



FITME



BUSINESS PLAN

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FITME

FUTURESHOPPING –
AN AI-DRIVEN APPAREL
FULFILLMENT MARKETPLACE
WITH VIRTUAL FITTING
IN MOTION

AND WHAT'S THE PROBLEM?

When shopping for clothing, finding items that fit well can take a lot of time. And even after making a purchase, people often end up having to wear a badly-fitting item or make a return.

In offline apparel retail the average return rate reaches 8% and goes up to 30% in online retail.

OUR SOLUTION – FUTURESHOPPING

Using FITME, customers are able to define the style, budget and brands of a large variety of clothes, see themselves in motion while virtually wearing various clothing options with an unprecedentedly high level of fitting accuracy. This is exactly what makes our marketplace unique and more advanced compared to its counterparts.

GLOBAL MARKET

\$ 5 000 000 000 000 000

The revenue of the global apparel market is estimated at \$2 trillion for online and \$3 trillion for offline (STATISTA).

FINANCIALS PROJECTIONS

	Y1	Y2	Y3	Y4	Y5
Revenue, \$:	2M	31M	253M	1B	2B

INVESTMENT SOUGHT

Early stage: **\$5M** for R&D before the launch in NYC.

A mere trifle when it comes to revolutionizing the global market, isn't it?

GLOBAL COMPETITION

amazon Walmart AliExpress macy's Rakuten asos

TEAM



CEO
CMO

Vitalii Borshchevskii
developed business with revenue +\$40M, customers in Forbes. Education: software developer, designer, neuropsychologist.



CTO

Alex Potapov
full professor Computer vision and AI completed projects with LG Electronics, Daimler-Chrysler AG, Cisco etc.

5 YEARS ROADMAP TO FIRST \$2B REVENUE FROM LAUNCH



1. COMPANY OVERVIEW

1.1. THE VISION

FITME's aim is to become the leading marketplace for apparel and accessories by offering next-generation virtual fitting room technology — *futureshopping* as is.

1.2. THE MARKET NEED AND BUSINESS OPPORTUNITY

- Describe the market need (market problem)
 - Offline apparel retail has an avg. return rate of 8%, and this figure reach 30% for online retail.
 - People invest time to search and purchase clothes that fit them perfectly.
- **Describe the business opportunity**
Talking about business opportunities means focusing primarily on what enables profit generation.

Let us first of all consider the axiom that customers are more likely to purchase an item of clothing after they've tried it on. And the more items they've tried on, the higher the probability of purchase: this is a constant principle in offline retail. Let us now project this onto online retail. Try more – buy more.



- Owing to the unique virtual fitting technology, FITME customers using their smartphones will see themselves in beautifully matched sets of clothes (and in motion, too) they can choose from a vast online catalog.

Unique AI of FITME will create unique customer catalog that will fit their size and desire. In conclusion every item that a customer will be offered to try will be a perfect fit to their bodies and their preferences: colors, style, design and budget and then it will translate into a higher likelihood of purchases. How much are they likely to increase?

Current offline conversion rate try-on/purchase is avg. 30%, so potentially FITME as a sales channel is going to be even more efficient than offline, because using FITME virtual fitting room, customers have a chance to try on many more items than spending their time on offline-shopping.

- The FITME platform offers customers only items that are a perfect fit. This reduces the likelihood of returns, which reach as **high as 30%** in online retail on average. This could appeal to both end customers and suppliers.
- The platform keeps track of buyers' previous purchases and, powered by Big Data, makes highly personalized suggestions of items suitable for their particular style at any given moment (silver bullets, after a fashion).
- Another business opportunity is the way the system generates default recommendations. Suppliers and manufacturers participate in an auction competing to be shown at the top of the default listing. The result will determine which brand is suggested by the system more often. Suppose, there are twelve identical T-shirts from different brands that suit a particular user: which T-shirt brand will be the one the user sees first and which one last? This is a decision made by the auction's AI algorithm that will result in both showing the items of the brands with the highest bid and showing the items that will meet the buyer's attention and expectation.
- Overall, due to a combination of unique features FITME offers, efficiency is expected to be significantly higher compared to both offline and other online sales channels, thus making it quite likely to emerge as a market leader in years to come.

1.3. THE SOLUTION

THE PRODUCT

1. Scanning body



The buyer uses their smartphone to scan themselves, and we then get an exact 3D digital model of their body in great detail.

The platform uses once captured user's parameters for future purchases unless the user performs a rescan (in case of a change in body parameters due to diet, pregnancy, etc).

Platform gives the commands to users for specific moves and poses to scan all their body parameters static and in motion.

Any standard phone in the market is good enough to perform this task.

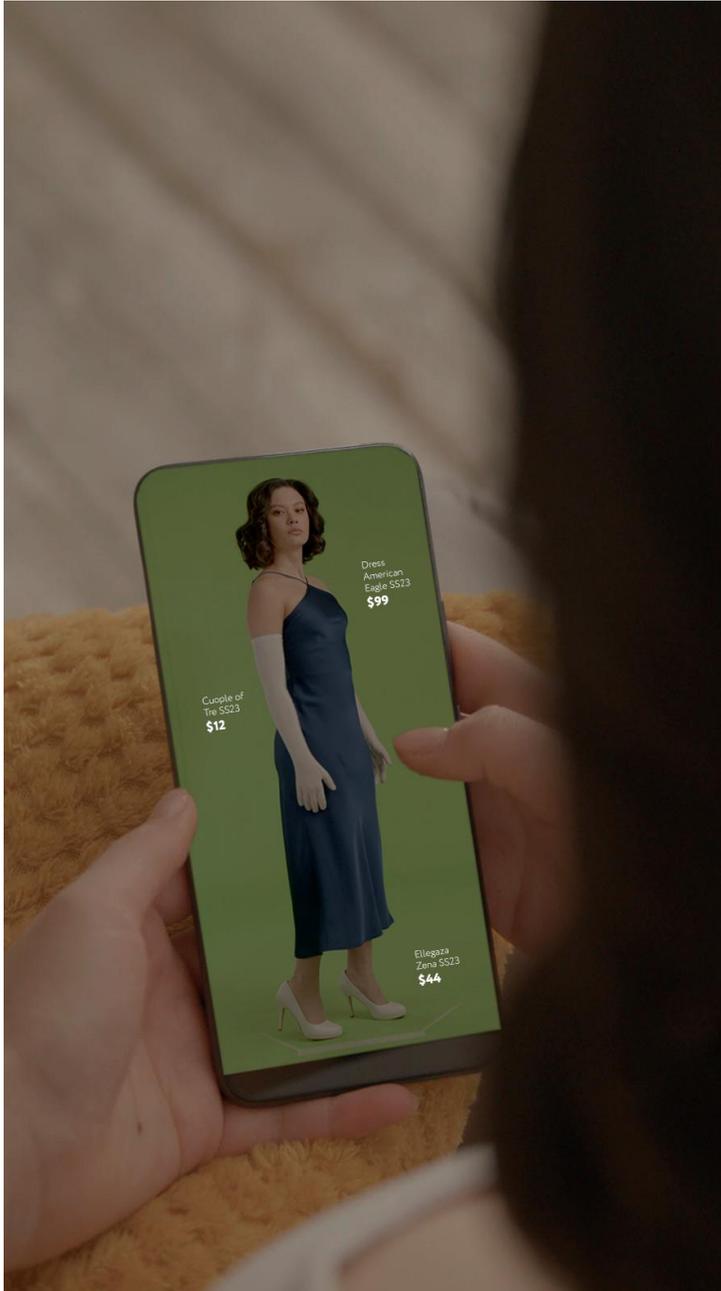
Scanning process is short and takes two minutes on average.

2. Scanning clothing

A neural network trained on rich and varied data understands and is able to visualize how clothes fit in motion on different body shapes. The next step is to properly digitize the manufacturers' clothing samples so that the technology can render how a particular piece of clothing will fit on a particular scanned human body. The

clothing digitization process will be first performed on the FITME side, but as the business moves forward, can be delegated to the clothing manufacturers, in the form of a ready-to-integrate black-box solution.

3. Next-generation virtual fitting room



Once we scans parameters have been established the platform proceeds to match data and select items of clothing that are a perfect fit for the buyer, given their body peculiarities – hence the name, FITME, mind you.

The buyer's only job is to choose from a vast online catalog, trying on virtual clothes in motion. What it looks like on a user's phone:

The users see photorealistic 3D models of themselves based on the data captured by the platform: their realistic appearance and dimensions, posture, gait (the way they walk), and so on. The system renders all these data to enable customers to “play around” with their avatars: watching them wearing the selected apparel while rotating, taking various poses, walking, etc., while also showing how various items of clothing behave on the users' bodies in motion: stretching, creasing (wrinkling), waving, etc. in real time. All it takes is a swipe of a finger!

Being the leading marketplace for clothes and accessories we'll have a large number of suppliers and making a feed between variety of items we have and end-user sizing and pricing goals.

As AI suggestions of sets of fitting clothes are powered by big data, they are could be much better than the one stylist's or personal vision.

4. Value



What makes FITME unparalleled is the groundbreaking potential to be head and shoulders above even the most advanced of our competitors, whose attempts at offering "similar" services still do not meet most users' expectations.

Our aim is to become the most sophisticated virtual fitting room experience and that will make the company to become a unicorn in this space.

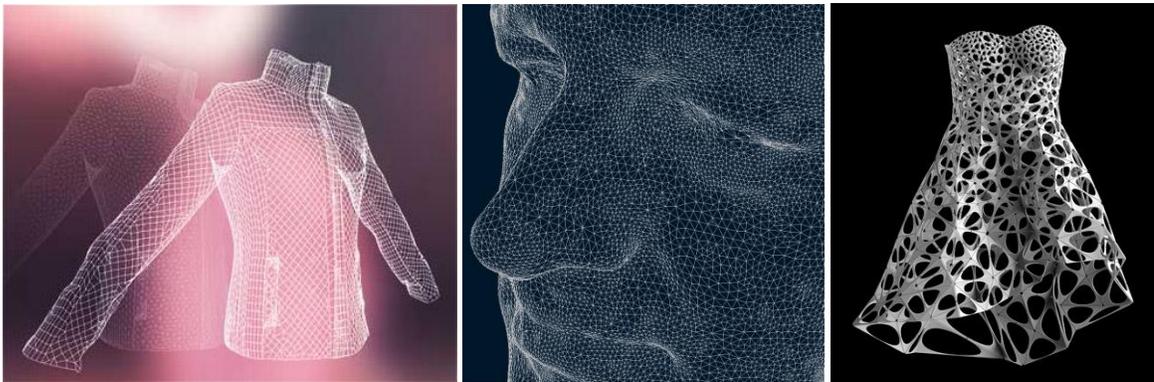
TECHNOLOGY

At the moment, there are several technical approaches to developing a solution. We are working on them all, but as preliminary results indicate, machine learning seems to be the most promising one. Let's have a look at them all now.

1. Mathematical approach

A person's digital image and behavior, just like the digital image and properties of clothes, can be accurately rendered in mathematical terms. Mathematical algorithms rely on a huge number of parameters, selecting suitable clothes according to the customer's build, taking into account the clothes' size and the way they stretch on the body. Then, using the so-called game engines, a 'character' is rendered, dressed in fitting clothes.

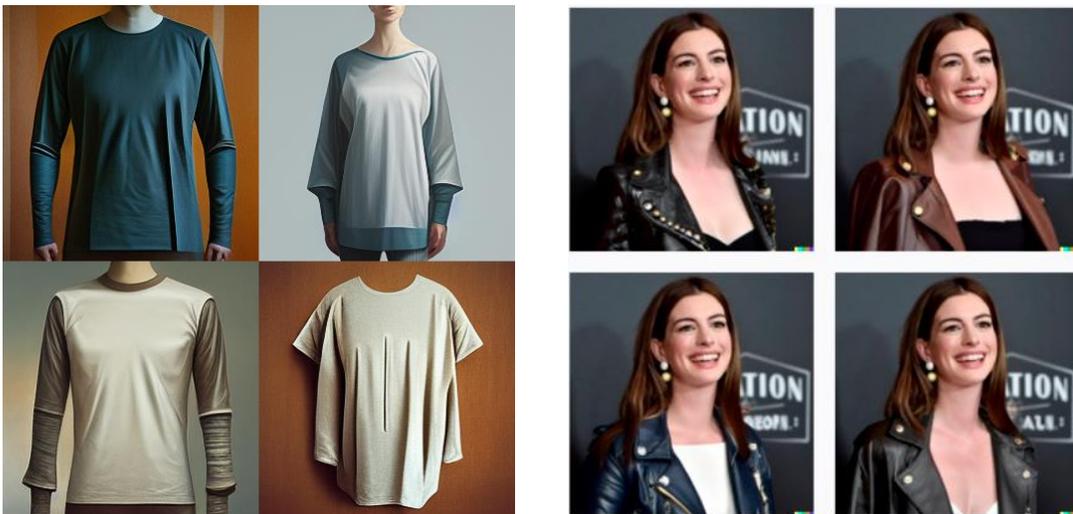
A high-quality matching algorithm eliminates the lengthy learning period required by neural networks — they are simply not part of the process here.



2. The deep learning approach (AI)

Learning from a large dataset, AI trains itself to understand how people move and how different types of clothes will fit them in motion. To train the network, will need to create enough diversity so that AI can later correctly model the behavior of a particular garment on a particular human model in motion.

Neural networks are capable of generating highly detailed photorealistic images. Here are some examples of images generated by existing neural networks like Midjourney, DALL-E etc.





Here's another example of what neural networks are capable of. Just look at the level of detail, the play of light and the realism on offer!



This is not a photo, this image was generated by DALL-E 2

FITME is going to take the next step, because we are intending to work in a very specific angle — namely, how clothes fit on a person in real time. What's more, our team is highly experienced with neural networks and computer vision.

ADVANTAGES

- There's a strong market need for a virtual fitting in motion;
- The user experience achieved by the company's next-gen virtual fitting room will increase dramatically the number of try-ons, resulting in higher number of purchased items
- Next-gen virtual fitting room enables a reduction in returns thanks to direct hits for the buyer in terms of size and expectations (% of returns in online retail is, on average 30%).
- The combination of the last two gives us market efficiency as we appeal to both end users and suppliers. Moreover, we can offer the end customer an almost endless choice of options.
- As an attractive sales channel compared to others, we will have access to more favorable prices from suppliers, because of that we increase profits both for ourselves (while not selling cheaper) and for suppliers dealing with us -- all thanks to increased sales through FITME.
- AI-suggests sets of fit clothes — better than a stylist because of the big data.
- Very qualified mathematicians and developers are core of IT team (coding Olympics winners) created products for LG and Daimler Chrysler in the areas of computer vision and AI.
- A ready solution for automation of a global, high-transaction e-commerce business: WMS, ERP, CRM — all in one solid market-ready solution;
- 3D human modeling technology has already been developed and currently we just working on fine-tuning the final elements;

DISADVANTAGES

- Competitors that have much more larger financials resources.
- Entering the global online clothing market we are bound to compete with major players such as Amazon, Walmart, AliExpress, and countless others, but we have the opportunity to offer the market a cutting-edge shopping experience that is superior to current analogs in virtual fitting.

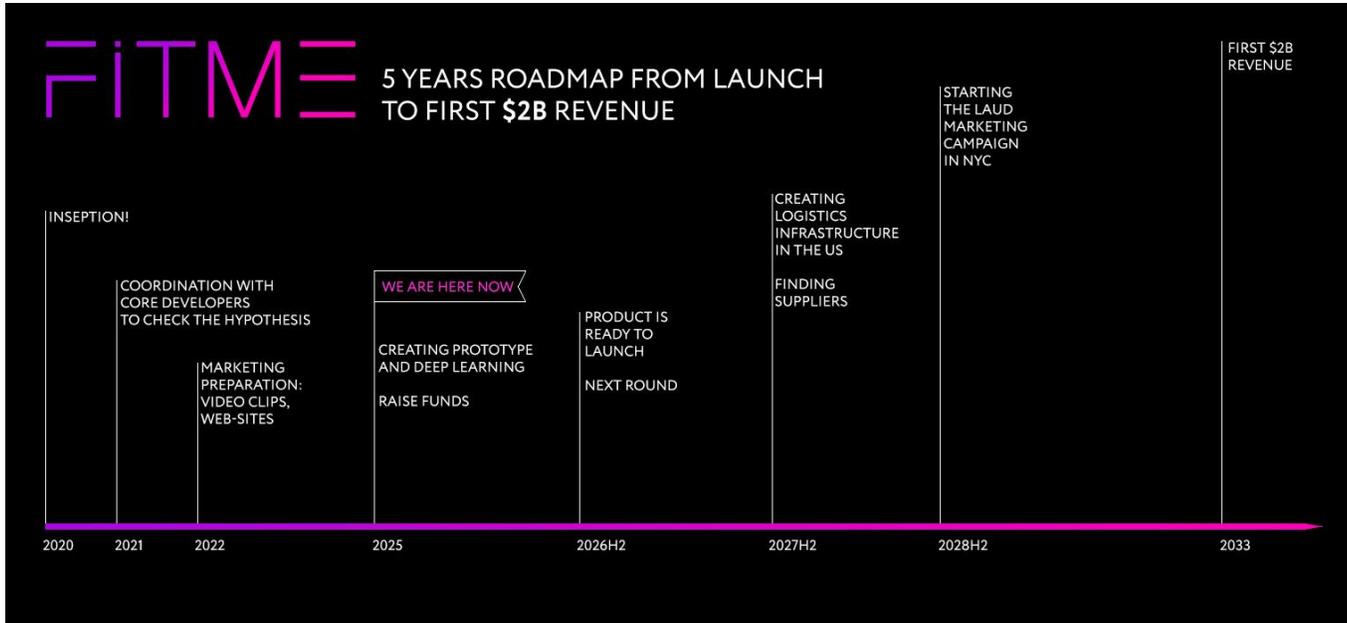
1.4. INTELLECTUAL PROPERTY

- Company's strategy is to aggressively seek intellectual property protection on proprietary technologies where the scientific, business and legal support for such protection are soundly based. The core technology is 100% owned by the Company.

1.5. LEGAL FRAMEWORK

The company is planned to be registered in Israel

1.6. CURRENT STAGE



We are on the early stage now, funds will go for R&D.

1.7. TEAM



VITALII BORSHCHEVSKII, CEO

Ole hadash since 2020, founder

Education

Software developer – Saint-Petersburg Electronics Engineering School

Digital designer – British School of Design

Neuropsychologist — Research Institute of Additional Education, Moscow

Business Experience

ULMART — #1 e-commerce in Russia 2014, \$1.3B, 200 000 hosts per day. Responsible for all online advertising, web solutions support and development.

BLUMART — the biggest mall of plumbing in Russia (6 hypermarkets for now, 40.000 m2, 25.000 web-visitors per day). Revenue growth +50% every year, in 2022 about \$40M. Responsible for all marketing (online, offline and strategic), e-commerce solutions support and development.



Dr. ALEX POTAPOV, CTO

Full professor at University of Information Technologies (Saint-Petersburg, Russia)

Education and experience

12/2008 – DrSc degree from St. Petersburg State University of Information Technology, Mechanics and Optics, DrSc thesis “Automatic image analysis and pattern recognition based on the principle of representational minimum description length”

07/2002–07/2005 – PhD degree from Vavilov State Optical Institute (St. Petersburg, Russia), PhD thesis: “Hierarchical structural methods of automatic analysis of aerospace images”

09/1997–07/2002 – St. Petersburg State University, faculty of

Mathematics and Mechanics

2008–2014 head of Intelligent computer vision research lab at the Vavilov State Optical Institute.

2005–2007 senior researcher in the Center for Image Processing at the Vavilov State Optical Institute.

Completed projects with LG Electronics, Cisco, Daimler-Chrysler AG etc.

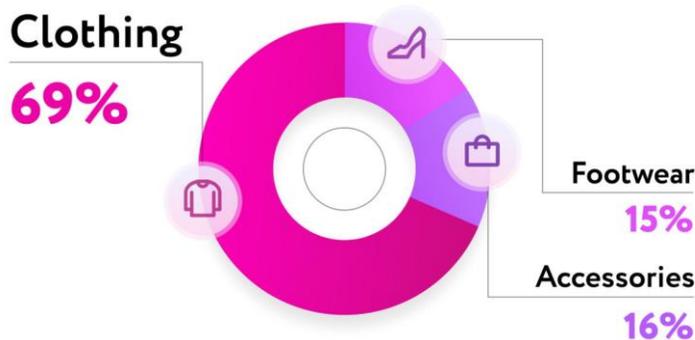
2. THE MARKET

2.1. TARGET AUDIENCE

- Audience as buyers

Potentially, every human who buys clothes online might be FITME's customers (global apparel e-commerce market is **1.5 trillion USD**, STATISTA, 2022).

The structure of global apparel market:



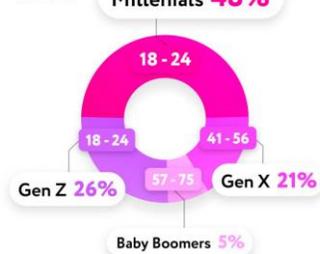
The main buyer audience profile:

- Women: Women are the primary target audience for most online apparel marketplaces, accounting for around 60-70% of customers.
- Millennials and Gen Z: Millennials (aged 25-40) and Gen Z (aged 18-24) are significant portions of the target audience for online apparel marketplaces, with some estimates putting their combined share at over 60%.
- Urban dwellers: People who live in urban areas are more likely to shop online for apparel, and they make up around 60% of the target audience.
- High-income earners: High-income earners are more likely to shop online for apparel and tend to spend more per purchase. They make up around 30-40% of the target audience.
- Mobile users: With the increasing use of smartphones, mobile users are a significant portion of the target audience for online apparel marketplaces, accounting for around 50-60% of customers.

GENDER



AGE



- Audience as suppliers
Every seller or distributor that sell brands of apparel and accessories.

Global mass-market apparel manufactures 2020



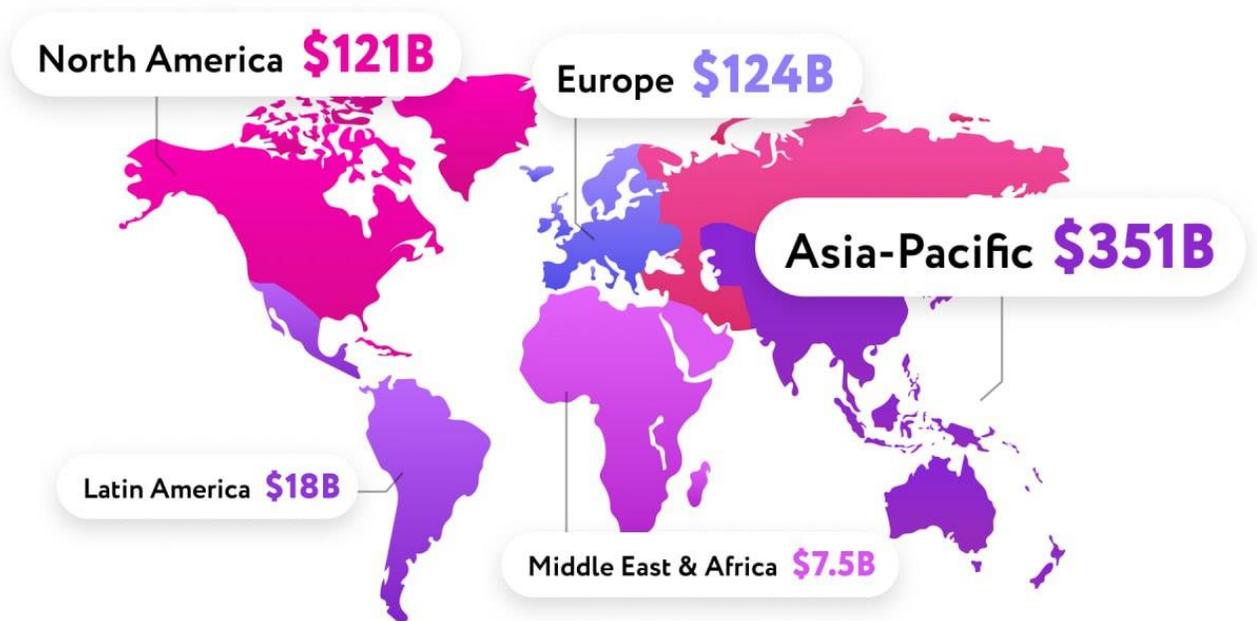
Global luxury apparel manufactures 2020



Global shoes manufactures 2020

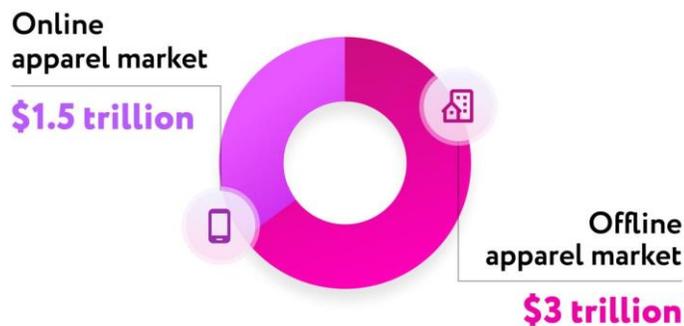


2.2. THE MARKET SECTOR/SEGMENT AND SIZE



Present the size of your target market. Optionally, you can size an opportunity top down or bottom up.

- **Top Down** – global apparel market sizes divided by format.



- **Summary -**
The revenue of the global e-commerce apparel market and accessories was calculated to amount to some 1.5 trillion U.S. dollars in 2021 and the number of online buyers was estimated to be around 1.4 billion in 2020 (STATISTA).

Every online buyer on an Earth spends avg. \$1000 per year for apparel shopping, which includes clothes, footwear, and accessories.

So, how many potential customers we have?

Global numbers = 1.4 billion

USA = 177 million

Europe = 204 million

Last, but not least. Because of the innovative virtual fitting room technology, we also can attract part of offline apparel and accessories market that amounts to 3 trillion USD (STATISTA, 2023).

2.3. MARKET POTENTIAL

We are planning to launch FITME first in NYC, but eventually we are looking to reach the global scale:

- Potential global customers: 1.4 billion
- Avg online buyer spend per year: \$950
- Avg company's markup for apparel: 75%
- Avg number of transactions for apparel e-commerce per user per year: 6
- Avg order value for mass market in general for apparel e-commerce — \$107 value per transaction.

2.4. COMPETITIVE LANDSCAPE AND ANALYSIS

- Competitive landscape

- **Amazon (USA)**

Revenue: \$178B (2017) → \$386B (2021)

PROS: <ul style="list-style-type: none"> ➤ The famous brand ➤ Excellent logistic ➤ Huge assortment 	CONS: <ul style="list-style-type: none"> ➤ Marketing: not focused on the clothes ➤ Don't have virtual fitting room for clothes (have some AR-elements)
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Amazon developed static virtual fitting room in 2019, but didn't launched it in production.

- **Walmart USA (online):**

Revenue: \$32B (2018) → \$101B (2022)

PROS: <ul style="list-style-type: none"> ➤ The famous brand ➤ Wide assortment 	CONS: <ul style="list-style-type: none"> ➤ Marketing: not focused on the clothes ➤ Don't have virtual fitting room, even static
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Acquire Israeli startup Zeekit (March 2021), which provide virtual fitting, but static. They haven't integrated this technology into production yet.

- **Shein.** Major player, originally from China with HQ in Singapore

Revenue: \$10B (2020) → \$24B (2022)

PROS: <ul style="list-style-type: none"> ➤ The famous brand ➤ Wide assortment 	CONS: <ul style="list-style-type: none"> ➤ Marketing: not focused on the clothes ➤ Don't have virtual fitting room, even static
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- FITME competitive advantage

The reason why people would want to become FITME's customers (and suppliers also) is the next-gen virtual fitting experience. Of course, we understand, that's not everybody in the same day will dropped the Amazon, Walmart, AliExpress, Rakuten, etc to start buying with FITME, but over time our share will increase because of the sophisticated possibility to virtually try-on a lot of clothes from a vast online catalog. Our aim is become the leading marketplace for apparel and accessories by offering next-generation virtual fitting room technology.

3. STRATEGIC PLANNING

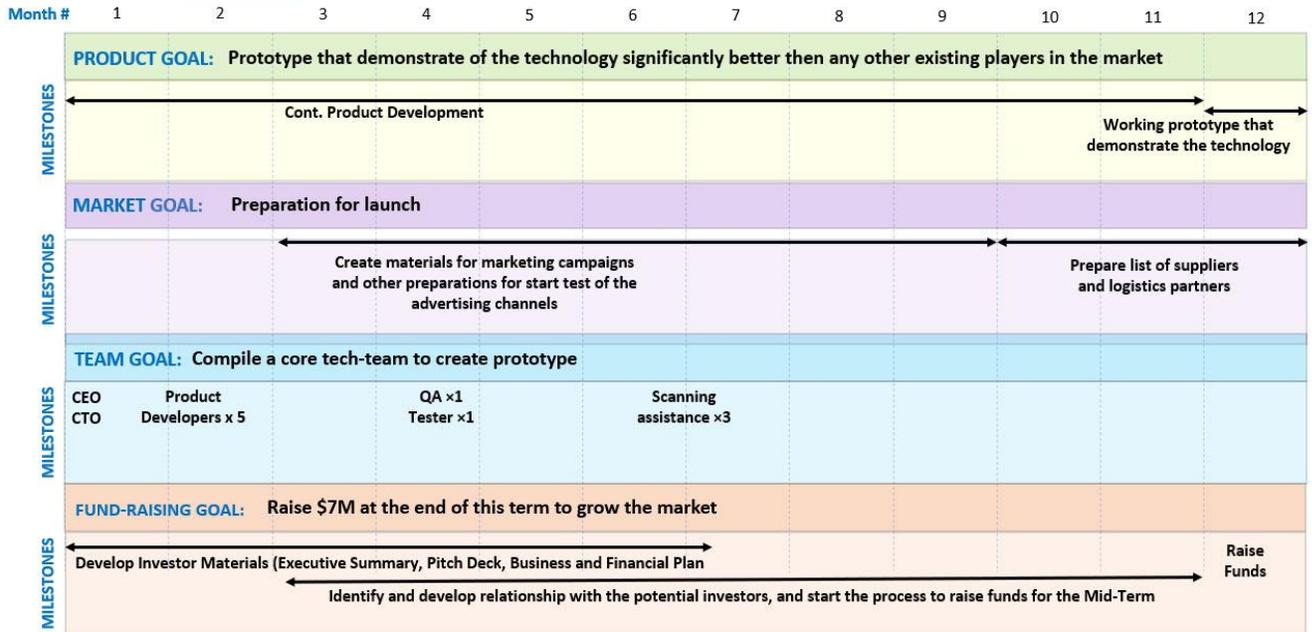
3.1. GOALS AND OBJECTIVES

- **SHORT-TERM**

SHORT-TERM STRATEGY

Short-Term Goal: **Become Investor-Ready** by developing technological prototype that proofs the core technological element significantly better than any other existing players

Short-Term Duration: 12 months

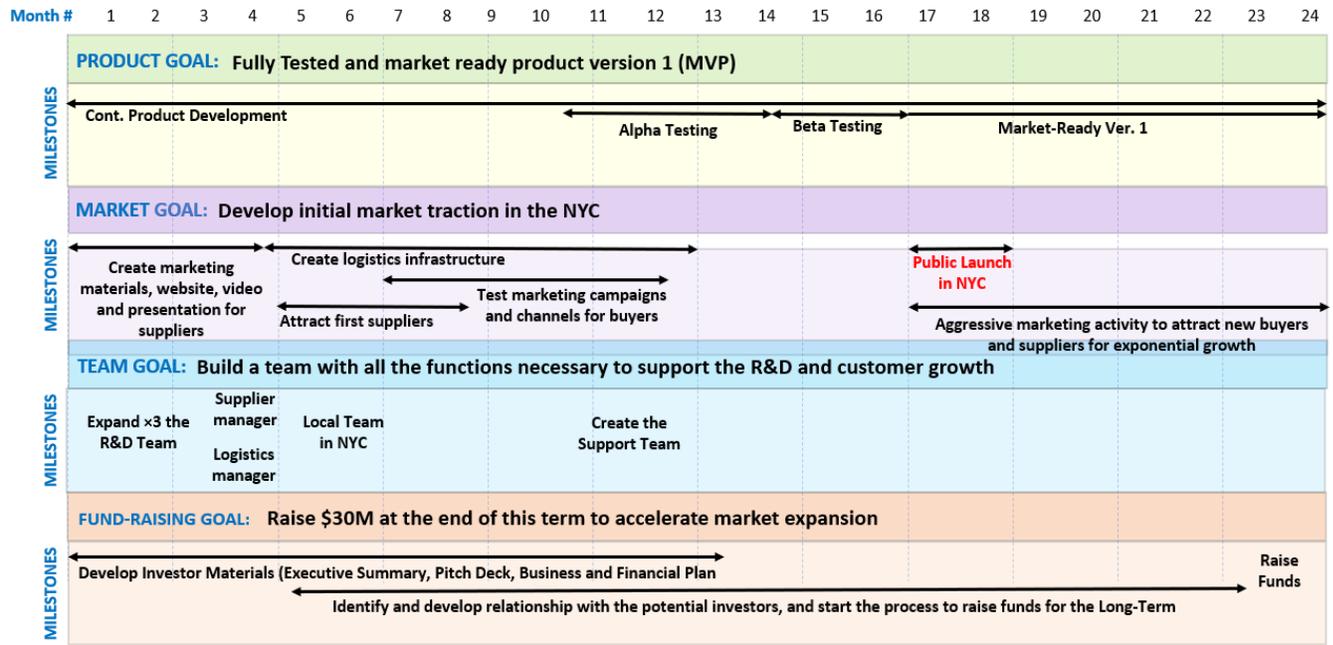


- MEDIUM-TERM**

MEDIUM-TERM STRATEGY

Medium-Term Goal: Develop an outstanding platform that demonstrate exponential growth in NYC: 300K transactions and annual revenue of \$30M

Medium-Term Duration: 24 months

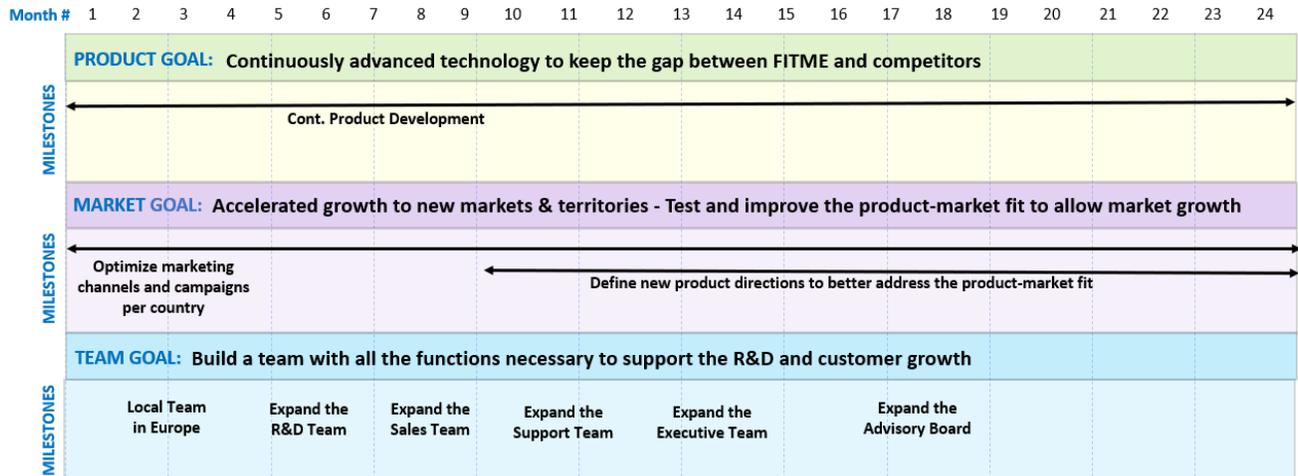


- **LONG-TERM**

LONG-TERM STRATEGY

Long-Term Goal: Accelerated growth to acquire 18 million transactions and \$2B annual revenue

Long-Term Duration: 24 months



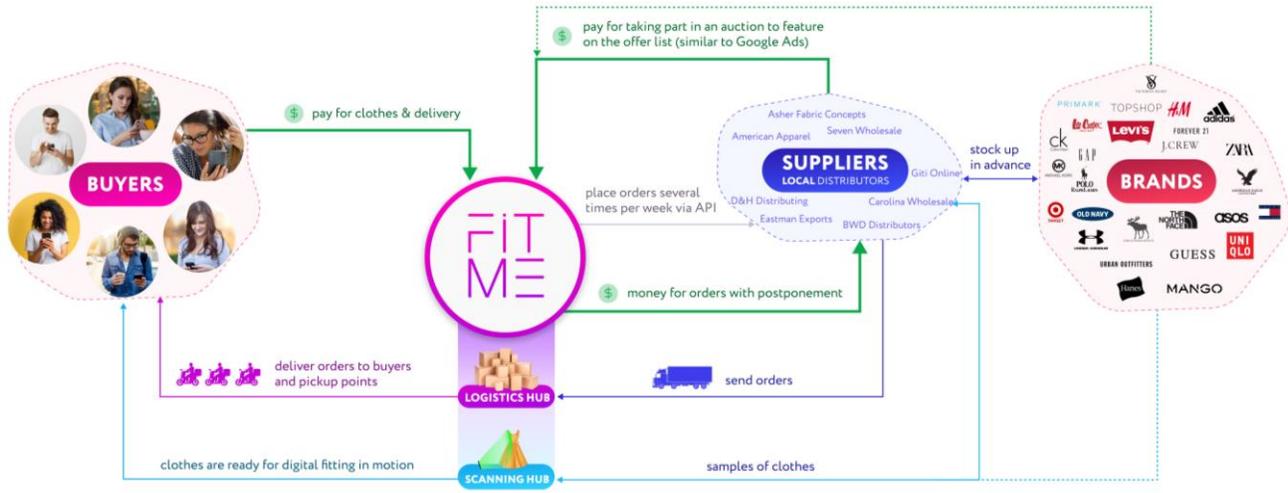
Marketplace	Active users 2020	Revenue first year	Revenue 2020
Farfetch	2 million	\$28 million in 2008	\$1.7 billion
Zalando	38 million	\$180 million in 2008	\$12.9 billion
Asos	24 million	\$340 000 in 2000	\$4.5 billion
Boohoo	17 million	\$5.1 million in 2000	\$5.1 billion
Fashion Nova	17 million	\$3.8 million in 2006	\$0.5 billion
Shein	23 million	\$10 million in 2008	\$10 billion

And no one of those companies uses any virtual fitting room technology.

3.2. THE STRATEGY AND THE BUSINESS MODEL

- What is your business model? FITME as a marketplace will connect suppliers and buyers on the platform and shipping orders to the customers. But we connect better than other by giving the customers new virtual fitting experience.
- Explain your Pricing Strategy – FITME will provide regular prices for mass-market apparel, this is not a discounter. The key difference is in the new way of trying clothes virtually from a vast online catalog.

➤ Explain in detail the revenue model.



- FITME is going to make money by online selling the apparel using next generation virtual fitting room.
- Customers will be paying for apparel and shipment.
- FITME will work with local apparel distributors and small brands to have items to sell.
- Distributors will deliver orders to FITME warehouse several times a week; then, orders will be shipped from the warehouse to buyers.
- Suppliers will participate in an auction, bidding to pay FITME for audience attention to be higher on the list of offers by default (similar to Google Ads).
- After small initial purchase of goods to kick-start trade, we'll be using distributors' trade credit — postponement.
- FITME will have best-sellers in stock for quick shipment to buyers.
- What would be your typical profit from selling to one customer?
 Avg. order value for e-commerce mass-market apparel is \$107.
 Avg. shipment is about 5\$ (National Retail Federation, 2020).
 Avg. markup is 75% to purchase directly from the brands and markup is 55% to purchase through the distributors, so **typical gross profit from one avg. orders is \$60.**

3.3. MARKETING PLAN

- On what markets and territories, the products will be sold
 - USA at the beginning, launch in NYC with national delivery.
 - Once we have taken over the US market, we will launch ad campaigns in other regions — with worldwide shipping from the US.

- Strategy to acquire new customers. Not only new customers. We also need to acquire suppliers to start the business, so we have two marketing activities for both audiences.
 - **Stage 1.1** – We will create a short video clip for manufactures and clothes distributors, where will describe the concept of new shopping experience for customers with return reduction. We will invite manufactures to take a part into new business technology, being the initial partners with FITME — scanning their products will be for free first year. We are planning to invite young brands, local designers or small manufactories to fill the catalog and show for majors about our brand-new technology.
The minimum catalog capacity for launch is 5000 SKU.
70% of those must be clothes for women.
 - **Stage 1.2** – For buyers FITME as a website and mobile application will offer the vast online catalog with clothes and accessories with next generation virtual fitting room.

We will use Google Ads, advertising in social media and integration with influencers to attract the customers. First of all, we will test different types of campaigns and channels with small budget to determine the optimal way to attract our audience for selected area (NYC).

- Stage 2** – What are the junctions (industry events, conferences, online groups, magazines or other) where you can find your potential customers and reach out to them in person or online?
 - As suppliers advertising campaign we are planning to take a part into several fashion industry events like exhibitions, where everybody could scan themselves and try new virtual fitting room experience.
 - Several publications about FITME in Forbes, The Economist, fashion magazine etc will increase interest among suppliers, buyers and potential investors for next steps.

- Stage 3** – To a degree it's relevant in your case, describe what type of digital marketing activities you plan (e.g. SEO, Social media marketing, Paid ads, referral marketing, affiliate marketing, influencer marketing or other).
 - Tested Google Ads campaigns, were target to selected audience in specific countries

- Local influencer marketing for every FITME business territory
- Social media marketing and paid ads in social media with the same targeting as Google Ads
- SEO about types of clothes (“buy jacket”, “buy yellow jacket” etc)

Before the big launch, we are planning to create small ad campaigns to test channels and approaches to find the combination with the best response. After it, we can increase the budget and reduce the risks.

- How the customers will buy your product/service
 - Customers will buy clothes directly from FITME mobile-app or website.
 - After getting the order from customer, we will order it from supplier.
 - We will have stock of best-sellers on a FITME side for quick shipping, to satisfy customers better.

3.4. FUNDING NEEDS

Funds received (\$5M) at the end of the short-term will be allocated to R&D to create high-end solution, allowing us to launch a marketplace in the US.

It will require us to create a massive dataset for deep machine learning, fine-tune user features, etc.

Funds for the next rounds:

- a) launching a loud, viral and aggressive ad campaign in NYC (mostly on the web), having analyzed most efficient promotion methods on smaller sample scale aimed at both target audiences - suppliers and customers.
- b) small initial purchase of goods to kick-start trade. Later on, we'll be using distributors' trade credit.
- c) opening a logistics hub with scalability to process orders.

4. FINANCIALS OVERVIEW

4.1. FINANCIAL FORECAST – P&L

FITME													Profit & Loss Statement (US\$)
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Year 1
REVENUES													
# of Transactions	50	200	600	900	1,200	1,500	1,800	2,100	2,400	2,700	3,000	3,300	19,750
Revenue \$	\$5,350	\$21,400	\$64,200	\$96,300	\$128,400	\$160,500	\$192,600	\$224,700	\$256,800	\$288,900	\$321,000	\$353,100	\$2,113,250
TOTAL REVENUES	\$5,350	\$21,400	\$64,200	\$96,300	\$128,400	\$160,500	\$192,600	\$224,700	\$256,800	\$288,900	\$321,000	\$353,100	\$2,113,250
Costs and Expenses													
General and Administrative													
Wages - CEO	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Wages - (HR, CFO, Admin)	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	360,000
Wages - Customer Support	10,000	10,000	13,000	13,000	13,000	16,000	16,000	16,000	18,000	18,000	20,000	20,000	183,000
Office Expenses	2,000	3,000	4,000	5,000	6,000	7,000	8,000	9,000	10,000	11,000	12,000	13,000	90,000
Rent offices	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Legal	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Accounting	10,000	10,000	10,000	10,000	10,000	10,000	15,000	15,000	15,000	15,000	15,000	15,000	150,000
Travel	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Other (+10% spare)	8,700	8,800	9,200	9,300	9,400	9,800	10,400	10,500	10,800	10,900	11,200	11,300	120,300
TOTAL G&A	\$95,700	\$96,800	\$101,200	\$102,300	\$103,400	\$107,800	\$114,400	\$115,500	\$118,800	\$119,900	\$123,200	\$124,300	\$1,323,300
R&D													
Wages - CTO	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	25,000	25,000	250,000
Wages - R&D Team	60,000	60,000	60,000	60,000	60,000	60,000	60,000	70,000	70,000	70,000	80,000	80,000	790,000
Software	50,000	20,000	20,000	20,000	20,000	30,000	30,000	30,000	40,000	40,000	40,000	40,000	380,000
Cloud services and Hosting	2,000	2,000	2,000	5,000	5,000	5,000	5,000	5,000	8,000	8,000	8,000	8,000	60,000
Other (+10% spare)	13,200	10,200	10,200	10,500	10,500	11,500	11,500	12,500	13,500	13,800	15,300	15,300	148,000
TOTAL R&D	\$145,200	\$112,200	\$112,200	\$115,500	\$115,500	\$126,500	\$126,500	\$137,500	\$148,500	\$151,800	\$168,300	\$168,300	\$1,628,000
Operations & Logistics													
Wages - COO, CCCS, CSO	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	864,000
Wages - Warehouse Team	30,000	30,000	30,000	40,000	40,000	40,000	60,000	60,000	60,000	80,000	80,000	80,000	630,000
Wages - Scanning Team	20,000	20,000	20,000	20,000	30,000	30,000	30,000	30,000	40,000	40,000	40,000	40,000	360,000
COGS	2,675	10,700	32,100	48,150	64,200	80,250	96,300	112,350	128,400	144,450	160,500	176,550	1,056,625
Rent warehouses	8,000	8,000	8,000	8,000	10,000	10,000	10,000	10,000	12,000	12,000	12,000	12,000	120,000
Rent offices for support and scanning team	3,000	3,000	4,000	4,000	5,000	5,000	5,000	6,000	6,000	7,000	7,000	7,000	62,000
Subcontractors	3,000	3,000	3,000	4,000	4,000	4,000	5,000	5,000	5,000	5,000	6,000	6,000	53,000
Other (+10% spare)	13,868	14,670	16,910	19,615	22,520	24,125	27,830	29,535	32,340	36,045	37,750	39,355	314,563
TOTAL Operations & Logistics	\$152,543	\$161,370	\$186,010	\$215,765	\$247,720	\$265,375	\$306,130	\$324,885	\$355,740	\$396,495	\$415,250	\$432,905	\$3,460,188
Sales and Marketing													
Wages - CMO (CEO will be also CMO)	0	0	0	0	0	0	0	0	0	0	0	0	0
Wages - Marketing Team	2,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	4,000	4,000	37,000
Marketing Materials	4,000	2,000	2,000	2,000	2,000	2,000	3,000	2,000	1,000	2,000	1,000	2,000	25,000
Digital Marketing (Paid Ads)	50,000	60,000	70,000	80,000	80,000	90,000	100,000	120,000	140,000	150,000	170,000	200,000	1,310,000
PR	0	0	10,000	5,000	5,000	5,000	10,000	40,000	5,000	5,000	0	80,000	165,000
Trade Shows & Conferences	0	0	20,000	0	0	20,000	0	0	20,000	0	20,000	20,000	100,000
Social media influencers	0	30,000	0	30,000	0	30,000	0	30,000	0	40,000	0	50,000	210,000
Other (+10% spare)	5,600	9,500	10,500	12,000	9,000	15,000	11,600	19,500	16,900	20,000	19,500	35,600	184,700
TOTAL S&M	\$61,600	\$104,500	\$115,500	\$132,000	\$99,000	\$165,000	\$127,600	\$214,500	\$185,900	\$220,000	\$214,500	\$391,600	\$2,031,700
TOTAL COSTS / EXPENSES	\$309,843	\$96,800	\$402,710	\$450,065	\$450,120	\$538,175	\$548,130	\$654,885	\$660,440	\$736,395	\$752,950	\$948,805	\$6,815,188
TOTAL BEFORE TAXES	-\$304,493	-\$75,400	-\$338,510	-\$353,765	-\$321,720	-\$377,675	-\$355,530	-\$430,185	-\$403,640	-\$447,495	-\$431,950	-\$595,705	-\$4,701,938

FITME		Profit & Loss Statement (US\$)				
		Year 1	Year 2	Year 3	Year 4	Year 5
REVENUES						
# of Transactions		19,750	296,250	2,370,000	9,480,000	18,960,000
Revenue \$		\$2,113,250	\$31,698,750	\$253,590,000	\$1,014,360,000	\$2,028,720,000
TOTAL REVENUES		\$2,113,250	\$31,698,750	\$253,590,000	\$1,014,360,000	\$2,028,720,000
Costs and Expenses						
General and Administrative						
Wages - CEO		120,000	400,000	2,000,000	4,000,000	10,000,000
Wages - (HR, CFO, Admin)		360,000	700,000	1,800,000	6,000,000	12,000,000
Wages - Customer Support		183,000	350,000	500,000	2,000,000	5,000,000
Office Expenses		90,000	170,000	250,000	500,000	1,200,000
Rent offices		120,000	400,000	900,000	3,800,000	14,000,000
Legal		120,000	500,000	900,000	2,000,000	3,000,000
Accounting		150,000	400,000	700,000	1,200,000	3,000,000
Travel		60,000	100,000	200,000	300,000	400,000
Other (+10% spare)		120,300	302,000	725,000	1,980,000	4,860,000
TOTAL G&A		\$1,323,300	\$3,322,000	\$7,975,000	\$21,780,000	\$53,460,000
R&D						
Wages - CTO		250,000	400,000	600,000	1,000,000	2,000,000
Wages - R&D Team		790,000	2,500,000	8,000,000	14,000,000	20,000,000
Software		380,000	700,000	1,400,000	2,800,000	6,700,000
Cloud services and Hosting		60,000	236,000	352,000	702,000	1,399,000
Other (+10% spare)		148,000	383,600	1,035,200	1,850,200	3,009,900
TOTAL R&D		\$1,628,000	\$4,219,600	\$11,387,200	\$20,352,200	\$33,108,900
Operations & Logistics						
Wages - COO, CCCS, CSO		864,000	1,300,000	2,500,000	8,000,000	12,000,000
Wages - Warehouse Team		630,000	3,000,000	18,000,000	35,000,000	48,000,000
Wages - Scanning Team		360,000	1,500,000	2,000,000	3,000,000	5,000,000
COGS		1,056,625	12,679,500	88,756,500	355,026,000	710,052,000
Rent warehouses		120,000	700,000	2,000,000	8,000,000	18,000,000
Rent offices for support and scanning team		62,000	150,000	320,000	1,000,000	3,000,000
Subcontractors		53,000	80,000	2,000,000	7,000,000	18,000,000
Other (+10% spare)		314,563	1,940,950	11,557,650	41,702,600	81,405,200
TOTAL Operations & Logistics		\$3,460,188	\$21,350,450	\$127,134,150	\$458,728,600	\$895,457,200
Sales and Marketing						
Wages - CMO (CEO will be also CMO)		0	500,000	700,000	900,000	1,200,000
Wages - Marketing Team		37,000	200,000	400,000	600,000	800,000
Marketing Materials		25,000	40,000	90,000	170,000	300,000
Digital Marketing (Paid Ads)		1,310,000	7,924,688	50,718,000	152,154,000	202,872,000
PR		165,000	400,000	600,000	900,000	3,000,000
Trade Shows & Conferences		100,000	200,000	300,000	350,000	300,000
Social media influencers		210,000	400,000	600,000	800,000	4,000,000
Other (+10% spare)		184,700	966,469	5,340,800	15,587,400	21,247,200
TOTAL S&M		\$2,031,700	\$10,631,156	\$58,748,800	\$171,461,400	\$233,719,200
TOTAL COSTS / EXPENSES		\$6,815,188	\$35,303,606	\$193,857,950	\$651,970,000	\$1,182,636,400
TOTAL BEFORE TAXES		-\$4,701,938	-\$3,604,856	\$59,732,050	\$362,390,000	\$846,083,600