THE CONVENIENCE SCALE-UP: STRATEGIC ROADMAP & FINANCIAL OUTLOOK

Transforming High-Density Locations into High-Margin Hubs (2025-2030)

The ‘Why Now’: Validating the High-Margin Convenience Model

THE OPPORTUNITY

Scaling potential from Year 1 EBITDA of $227,000 to a projected Year 5 EBITDA of

$18 Million+

THE REQUIREMENT

$825,000

in initial cash to cover CAPEX and operating burn.

THE PIVOT

‘Packaged Goods’ (low margin)

‘Fresh Grab-and-Go’ (high margin)

Shifting from ‘Packaged Goods’ (low margin) to ‘Fresh Grab-and-Go’ (high margin) as the core profit driver.

Timeline to Profitability

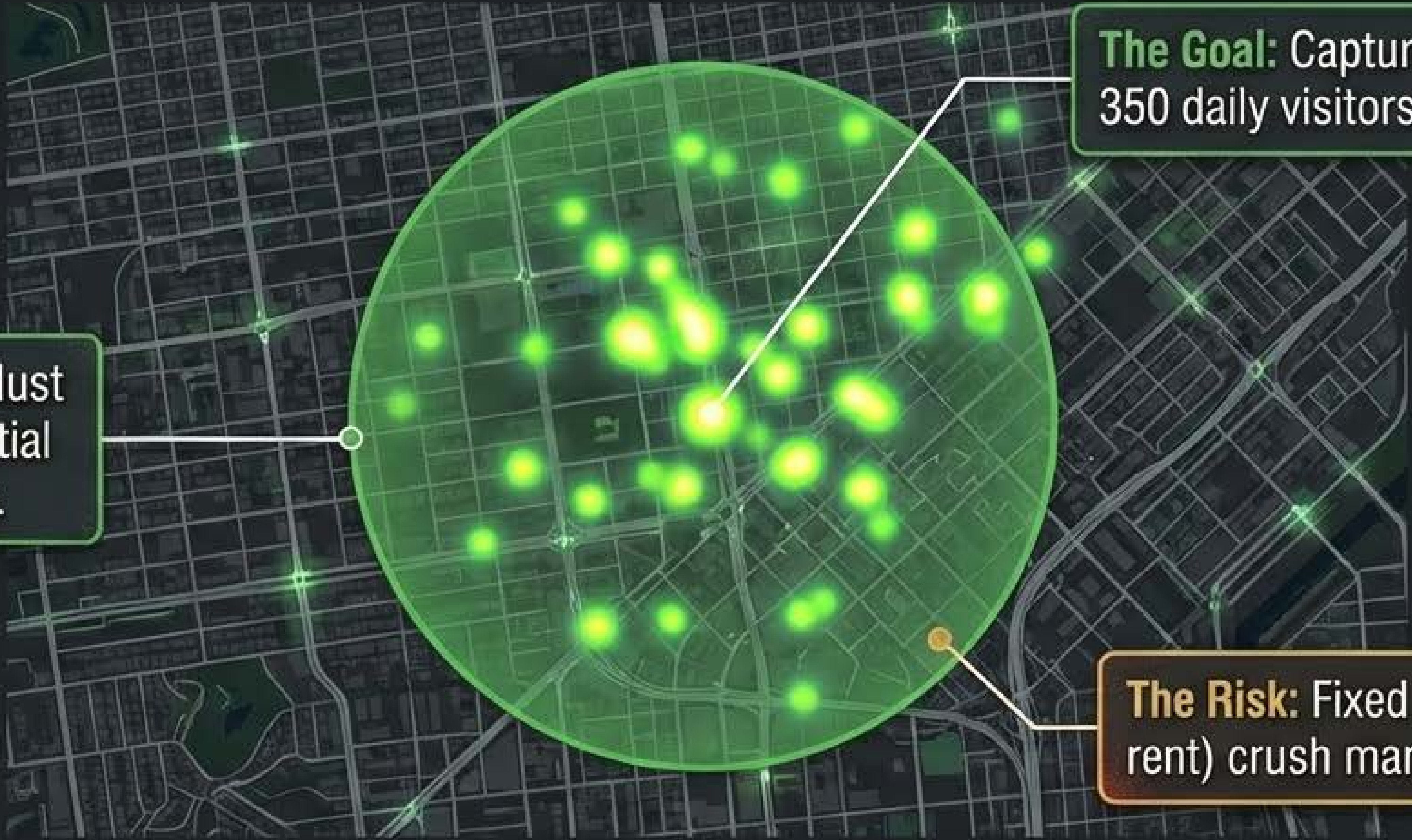
Breakeven projected in **Month 5** (May 2026).

Redefining Convenience: The Fresh Revenue Stream

Product Mix: Strategy relies heavily on **fresh grab-and-go meals and coffee** to drive margins, deliberately moving away from a reliance on shelf-stable packaged snacks.

Customer Targets: **60% Commuters** (speed/convenience) vs. 40% Local Residents (pantry fill/meals).

Site Selection: The 0.5-Mile Density Mandate



The Goal: Capture 250 to 350 daily visitors.

Traffic Threshold: Must validate 400+ potential interactions per day.

The Risk: Fixed costs ($5,000/month rent) crush margins if volume fails.

Action: Map foot traffic against zip code density before lease execution.

Reconciling the Revenue Formula: Volume vs. Value

High Value / Low Volume

Scenario A: $848 AOV requires only ~33 Buyers/Month.

Smal, exclusive gourmet food box, no few customers.

Monthly Revenue Baseline: ~$28,290

This is the non-negotiable target regardless of path.

Low Value / High Volume

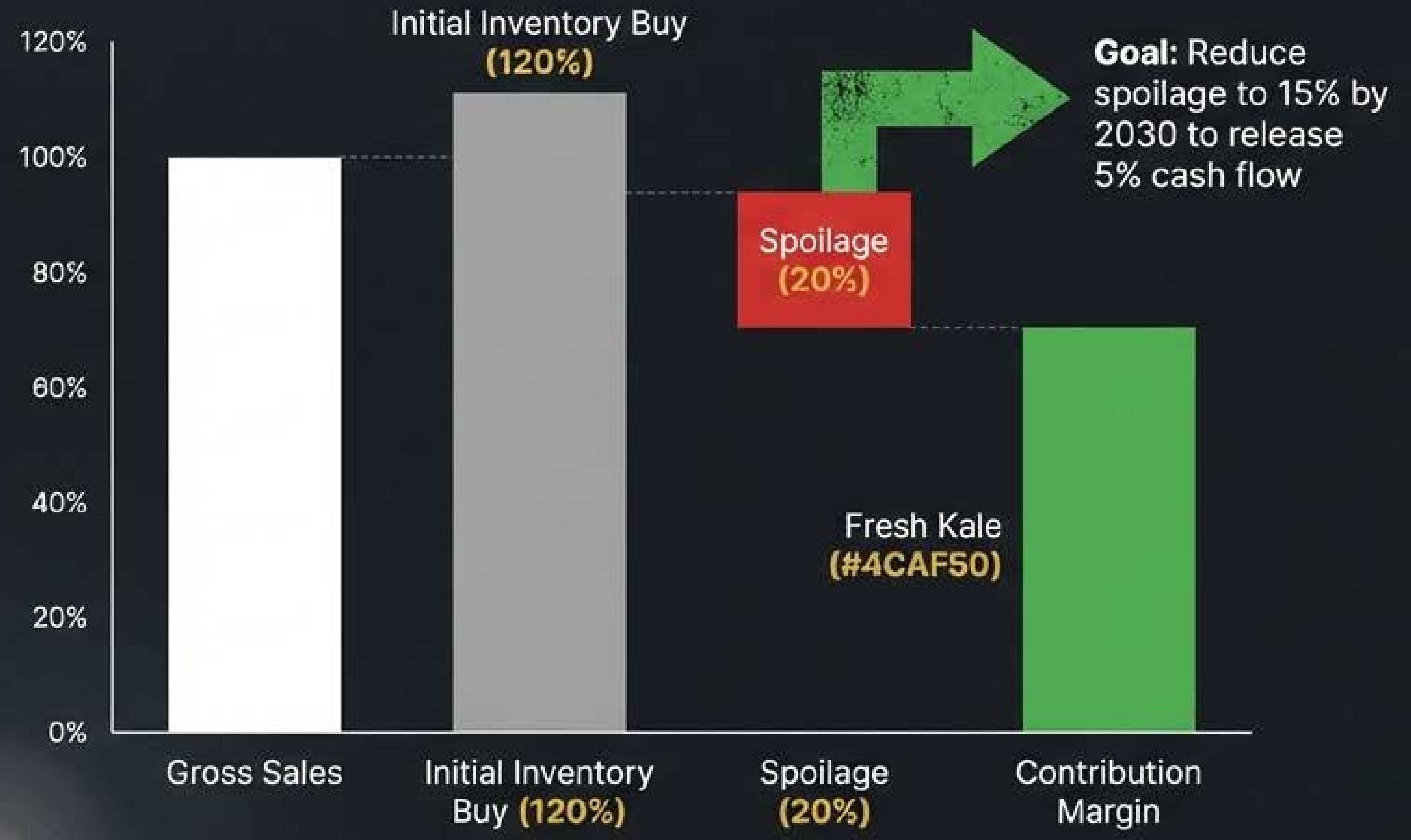
Scenario B: $15 AOV requires 225+ Daily Transactions.

+ crowd of customers.

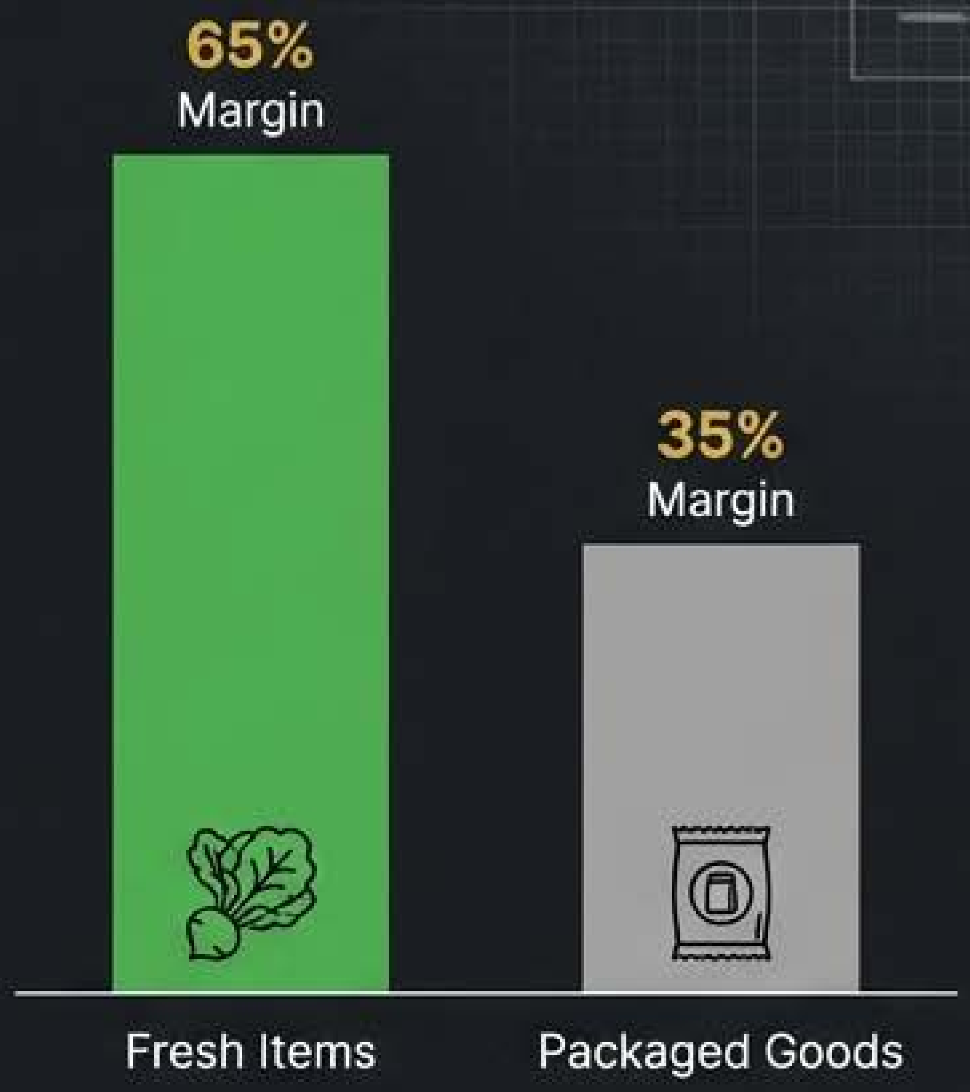
Conversion Rate Target: 40% (Visitor to Buyer).

Margin Architecture: Managing COGS & Spoilage

COGS & Spoilage Waterfall

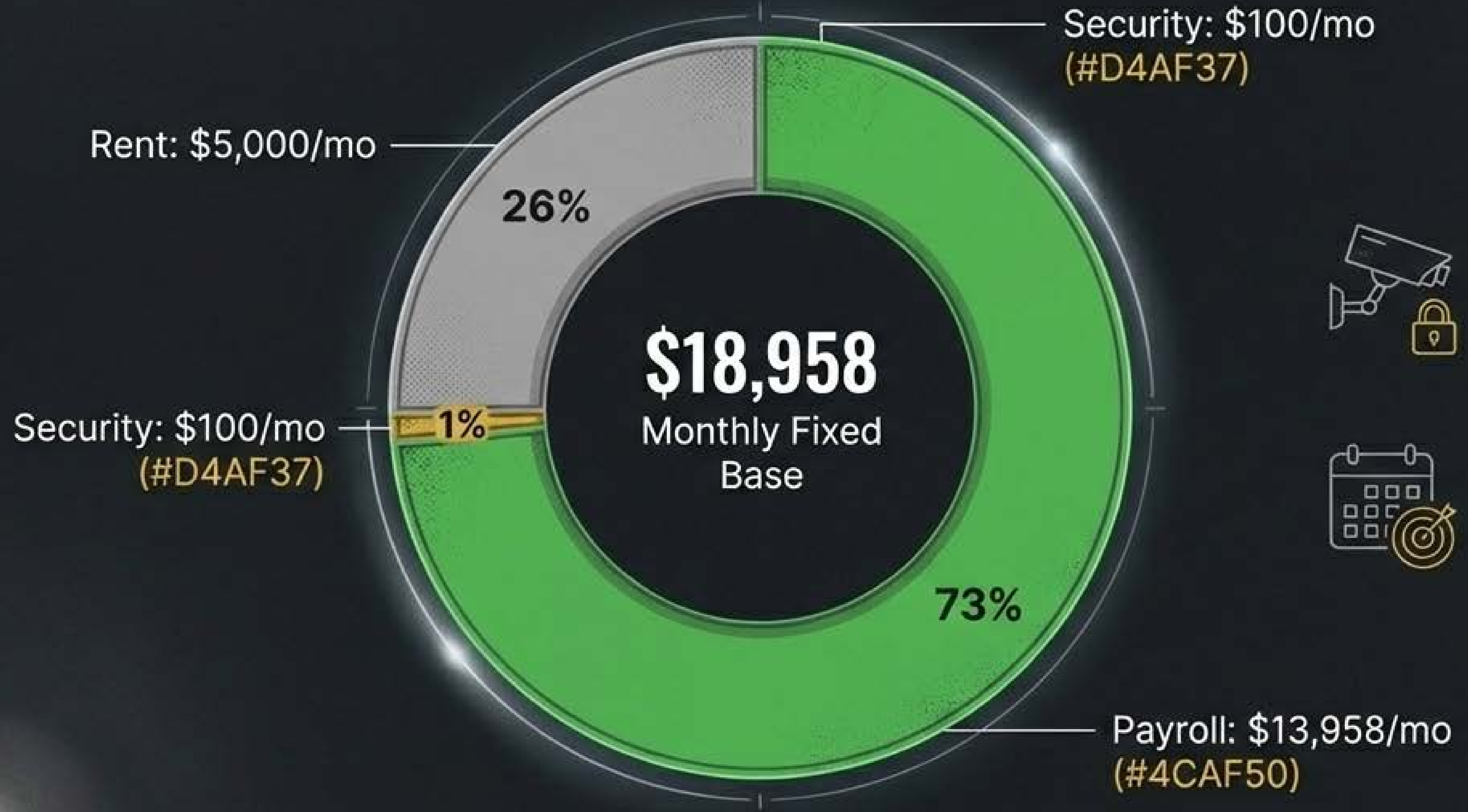


Margin Mix Comparison



Margin Mix: Shift volume to Fresh

The Monthly Overhead Floor



Security Burden: Includes **$5,000 upfront CAPEX** + $100/mo maintenance.

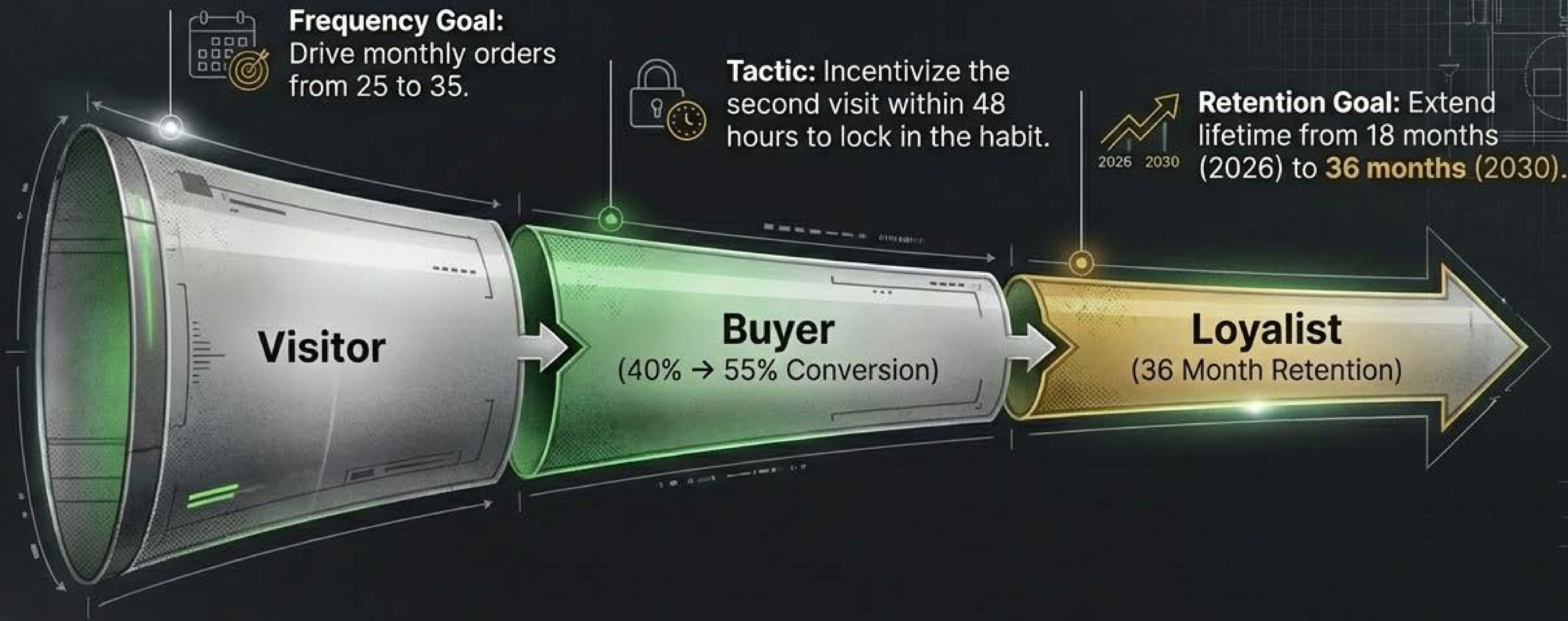
Breakeven Target: May 2026 (Month 5).

Human Capital: Staffing for 18+ Hour Operations

Coverage Density Optimization

- **Baseline (2026):** 45 FTEs required. Annual Payroll: $167,500 (#D4AF37).
- **Scale (2030):** Growing to 70 FTEs (#D4AF37).
- **Operational Note:** Labor is the primary lever against fixed security costs. Precise scheduling is required to prevent overtime and ensure coverage for the 18+ hour cycle.

Lifecycle Engineering: Extending LTV

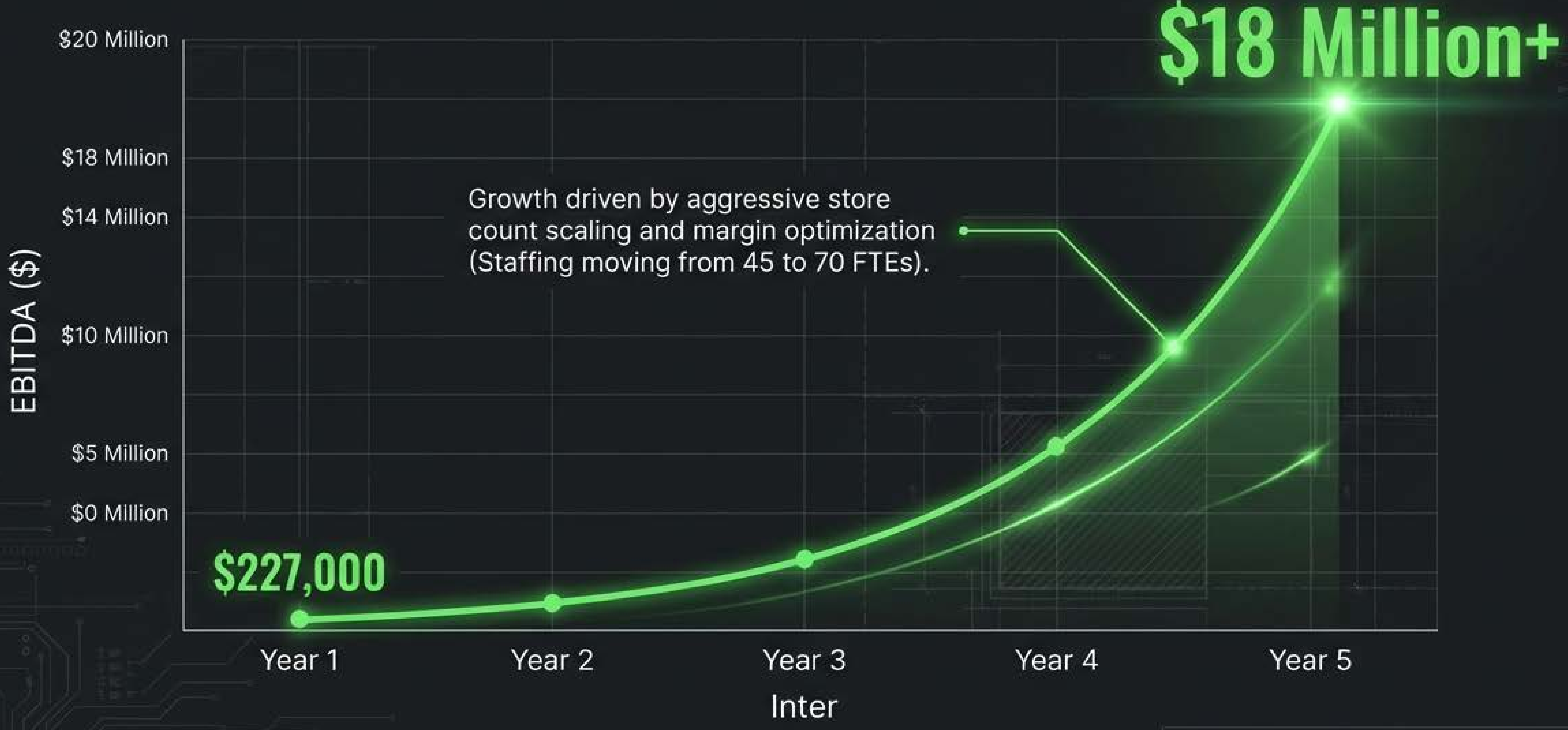


Sources & Uses: Funding the Launch

Total Capital Requirement: $825,000

Critical Buffer: Required to survive potential 14+ day supplier onboarding onboarding delays and initial inventory churn.

The 5-Year Outlook: Exponential EBITDA Growth



Investment Returns & Valuation

3823%

Return on Equity (ROE)

Once the fixed-cost floor is covered, the model becomes highly capital efficient, generating substantial profit relative to shareholder equity.

Navigating Critical Risks

Risk: Staffing gaps in 18h cycle	**Mitigation:** 45 FTE baseline with optimized scheduling software.
Risk: High Spoilage/Waste	**Mitigation:** Shift sales mix to fresh; tight inventory buys (115% target).
Risk: Missed Traffic targets	**Mitigation:** Strict 0.5-mile density validation before signing leases.

The Path Forward: Execution Priorities

Step 1 & 2: Concept & Volume Strategy
Complete

Step 3 - 5: Margins, Overhead, Staffing
Planned

Step 6: Capital Funding
In Progress

IMMEDIATE FOCUS:
Secure **$825k** funding tranche and validate Site 1 Density.