



Business plan 1st year presentation

France Only

Invoicing NO VAT

Business Plan presentation / 2morrow Paris

Year 2014 - 2015

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Invoicing	-	-	-	€ 80.000	€ 85.000	€ 90.000	€ 99.000	€ 138.400	€ 163.700	€ 138.400	€ 138.400	€ 155.700	€ 138.400	€ 103.800	€ 34.600
Monthly FCF	- 26'760 €	- 23'304 €	- 54'530 €	- 117'063 €	- 85'168 €	- 51'997 €	- 64'493 €	- 115'012 €	- 128'674 €	- 28'436 €	- 53'392 €	- 54'988 €	- 16'084 €	- 11'649 €	- 3'192 €
CUM FCF	- 26'760 €	- 50'064 €	- 104'594 €	- 221'657 €	- 306'825 €	- 358'822 €	- 423'315 €	- 538'327 €	- 667'001 €	- 638'564 €	- 585'172 €	- 640'160 €	- 656'245 €	- 667'893 €	- 664'701 €

- Company to start working in June 2014 for September launch
- Total invoicing from September 2014 to August 2014 1,55M Eur
- Clear explanation of all expenses in following slides, validate as much as possible with local experts and Italian internal benchmarks where applicable (e.g., tickets)
- License already applied for and awaiting just incorporation for approval
- Overall financing requested for year 1 until Aug 15 is 668'000 Eur
 - From Aug 15, second full year should require a further investment of ~65K Eur, however the details will be presented with next year budget and there will be a higher cash request for a march cash requirement peak
 - Third year the company has to be cash flow positive



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Invoicing	-	-	-	€ 80.000	€ 80.000	€ 80.000	€ 90.000	€ 138.400	€ 263.300	€ 135.400	€ 138.400	€ 155.700	€ 138.400	€ 109.600	€ 34.600
Men	-	-	-	-	-	-	-	€ 27.680	€ 72.660	€ 27.680	€ 27.680	€ 31.140	€ 27.680	€ 20.760	€ 6.920
Women	-	-	-	€ 80.000	€ 80.000	€ 90.000	€ 90.000	€ 110.720	€ 290.640	€ 110.720	€ 110.720	€ 124.560	€ 110.720	€ 88.840	€ 27.680

September 2014:

Assumption 40 models in town



According to our analysis based on the Italian market and comparing it to the Paris market which usually overachieves a +20% of revenue (conservative assumption) - we assume that a model's monthly average revenue is € 2.000 for the first 3 months of stay in town (conservative 50% utilization rate, i.e., only 50% of models will work at € 4.000/month) , with a gradually increase of the +10%-13% from the 4th month on, due to client's fidelity and model's notoriety.

Men invoicing is based on the direct invoicing that last year 2morrow did from Milano, augmented by 50% because of local presence in Paris.



Fixed costs

Year 2014 - 2015

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Office	-	-	€ 14.000	€ 3.500	€ 3.500	€ 3.500	€ 3.500	€ 3.500	€ 3.500	€ 3.500	€ 3.500	€ 3.500	€ 3.500	€ 3.500	€ 3.500
Cleaning	-	-	-	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600
Cellphones	€ 2.000	€ 1.000	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500
Telephones	-	-	€ 3.500	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600	€ 600
Electricity	-	-	€ 200	€ 400	€ 400	€ 400	€ 400	€ 400	€ 400	€ 400	€ 400	€ 400	€ 400	€ 400	€ 400
Office supplies	-	-	-	€ 10.000	€ 200	€ 200	€ 200	€ 200	€ 200	€ 200	€ 200	€ 200	€ 200	€ 200	€ 200
Tax consultant	€ 10.000	-	-	-	-	-	-	-	-	€ 15.000	-	-	-	-	-
Pc support + HW	-	-	€ 19.100	€ 7.200	€ 1.500	€ 1.500	€ 1.500	€ 1.500	€ 1.500	€ 1.500	€ 1.500	€ 6.500	€ 1.500	€ 1.500	€ 1.500
Work consultant	€ 2.000	-	-	€ 1.000	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500

Zero cost for temporary office for license, we should be able to provide it with friends. Then 3500/month and 3 months deposit in first month. 150 sq mt semi-central

LAN + 6 computers x 850 each

Installation of SW (proprietary + adobe + office)

Preparation work pre opening cellphones usage

VOIP installation for 10 internal numbers

Modification of SW for France after 6 months operations

IKEA style furnishing, same amount spent in Italy for Nologo and costs are similar in Ikea FR and IT

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Fixed costs

Year 2014 - 2015

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Other office costs	€ 5.000	€ 9.450	-	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000
Taxes paid	-	-	-	€ 4.356	€ 8.712	€ 13.613	€ 14.157	€ 17.337	€ 32.218	€ 34.853	€ 34.853	€ 23.550	€ 23.550	€ 21.666	€ 15.072
Bank commission + debt	€ 150	€ 284	€ 400	€ 675	€ 1.258	€ 1.684	€ 1.944	€ 2.267	€ 2.842	€ 3.485	€ 3.343	€ 3.076	€ 3.351	€ 3.431	€ 3.489
Work consultant	€ 2.000	-	-	€ 1.000	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500

International wires 15 x 10 wires/month
+ 6% yearly interest on debt

Second tranche license to
operate in France. First
5000 already paid by
2morrow

Setup costs France company. Estimate

Cost aligned with Italian
expenses and confirmed
preliminarily by French
tax advisor

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Fixed costs

Year 2014 - 2015

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Salaries	€ 1.500	€ 1.500	€ 1.500	€ 18.500	€ 18.500	€ 18.500	€ 24.850	€ 20.350	€ 20.350	€ 20.350	€ 20.350	€ 20.350	€ 20.350	€ 20.350	€ 20.350
Social charges	€ 1.110	€ 1.110	€ 1.110	€ 13.690	€ 13.690	€ 13.690	€ 17.797	€ 15.059	€ 15.059	€ 15.059	€ 15.059	€ 15.059	€ 15.059	€ 15.059	€ 15.059
Model social charges	-	-	-	€ 9.360	€ 9.360	€ 10.530	€ 10.530	€ 16.193	€ 42.506	€ 16.193	€ 16.193	€ 18.217	€ 16.193	€ 12.145	€ 4.048

One assistant to set up

6 employees

13 th month french law

7 employees

3 Mid level bookers @
4000 each

2 Assistants @ 1500
each

1 Traffic and
Operations manager @
3500

No scouts included
No CEO included

% confirmed by tax advisor
of total net payment to
models

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Variable costs

Year 2014 - 2015

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Apart + Residence	-	-	-	€ 32.400	€ 32.400	€ 21.600	€ 21.600	€ 61.200	€ 61.200	€ 25.500	€ 20.400	€ 35.700	€ 20.400	€ 20.400	€ 5.100
Driver	-	-	-	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000	€ 2.000
Taxi	-	-	-	€ 300	€ 300	€ 300	€ 300	€ 300	€ 300	€ 300	€ 300	€ 300	€ 200	€ 200	€ 200
Mail	-	-	-	€ 50	€ 50	€ 50	€ 50	€ 50	€ 50	€ 50	€ 50	€ 50	€ 50	€ 50	€ 50
Messenger	-	-	-	€ 250	€ 250	€ 250	€ 250	€ 250	€ 250	€ 250	€ 250	€ 250	€ 150	€ 150	€ 150
Hairdresser	-	-	-	€ 500	-	-	-	€ 800	-	-	-	€ 400	-	-	-
Gift to clients	-	-	-	-	-	-	€ 3.000	-	-	-	-	-	-	-	-

Adapted moth by month based on number of models in town

Xmas presents to clients

Only for arrivals at beginning of season



Variable costs

Year 2014 - 2015

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Photographers	-	-	-	€ 2.500	€ 1.500	€ 1.000	-	€ 2.500	€ 1.000	-	-	€ 1.502	€ 500	-	-
Prints	-	-	€ 2.500	€ 2.000	€ 500	€ 600	-	€ 3.500	-	€ 4.714	-	-	€ 3.200	€ 1.000	-
Model payments	-	-	-	€ 91.200	€ 31.200	€ 59.100	€ 35.100	€ 53.906	€ 141.587	€ 53.976	€ 53.976	€ 60.723	€ 53.976	€ 40.482	€ 13.484
Tickets paid for models	-	-	€ 6.720	€ 7.140	€ 7.560	€ 9.593	€ 21.071	€ 21.071	€ 11.626	€ 12.352	€ 12.352	€ 10.172	€ 5.813	€ 5.813	€ 8.719
Mother agency	-	-	-	€ 1.600	€ 1.600	€ 1.800	€ 1.800	€ 2.768	€ 7.266	€ 2.768	€ 2.768	€ 3.114	€ 2.768	€ 2.076	€ 692
Scouting trips	€ 5.000	€ 10.000	€ 5.000	-	€ 10.000	€ 10.000	€ 3.000	€ 10.000	€ 10.000	€ 3.000	€ 3.000	€ 14.000	€ 5.000	€ 10.000	€ 5.000

First prints for Sept arrivals

Assumption payment 24 hours after work as in Milan (excluding rights)

Conservative estimate assuming 50% employment rate for first year

Aligned with Milano costs (same cost for CDG and MIL for flight and other transprtations)

Strong push for first year to establish new agency. No salaries paid to scouters (4 FTEs) that will increase trips for Paris agency

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