

FINANCIAL DOCUMENT

# Master Financial Model

Raise \$500,000 SAFE Valuation Cap \$10,000,000 CF Positive Month 7 Version 4.0 · March 2026

|   |  |   |
|---|--|---|
| <p>YEAR 1 ENDING ARR</p> <p><b>\$1.02M</b></p> <p>\$5.56M Y2 · \$9.77M Y3</p> | <p>MAX CUMULATIVE DEFICIT</p> <p><b>\$77.5K</b></p> <p>Month 6 trough — never gets worse</p> | <p>YEAR 1 OP. SURPLUS</p> <p><b>\$82K</b></p> <p>13% operating margin</p> |
|---|--|---|

SINGLE SOURCE OF TRUTH — ALL INVESTOR CONVERSATIONS USE THESE FIGURES

PRICING

## Pricing & Tier Structure

### V1 Launch Phases

| PHASE            | PRICE          | CAP            |
|------------------|----------------|----------------|
| Beta             | \$39/mo        | 50 users       |
| Loyalty Launch   | \$49/mo        | 500 users      |
| <b>V1 Market</b> | <b>\$59/mo</b> | <b>All new</b> |

Founding cohort blended: \$48.09/mo — locked permanently. Never use "lifetime pricing."

### V2 Tiered Pricing (Month 13)

| PLAN                | PRICE          | MIX |
|---------------------|----------------|-----|
| Solo Pro            | \$59/mo        | 70% |
| Team Starter        | \$129/mo       | 25% |
| Crew Builder        | \$199/mo       | 5%  |
| <b>Blended ARPU</b> | <b>\$83.50</b> |     |

ACQUISITION MODEL

## Freemium Model

5 free AI estimate generations — no credit card. After the 5th, the product prompts subscription. Volume-gated (not time-gated) — produces 25% higher conversion than trial-based models. **Base case conversion: 7%.**

| CONVERSION RATE       | FREE SIGNUPS FOR 1,000 PAYING | CONTEXT  |
|-----------------------|-------------------------------|--|
| Conservative — 4%     | ~25,000                       | Below B2B SMB average                                |
| <b>Base Case — 7%</b> | <b>~14,300</b>                | <b>Above average; AI quality + usage-volume wall</b> |
| Optimistic — 12%      | ~8,300                        | Daily habit product with strong AI hook              |

Ryan's owned audience of 46,000+ warm prospects makes all three scenarios reachable without paid acquisition in Year 1.

## REVENUE MODEL

### ARPU Model — Built from Pricing Structure

| QUARTER    | MONTHS | ARPU    | YEAR  | WTD AVG ARPU | ENDING ARR     |
|------------|--------|---------|---|--------------|----------------|
| Q1 Year 1  | 1-3    | \$49.63 | Year 1  | \$53         | <b>\$1.02M</b> |
| Q2 Year 1  | 4-6    | \$52.41 | Year 2  | \$75         | <b>\$5.56M</b> |
| Q3 Year 1  | 7-9    | \$53.92 | <b>Year 3</b>   | <b>\$80</b>  | <b>\$9.77M</b> |
| Q4 Year 1  | 10-12  | \$54.86 | <b>Key driver:</b> Tiered pricing launches Month 13. New customers enter at \$83.50 blended. Existing \$59 customers — 20% upgrade over 6 months post-launch at blended \$73.00. Founding cohort shrinks as % of base each quarter. |              |                |
| Q5 Year 2  | 13-15  | \$66.25 | <small>Always use Ending ARR in investor conversations, not cash collected. Year 1 actual cash collected: ~\$610K. Year 1 Ending ARR: ~\$1.02M.</small>   |              |                |
| Q6 Year 2  | 16-18  | \$73.92 |   |              |                |
| Q7 Year 2  | 19-21  | \$76.79 |   |              |                |
| Q8 Year 2  | 22-24  | \$78.11 |   |              |                |
| Q9 Year 3  | 25-27  | \$79.25 |   |              |                |
| Q10 Year 3 | 28-30  | \$80.10 |   |              |                |
| Q11 Year 3 | 31-33  | \$80.80 |   |              |                |
| Q12 Year 3 | 34-36  | \$81.30 |   |              |                |

## CUSTOMER GROWTH

### Customer Growth Model

#### Year 1 — Owned Audience Only

| CHANNEL         | AUDIENCE    | CONV. | CUSTOMERS         |
|-----------------|-------------|-------|-------------------|
| Email list      | 18,000      | 2.5%  | ~450              |
| Facebook group  | 28,000      | 1.0%  | ~280              |
| Podcast         | 700/wk      | 10%   | ~70               |
| Referrals       | 10% of base | —     | ~120              |
| <b>Total Y1</b> |             |       | <b>~920-1,000</b> |

### Year 2 — Multi-Channel

| CHANNEL             | NET NEW       | CAC           |
|---------------------|---------------|---------------|
| Podcast appearances | ~563          | \$0           |
| SEO (12 verticals)  | ~450          | \$0           |
| Paid acquisition    | ~1,100        | \$150-200     |
| Referrals + content | ~500          | \$0           |
| <b>Total</b>        | <b>~2,813</b> | <b>~\$100</b> |

### 3-Year Summary

| METRIC           | Y1          | Y2           | Y3           |
|------------------|-------------|--------------|--------------|
| Ending Customers | 1,540       | 6,000        | 10,000       |
| Net New          | 1,540       | 4,460        | 4,000        |
| <b>CAC</b>       | <b>\$75</b> | <b>\$100</b> | <b>\$150</b> |

## MASTER PROJECTIONS

### 3-Year Master Projections

| METRIC              | YEAR 1 (2026)   | YEAR 2 (2027)   | YEAR 3 (2028)   |
|---------------------|-----------------|-----------------|-----------------|
| Ending Customers    | 1,540           | 6,000           | 10,000          |
| Weighted Avg ARPU   | \$53            | \$75            | \$80            |
| Ending MRR          | ~\$84,900       | ~\$463,400      | ~\$814,300      |
| <b>Ending ARR</b>   | <b>~\$1.02M</b> | <b>~\$5.56M</b> | <b>~\$9.77M</b> |
| Gross Margin        | 85%             | 88%             | 90%             |
| Blended CAC         | \$75            | \$100           | \$150           |
| Monthly Churn (avg) | 6.5%            | 4.5%            | 3.5%            |
| LTV                 | ~\$693          | ~\$1,467        | ~\$2,057        |
| <b>LTV:CAC</b>      | <b>9x</b>       | <b>15x</b>      | <b>14x</b>      |
| Payback Period      | 50 days         | 46 days         | 62 days         |

## RETENTION

### Churn Schedule & The Two-Force Moat

| PERIOD            | MONTHLY CHURN | RATIONALE  |
|-------------------|---------------|--|
| Months 1-3        | 8%            | Early fit-testing  |
| Months 4-6        | 6%            | Estimate library building; stickiness increasing           |
| Months 7-12       | 4%            | Today's List habit formed                                  |
| Year 2 avg        | 4.5%          | Growing base includes newer customers in early habit phase |
| <b>Year 3 avg</b> | <b>3.5%</b>   | <b>Mature base; high switching cost</b>                    |

Always cite churn as a monthly rate. Never say "X% annual churn." Say: "6.5% monthly, declining to 4.5% by Year 2."

## UNIT ECONOMICS

### Unit Economics & CAC Sensitivity

### Unit Economics Summary

| METRIC         | Y1        | Y2         | Y3         |
|----------------|-----------|------------|------------|
| ARPU           | \$53      | \$75       | \$80       |
| Gross Margin   | 85%       | 88%        | 90%        |
| LTV            | \$693     | \$1,467    | \$2,057    |
| CAC            | \$75      | \$100      | \$150      |
| <b>LTV:CAC</b> | <b>9x</b> | <b>15x</b> | <b>14x</b> |
| Payback        | 50 days   | 46 days    | 62 days    |

### Year 3 CAC Stress Test

| SCENARIO          | CAC          | LTV:CAC    |
|-------------------|--------------|------------|
| <b>Base Case</b>  | <b>\$150</b> | <b>14x</b> |
| Conservative      | \$175        | 12x        |
| Stress Test       | \$225        | 9x         |
| Industry Standard | \$300        | 7x         |

SaaS benchmark for "strong": 3x-5x. Tulboxx holds above benchmark in every scenario. B2B SaaS median payback: 12-18 months.

## OPERATING MODEL

### Year 1 Monthly Operating P&L

| MONTH | CUSTOMERS    | MRR              | GROSS PROFIT     | OPEX            | MONTHLY INCOME  | CUMULATIVE                   |
|-------|--------------|------------------|------------------|-----------------|-----------------|------------------------------|
| 1     | 560          | ~\$27,400        | ~\$23,300        | \$42,000        | (\$18,700)      | (\$18,700)                   |
| 2     | 580          | ~\$28,600        | ~\$24,300        | \$42,000        | (\$17,700)      | (\$36,400)                   |
| 3     | 620          | ~\$30,900        | ~\$26,300        | \$42,000        | (\$15,700)      | (\$52,100)                   |
| 4     | 690          | ~\$34,900        | ~\$29,700        | \$42,000        | (\$12,300)      | (\$64,400)                   |
| 5     | 760          | ~\$39,000        | ~\$33,200        | \$42,000        | (\$8,800)       | (\$73,200)                   |
| 6     | 850          | ~\$44,300        | ~\$37,700        | \$42,000        | (\$4,300)       | <b>(\$77,500) ← trough</b>   |
| 7     | <b>940</b>   | <b>~\$50,200</b> | <b>~\$42,700</b> | <b>\$42,000</b> | <b>\$700</b>    | <b>(\$76,800) ← CF+</b>      |
| 8     | 1,050        | ~\$56,700        | ~\$48,200        | \$42,000        | \$6,200         | (\$70,600)                   |
| 9     | 1,170        | ~\$63,800        | ~\$54,200        | \$25,000        | \$29,200        | (\$41,400)                   |
| 10    | 1,290        | ~\$70,900        | ~\$60,300        | \$25,000        | \$35,300        | (\$6,100)                    |
| 11    | <b>1,410</b> | <b>~\$78,000</b> | <b>~\$66,300</b> | <b>\$25,000</b> | <b>\$41,300</b> | <b>\$35,200 ← break-even</b> |
| 12    | <b>1,540</b> | <b>~\$84,900</b> | <b>~\$72,200</b> | <b>\$25,000</b> | <b>\$47,200</b> | <b>\$82,400</b>              |

OpEx drops from \$42K to \$25K/month in Month 9 as product development sprint completes and legal/setup costs normalize. Founder compensation \$0 in Year 1.

**What the raise actually funds:** The cumulative operating deficit never exceeds ~\$77,500 even at the trough. The majority of the \$500K is allocated to product development (mobile apps, V2 architecture, Stripe Connect) — not to funding operating losses. Operations become self-sustaining from revenue by Month 7.

## ANNUAL SUMMARY

### Annual Operating P&L

| YEAR                 | REVENUE (ACTUAL) | GROSS PROFIT   | OPEX            | OPERATING INCOME | MARGIN      |
|----------------------|------------------|----------------|-----------------|------------------|-------------|
| Year 1 (2026)        | ~\$610K          | ~\$518K        | ~\$436K         | ~\$82K           | ~13%        |
| Year 2 (2027)        | ~\$3.5M          | ~\$3.1M        | ~\$1.14M        | ~\$1.96M         | ~56%        |
| <b>Year 3 (2028)</b> | <b>~\$7.8M</b>   | <b>~\$7.0M</b> | <b>~\$1.86M</b> | <b>~\$5.14M</b>  | <b>~66%</b> |

EBITDA-level, pre-tax. Y2 OpEx includes ~\$27K/mo paid marketing + \$15K/mo founder draws. Y3 OpEx includes ~\$64K/mo paid marketing (10% of ~\$640K avg MRR) + \$20K/mo founder draws.

SELF-FUNDING LOOP

## Revenue Reinvestment

Beginning in Year 2, 10% of monthly revenue reinvested into paid acquisition — funded entirely by revenue, not the raise.

| QUARTER        | AVG MRR        | MONTHLY REINVEST |
|----------------|----------------|------------------|
| Q1 2027        | ~\$150K        | ~\$15K           |
| Q2 2027        | ~\$230K        | ~\$23K           |
| Q3 2027        | ~\$320K        | ~\$32K           |
| <b>Q4 2027</b> | <b>~\$415K</b> | <b>~\$41.5K</b>  |

V2 UPSIDE

## Stripe Connect Revenue

Not modeled in any projection. Planned for V2 (~Month 13): contractors accept client payments through Tulboxx. Platform fee on volume processed.

ILLUSTRATIVE YEAR 3 UPSIDE

30% of 10,000 customers × \$15K/mo avg volume × 1% fee = **\$450K/mo incremental MRR**

**~\$5.4M additional ARR** — entirely upside to the \$9.77M subscription base.