customer Program is applied in projections using a fleet-wide utilization threshold of 45%. In practice, the program is offered only to select strategic customers on a per-machine allocation basis. Non-strategic customers pay standard market rates with no sharing.

At 60% fleet utilization with approximately 50% of capacity allocated to program-eligible customers, the conservative overestimate is approximately 20–25 MNOK per year. Actual Aurelian profit retention will be materially higher than modeled.

Scenario	Revenue	Customer Program	Aurelian Profit
Fleet-wide (modeled)	315 MNOK	~42 MNOK	~181 MNOK
Per-customer (realistic)	315 MNOK	~20 MNOK	~203 MNOK
Unmodeled upside	—	-22 MNOK	+22 MNOK

3.6 Steady State Cost Validation (20 CNC @ 60%, 8% variable cost)

Component	Annual (MNOK)
Operational payroll (16 FTE × 1.1M)	17.6
Administration (4 FTE × 1.4M)	5.6
Personnel subtotal	**23.2**
CNC depreciation (20 × 1.25M)	25.0
Shop base depreciation (8.6M ÷ 8yr)	1.08
Finance cost (134.3M × 7.5%)	10.07
Facility lease	5.2
Variable costs (8% of ~315M)	25.2
Other operating costs (20 × 150K)	3.0
Total cost	**~92.75**
Revenue @ 60%	**~315**
Result before tax	**~222.3**

Section 4: Capital Structure & Cap Table

4.1 Fundraising Rounds

Parameter	PreSeed	Seed	Serie A
Capital raised (equity)	5 MNOK	51.3 MNOK	45 MNOK
Pre-money valuation	25 MNOK	130 MNOK	250 MNOK
Post-money valuation	30 MNOK	181.3 MNOK	295 MNOK
Machines funded	0	5 CNC + shop base	15 CNC (3×5)
Bank debt raised	—	29.3 MNOK	105 MNOK
Total capital deployed	5 MNOK	80.6 MNOK	150 MNOK

4.2 Cap Table

Shareholder	Founding	Post PreSeed	Post Seed	Post Serie A
Eier A (56.25%)	56.25%	46.88%	33.60%	28.46%
Eier B (33.75%)	33.75%	28.13%	20.16%	17.08%
Eier C (10.00%)	10.00%	8.33%	5.97%	5.06%
PreSeed investors	—	16.67%	11.95%	10.12%
Seed investors	—	—	28.30%	23.98%
Serie A investors	—	—	—	15.25%
Founders total	**100%**	**83.33%**	**59.74%**	**50.60%**

Employee incentive programs (10%) are structured within each daughter company (Site), not at parent level. No further dilution occurs at parent level after Serie A.

4.3 Corporate Structure

Aurelian Manufacturing AS operates as a parent company. Each production facility is a separate daughter company. The parent holds management IP, automation playbooks, customer relationships, and equity stakes in all daughters.

Employee incentive program: 10% per daughter company, tied to site-level performance. This structure aligns employee incentives directly with the operations they can influence, without diluting parent-level ownership.

4.4 Exit Distribution (2.3B NOK Base Case)

Shareholder	Post Serie A %	Exit Value (MNOK)	ROI
PreSeed investors	10.12%	~233	~46.6x
Seed investors	23.98%	~552	~10.8x
Serie A investors	15.25%	~351	~7.8x

Section 5: Sensitivity Analysis

5.1 Utilization Sensitivity (20 CNC, 8% Var Cost, Before Customer Program)

Utilization	Revenue (MNOK)	Variable (8%)	Total Cost	EBIT	EBIT Margin
15%	78.8	6.3	73.8	5.0	6%
20%	105.1	8.4	75.9	29.2	28%
30%	157.7	12.6	80.1	77.6	49%
40%	210.2	16.8	84.3	125.9	60%
45%	236.5	18.9	86.4	150.1	63%
50%	262.8	21.0	88.5	174.3	66%
60%	315.4	25.2	92.7	222.7	71%
65%	341.6	27.3	94.8	246.8	72%

5.2 Break-Even Analysis

Machine-Level Break-Even: Break-even per CNC at approximately 13.5% utilization (~1,183 hours/year). Above this level, each machine contributes positively to operating profit.

Company-Level Break-Even

CNC	Fixed Costs (MNOK)	Break-even Revenue	Break-even Util.	Comment
3	22.5	25.9	~33%	Tight
4	25.1	28.9	~27%	Possible
5 (Seed)	27.7	31.8	~24%	Achievable in months
10	43.7	48.6	~18%	Post tranche 1
15	56.7	62.2	~16%	Post tranche 2
20 (full)	67.5	73.4	~14%	Very low threshold

5.3 Scenario Analysis for Exit

Scenario	CNC	Util.	EBITDA (MNOK)	Multiple	Exit (MNOK)	Seed ROI
Deep bear	15	35%	~83	8x	~665	2.9x
Bear	20	40%	~126	8x	~1,005	4.4x
Conservative	20	50%	~174	9x	~1,570	6.8x
Base	20	60%	~223	10x	~2,230	10.4x
Bull	25	65%	~268	11x	~2,950	13.7x
Multi-site	40+	55%+	~445+	12x	~5,350+	24.5x+

Even in the bear case (40% utilization, 8x multiple), every investor group earns a positive return. The Seed investor is protected by machine collateral and shop base equipment covering the majority of equity at risk.

5.4 Hourly Rate Sensitivity (20 CNC, 60%)

Hourly Rate	Revenue @ 60%	EBIT	vs. Base
2,500 NOK	262.8	179.1	-43.6
2,750 NOK	289.1	200.9	-21.8
3,000 NOK (base)	315.4	222.7	—
3,250 NOK	341.6	244.5	+21.8
3,500 NOK	367.9	266.3	+43.6

Every 250 NOK increase adds ~22 MNOK to EBIT. With defense and O&G customers driving above-3,000 rates, this represents unmodeled upside.

5.5 Risk Summary

Risk Factor	Sensitivity	Mitigation	Direction
Utilization	HIGH	Low break-even (14%), machine collateral, sub-linear costs	Key driver
Hourly rate	MODERATE	3,000 is floor for priority sectors	↑ Upside
Variable cost	LOW	Maturity curve is one-directional (down)	↓ Improving
Machine cost	LOW	10M locked, any reduction is upside	↓ Possible
Finance cost	LOW	Phase-specific structure, declining with maturity	↓ Declining

Section 6: Excel Workbook Templates

6.1 Full Financial Model

Sheet #	Name	Content
1	Dashboard	KPIs, charts, scenario toggle
2	Assumptions	ALL hardcoded inputs (blue font), source references
3	Revenue	CNC × utilization × rate, year-by-year
4	P&L	Revenue → COGS → Gross Profit → OpEx → EBIT
5	Cash Flow	Operating, Investing, Financing
6	Balance Sheet	Assets, Liabilities, Equity
7	Cap Table	All rounds, dilution, exit distribution
8	Sensitivity	Utilization, machine count, scenarios
9	Break-Even	Machine-level and company-level

Section 7: Use of Funds

7.1 PreSeed (5 MNOK)

Category	MNOK	%	Note
Concept validation & customer discovery	1.5	30%	
Supplier LOIs & regulatory	1.0	20%	
Team & advisory	1.0	20%	
Planning & engineering	1.0	20%	
Buffer	0.5	10%	
Total	**5.0**	**100%**	

7.2 Seed (51.3 MNOK Equity + 29.3 MNOK Debt)

Category	MNOK	Source	Note
CNC machines equity (5 × 5.0M)	25.0	Equity	50% equity requirement
CNC machines debt (5 × 5.0M)	25.0	Bank	Secured by machines
Shop base setup and technical equipment	8.6	Equity	Ravema/Mazak
Shop base debt (50%)	4.3	Bank	Secured by equipment
Pre-revenue staffing (Jan–Jul 2027)	4.7	Equity	8 FTE, 7 months
Facility setup & commissioning	3.0	Equity	IT/OT, tooling, automation
Facility lease pre-revenue (Q3–Q4 2027)	2.3	Equity	5.2M × 5/12
Certifications (AS9100, AQAP, ISO 9001)	2.0	Equity	Defense market access
Buffer	10.0	Equity	
Total equity deployed	**51.3**		
Total incl. debt	**80.6**		

7.3 Serie A (45 MNOK Equity + 105 MNOK Debt)

Category	MNOK	Source	Note
CNC machines equity (15 × 3.0M)	45.0	Equity	30% equity requirement
CNC machines debt (15 × 7.0M)	105.0	Bank	Secured by machines
Total equity deployed	**45.0**		
Total incl. debt	**150.0**		

Deployed in three milestone-based tranches:

Tranche	Machines	Equity	Debt	Trigger
1	5 CNC	15.0 MNOK	35.0 MNOK	Serie A close + customer demand
2	5 CNC	15.0 MNOK	35.0 MNOK	Tranche 1 at >30% utilization
3	5 CNC	15.0 MNOK	35.0 MNOK	Tranche 2 at >30% utilization

By the time Serie A deploys (H2 2028+), the business is cash-flow positive. Certifications, team expansion, and working capital are funded from operations.

7.4 Platform Engineering Team (Self-Funded)

Category	Start	Annual Cost	Funded By
4–5 engineering/development FTE	Q1 2030	~5.6–7.0 MNOK	Site Zero cash flow

This team builds the replicable platform layer: automation playbooks, digital twin infrastructure, MES/ERP standardization, and Site Two planning. No external capital required.

Section 8: Validation Checkpoints

All financial models, investor materials, and bank underwriting is validated against these master reference numbers:

#	Checkpoint	Value	Status
1	Revenue at 20 CNC, 60% utilization	~315 MNOK	✓
2	Total cost at 20 CNC steady state (8% var)	~92.75 MNOK	✓
3	Break-even at 5 CNC (Seed config)	~24% utilization	✓
4	Staff ratio	0.8 FTE per CNC	✓
5	Variable cost (steady state)	8% (from 13% startup)	✓
6	Exit valuation (base case)	2.3B NOK at 10x EBITDA	✓

7	Founders post-Serie A	50.6%	✓
8	Accumulated profit 2027–2035	~1,254 MNOK	✓
9	Seed pre-money	130 MNOK	✓
10	CAPEX per CNC (incl. automation)	10 MNOK	✓
11	First revenue	August 2027	✓
12	Seed machines	5 CNC	✓
13	Serie A machines	15 CNC (3×5 tranches)	✓
14	Total equity raised (all rounds)	101.3 MNOK	✓
15	Self-funded scaling capability	From ~2030	✓
16	Shop base setup (per site)	8.6 MNOK	✓
17	Founder contribution valuation basis	See VDR 2.3	✓

Any discrepancy between downstream documents and these checkpoints indicates a document that needs updating. This table is the single source of truth.

For a detailed breakdown of the pre-money valuation basis, including founder sweat equity quantification (estimated 6.8–8.6 MNOK total founder contribution through Seed), see 02_Founder_Contribution_PreSeed_Valuation (VDR folder 2.3 Valuation Basis).

8.1 Conservative Buffers (Not Modeled)

The following sources of upside are documented but deliberately excluded from projections to maintain conservative credibility:

Buffer	Est. Impact at Steady State	Basis
Hourly rate above 3,000 (defense/O&G)	Upside — not quantified	Sector premiums
Customer Program overestimate (fleet vs. per-customer)	~20–25 MNOK/year	~50% fleet to strategic
CNC cost below 10 MNOK	Lower depr + finance cost	Potential procurement savings
Variable cost below 8%	Possible at 6–7%	Continued optimization

These buffers collectively represent material unmodeled upside that strengthens the investment case without inflating projections.

Document History

Version	Date	Changes
REV1	Feb 2026	Original document (Norwegian)
REV2	Feb 2026	Variable cost maturity curve, 6,000h removal
REV3	Feb 2026	CNC cost 10M, phase-specific debt, 4 admin positions
REV4	Feb 2026	Complete rebuild: English, 5+15 CNC split, full sensitivity
REV5	Feb 2026	Customer Program naming. Shop base setup 8.6M added. Option C financing: Seed 51.3M @ 130M pre, Serie A 45M @ 30% EQ. Buffer 10M. Section 6.2 removed. Cap table recalculated. All costs updated.
REV6	Feb 2026	Added reference to 02_Founder_Contribution_PreSeed_Valuation (VDR 2.3). Checkpoint #17 added. Cross-reference to founder sweat equity valuation basis.
REV7	Feb 2026	Design Manual v2.0 applied: full color palette alignment (#F50537 red, #2B2B2B text, #6B6B6B secondary), dark table headers (#2B2B2B), alternating row shading, horizontal-only borders, Calibri throughout, proper heading hierarchy, compliant header/footer with red accent line.