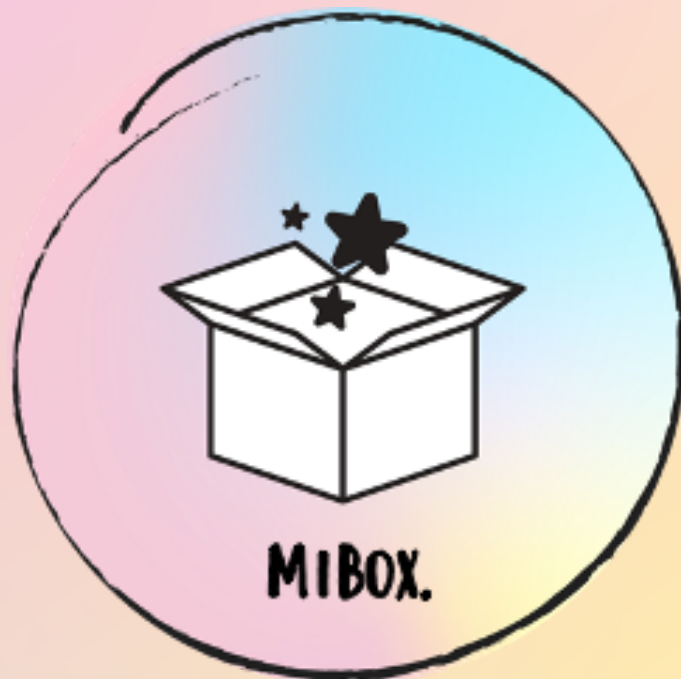


02/07/2020

BUSINESS PLAN MIBOX



THE TEAM



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EXECUTIVE SUMMARY MIBOX



1 THE PRODUCT

MiBox is an online e-commerce platform, whose aim is to become the go-to website for online gift box purchases in Spain and the World.

We want to connect individuals that are trying to: find a gift, hobby or simply enjoying a new experience; with companies that want to market their amazing products.

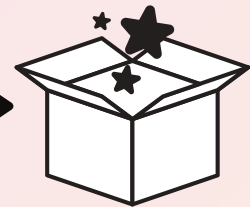
With MiBox you will not just find a product, but a combination of several products and experiences with strong synergies between themselves.

Thus, at MiBox you'll obtain an augmented experience in a box.

2 THE PROBLEM

Through our Website and App, we will assist in finding the perfect Box to those customers that:

- Have no time to find a gift
- Are tired of finding always the same boring products
- Tend to hesitate when choosing
- Do last minute shopping



4 OUR TARGET

To support sustainable growth MiBox will target every kind of user. Whether you are a parent looking to find an activity for your kids, trying to find a treat for yourself or want to choose the perfect gift for a friend or a loved one, you'll find your experience at MiBox.

3 OUR STRATEGY

In order to succeed, MiBox will have to continuously innovate and enlarge their product offering.

In doing so, we will - like in a virtuous circle - grow our customer base, then increase our online traffic, which will attract and retain new companies to our platform, and in doing so again we will innovate and enlarge our product offerings.

5 COMPETITORS

Among our competitors, we'll have to monitor the following players:

- Other e-commerce platforms like: "El Regalador" & "Smyla"
- Traditional gift shops
- Substitute product providers like "Amazon".

Competition is fierce in the gift sector. But, thanks to our wide variety of boxes, we will achieve our goals and provide sustainable value to our stakeholders.

THE TEAM



Abelardo Alcaraz



Maria José Capellán



Carlos Goberna



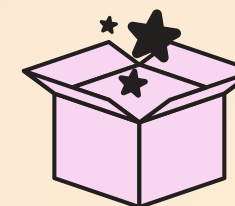
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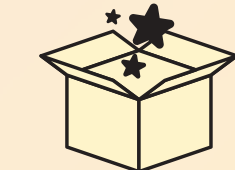
FINANCIAL OVERVIEW

| | | | |
|-------------------------------|--------------|------------------------|--------------------------|
| Net present value (NPV) | 307.844,72 € | Entrepreneur's Capital | 80.000 € |
| Internal rate of return (IRR) | 43,05% | Banking Credit | 80.386,43 € |
| Modified IRR (MIRR) | 37,33% | Public Institutions | 20.000 € to 187.568,35 € |
| Pay-back (CFROI) | 3Y&11M | Venture Capital | 0 € to 167.568,35 € |
| | | Total Funding Needed | 348.341,22 € |

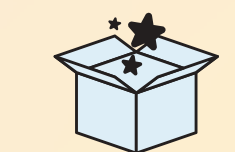
REVENUE STREAMS



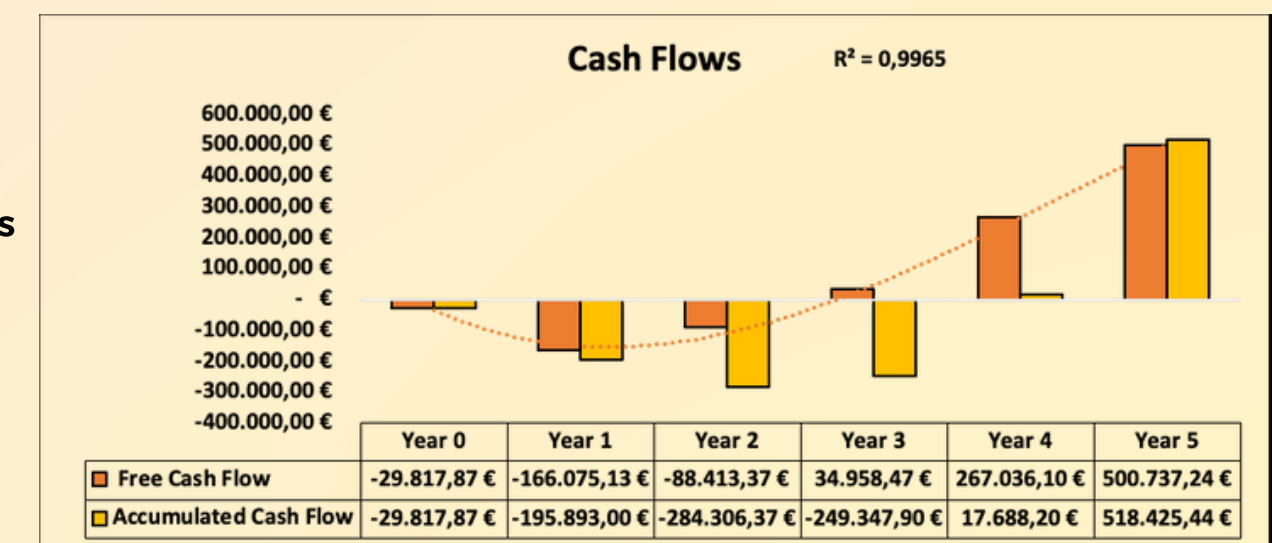
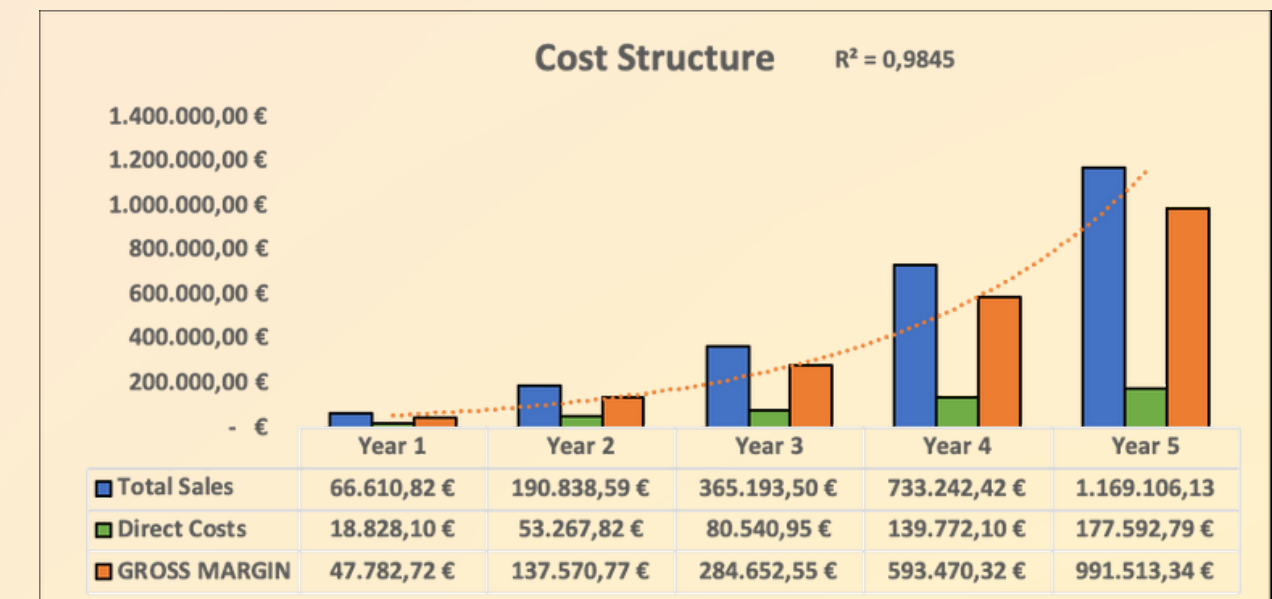
SINGLE BOX SALES



REFERRALS



SUBSCRIPTIONS



STRATEGIC PLAN

Mission:

We are an online commerce platform dedicated to bringing to our users the Gift Box that best fits them. Through our website we provide a broad range of unique and exciting products and experiences, carefully selected through our partner's program. At MiBox you will find or build the Gift Box that you were looking for.

Vision:

At MiBox we want to become the GO TO website for online gift boxes purchases. We want to become a reliable partner for business seeking to sell their products online and be able to provide our customers with a tailored and data driven service.

Business Model Canvas:



Figure 1: Business Model Canvas

Value Proposition Canvas:

In an ever more interconnected and data driven world, we believe that ultra-personalization and tailored service delivery is the way forward. At MiBox we want to develop an online platform that brings together people seeking for the perfect gift, experience or hobby, and companies ready to bring them a value adding Gift Box.

At MiBox we will provide to our users a wide and ever-growing range of Gift Boxes. We will deliver our service through our easy to navigate website, as well as in APP format, through which our users will be able to follow up and augment their MiBox experience.

We know that choosing the perfect gift or activity for ourselves or our loved ones is never easy. That is why at MiBox we aim to constantly push product innovation, increasing our product offering, as well as harnessing the power of data analytics in order to help you select in a quick yet reassuring way, a gift that will not disappoint.

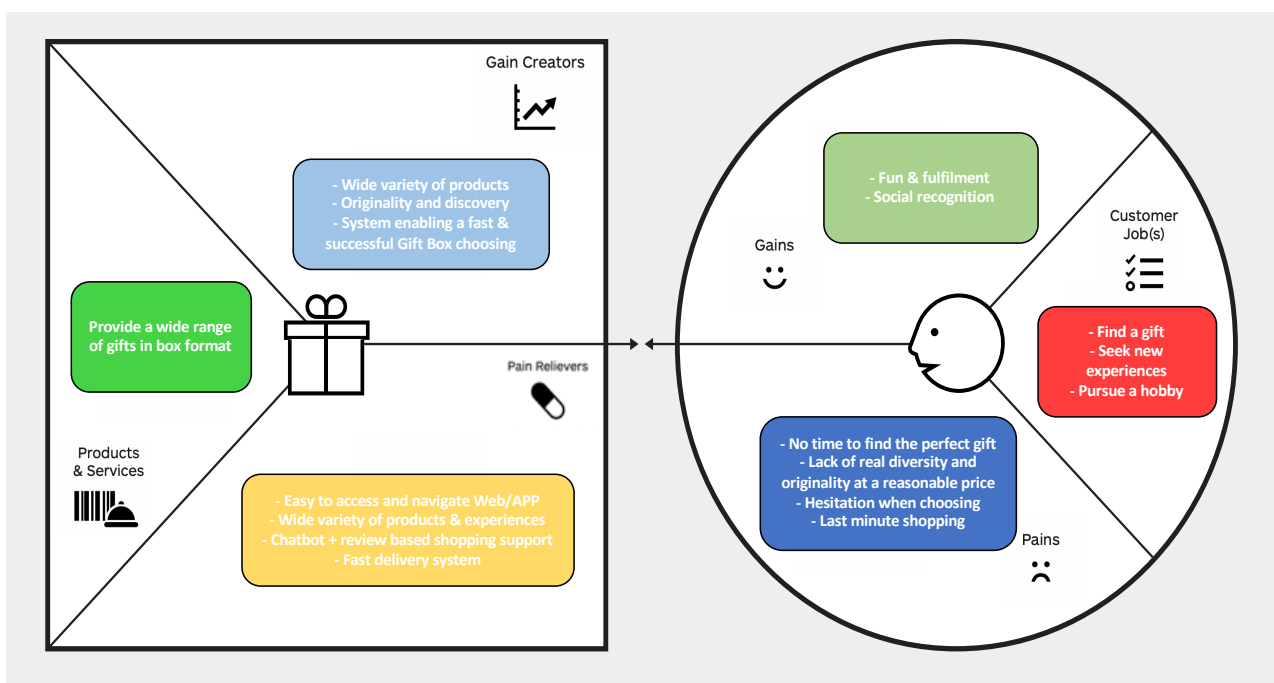


Figure 2: Value Proposition Canvas

External Analysis:

In order to keep track and adapt to the uncertain and fast changing world that surrounds us, we have proceeded to make an external analysis of the gift sector. To achieve a complete view of our competitive environment, we have proceeded to make the following analysis: PEST Analysis, Porter 5 forces Analysis, and lastly, we have studied the Key Success Factors that drive our business environment.

PEST:

Through our PEST analysis we can draw the following conclusions: We are at a moment in human history where uncertainty is the norm. All four aspects of the PEST analysis could be argued to be plagued by uncertainty, especially when it comes to the economic and technological factors that surround us. In order to tackle this issue, we'll need to be agile and innovative, while using the insights obtained through our data better understand and satisfy our clients' needs.

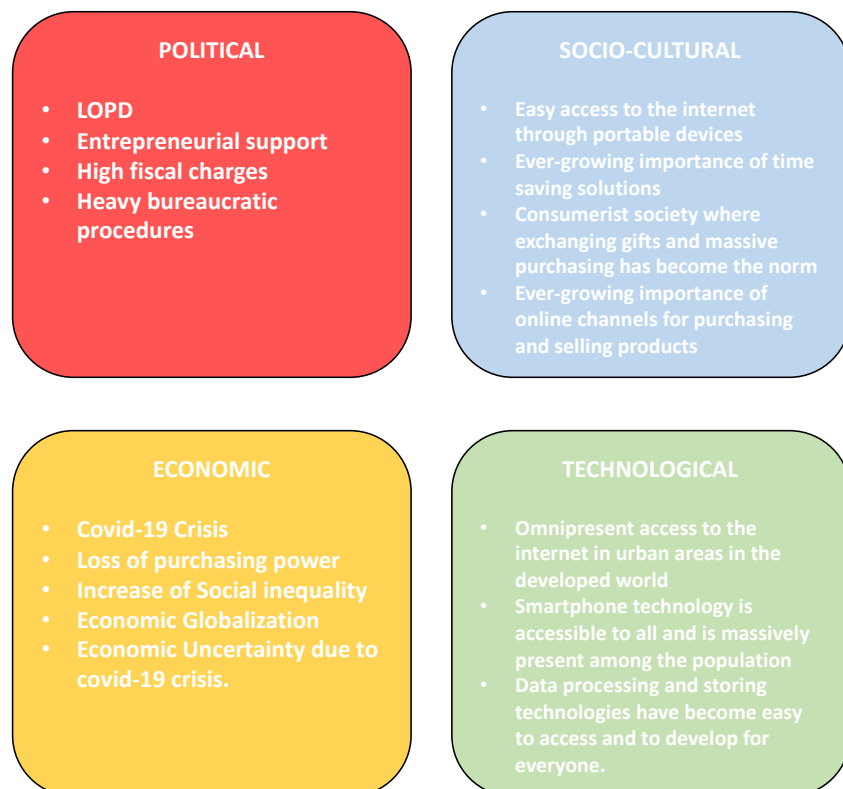


Figure 3: PEST Analysis

Porter 5 Forces Analysis:

With the following Porter 5 forces analysis we wanted to look at: **The Global Gift Box industry in 2020.**

Currently, the Gift Box sector can be considered a niche sector. There is a low rivalry among existing competitors since: there are few players, the niche is growing at a fast pace, but specially there is no “winner takes all” paradigm.

Also, both clients and suppliers have a low bargaining power, which shifts high value creation to online platforms that are able to successfully bring together supply and demand. However, there are two aspects that need our focus:

On one hand, there are relatively high entry barriers to become a big player in this niche, not because of capital requirements, but since there is an ever-growing need for data driven decisions, which require access to a large and detailed level of consumer databases.

On the other hand, since the Gif Box industry is a niche sector, there are currently a huge threat for substitution. Consumer might want to find gift in another format, rather than in gift box.

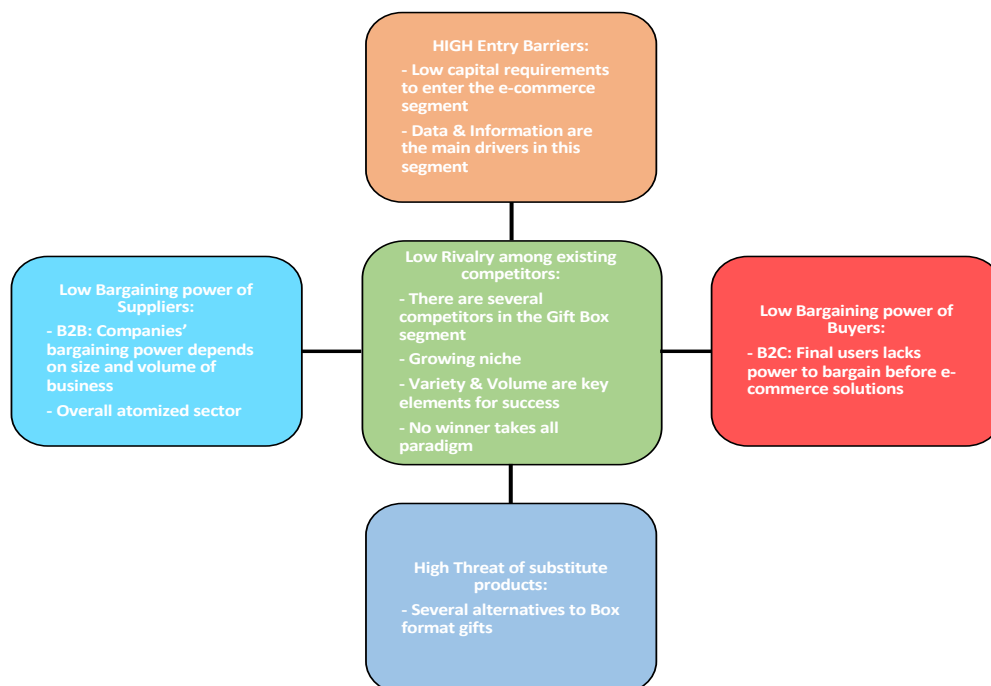


Figure 4: Porter's 5 forces Analysis (The Global Gift Industry in 2020)

Key Success Factors (KSF):

Through our experimentation and validation process, we have identified the following aspects as being key, to meet our customer's expectations: Product innovation, product diversity, price and an easy and comprehensible purchase process.

In order to achieve that: First, we'll engage in product innovation by combining product in our gif box format, hence increasing their inherent value; Second, we'll design a customer friendly WEB and APP, in order to maximize customer satisfaction when interacting with MiBox; and third, we'll engage in online ad campaign to increase our brand's visibility.

Internal Analysis:

After analyzing the external environment of MiBox, we'll study in depth the internal characteristics of our business offering and developer team. In order to achieve this, we will: Analyze the competitive positioning that MiBox is aiming to achieve, audit our company's competences and analyze the Value Creation Chain at MiBox.

Competitive Positioning:

In order to meet the KSF and to grow as a company, at MiBox we need to continuously bring up: Variety and Volume.

We have to strive to always innovate and bring to our consumer an ever-growing number of product categories and experiences, which in turn we will analyze – using Big Data analytics – to extract the highest amount possible of value both for the company and for our customers.

Also, innovation only will not be enough to make the company profitable. In order to obtain a positive cash flow, we'll have to constantly increase our sales volumes. This will be attained by offering new products and targeting every customer segment that would be interested in acquiring innovative and fun experiences in box format.

To represent our competitive positioning, we have designed the following strategic process – through which we’ll be able to engage customers while creating value, in a virtuous circle manner:

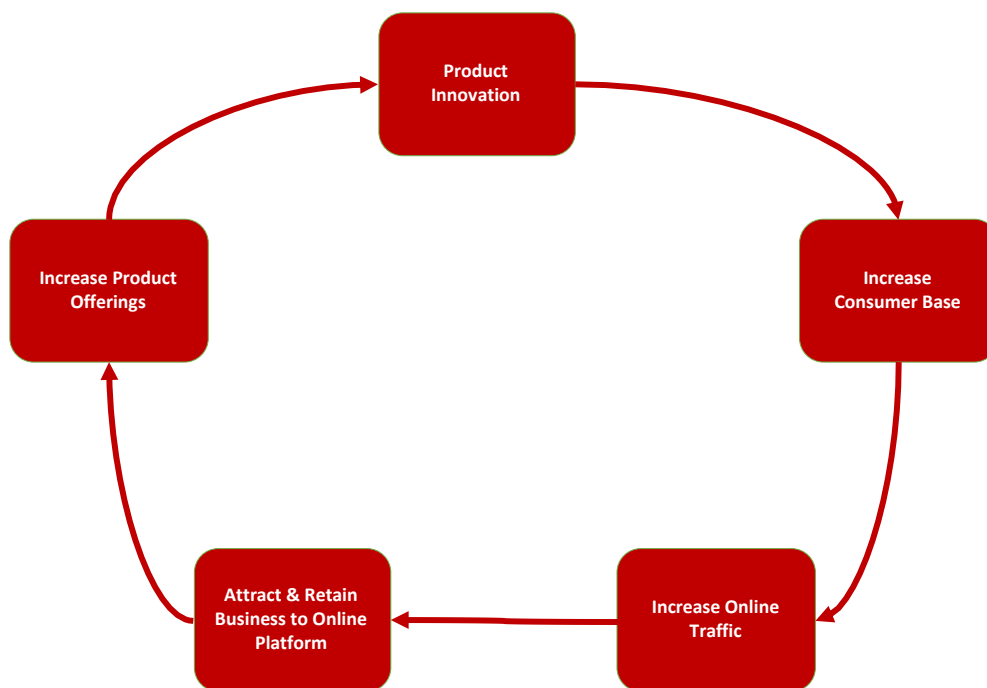


Figure 5: MiBox’s Strategic Process

MiBox Competences Audit:

MiBox is composed by a group of multicultural and multidisciplinary entrepreneurs, with different backgrounds, and with both technical and management competences.

Our entrepreneurial team is Digital Native and knows how to harness the power of Big Data in order to achieve results. Furthermore, we are: Proactive, Customer focused, Adaptable and Teamwork oriented.

In our daily exchanges we’ll promote Lean and Agile methodologies, to maximize results while minimizing sunken effort.

As for more specific competences, we’ll look at them in depth in our commercial plan. Where we will explain each of the capabilities that we’ll bring to the different business areas of the company, as well as those that we’ll go search outside of our company.

Value Chain:

In order to achieve our goals, we have designed the following value creation chain:

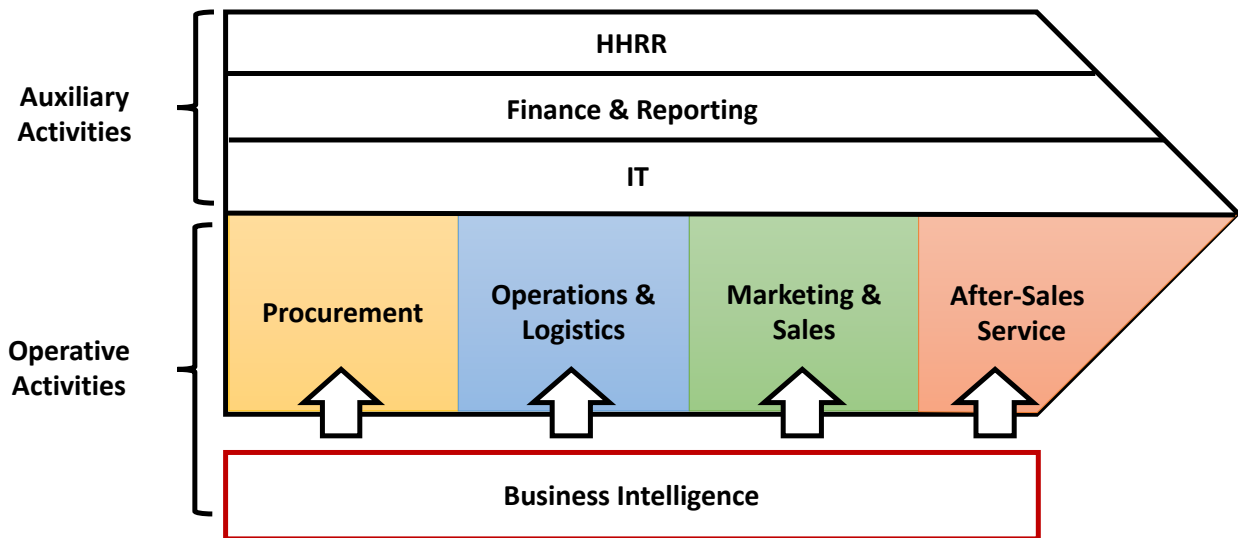


Figure 6: MiBox's Value Creation Chain

On one side we can observe the Auxiliary activities, whose job will be to support our company's growth.

On the other side, we have the Operative activities, which will provide us with the framework to: Acquire materials, build our gift boxes, communicate our value, sell our products and maintain customer satisfaction.

Besides this, we have introduced our Business Intelligence Unit, whose main goal will be to deliver insights to the other operative activities, as well as finding and integrating external partners into our e-commerce platform.

SWOT:

| STRENGTHS | WEAKNESSES | OPPORTUNITIES | THREATS |
|---|--|--|--|
| <ul style="list-style-type: none">- Synergy between physical products and the App- High quality products- Great product variety | <ul style="list-style-type: none">- New to the market- Niche market- Financial structure in the beginning stages | <ul style="list-style-type: none">- Social media virilization- The current Covid-19 Pandemic has pushed people to increase their online spending- Novelty product. | <ul style="list-style-type: none">- Well positioned competition- Large number of substitute products- Covid-19 Crisis has diminished people's purchasing power |

Figure 7: SWOT Analysis

SMART Objectives:

At this point, and before entering in detail into our operative plans, we have set the following Medium-Term Goals for our company:

1. Financial Objectives:

- Increase our Gross Margin by at least a 10% by Year 5
- Obtain a positive accumulated Cash Flow by Year 5

2. Market Objectives:

- Reach at least 1% of the SOM by 2022.
- Get at least 10 customers from each of our SOM regions by Y1.
- Get at least 5% of sales from outside of our SOM regions for 2022.
- Reach recurrence in sales by at least 30%.

3. Operative Objectives:

- Increase our platform's new product offerings by a steady rate of 100% per year until Year 5
- Reduce the impact of Operative costs to bellow 20% by Year 5

4. HHRR Objectives:

- Maintain Employee satisfaction above 90%
- Include the following competences by Y5:
 - i. Customer experience analysis
 - ii. Big Data architecture and implementation
 - iii. Web page and App design

MARKETING PLAN

Market Size:

SOM: <https://cgoberna.carto.com/builder/53317809-2fab-4d0d-98b9-88d7cd46b267/embed>

As our initial sample pool, we have chosen to select the number of households in the most populated provinces in Spain. In order to make this number more approachable, we have decided to adjust it by multiplying it by the rate of individuals whom have used the internet within 12 months to make an online purchase – according to Eurostat: 64% in Spain. In turn we have obtained a Serviceable Objective Market of **6.058.368,0** households in Spain, which we could target to sell our products.

Business Initiatives & Goals:

MiBox has the set the following goals to start our business with:

1. Reach at least 1% of the SOM by 2022.
2. Get at least 10 customers 10 customers from each of our SOM regions.
3. Get at least 5% of sales from outside of Spain for 2022.
4. Reach recurrence in sales by at least 30%.

To help the business do that, our marketing team will pursue the following initiatives during the first 3 years:

Initiative 1:

Description: Over the next 12 months, we'll work on building public awareness of our brand. We want to become the go-to site for people searching new hobbies to do at home. From gardening to cooking, whichever the hobby might be, we will have a box designed for that need.

Goal of initiative: The goal is to reach the 1% of our SOM by the first year thus why we want to create awareness of our brand.

Metrics to measure success: Social media following and engagement. Given that we are an online company we can easily measure how many people visit our site and how long they stay. What areas of the website and app are the most frequented and how many people buy our products.

Initiative 2:

Description: Over the next 12 months we want to become the marketplace preferred by producers to market their products. We will handle all marketing and sales efforts in exchange of the opportunity to offer their products on our site.

Goal of initiative: Given that one of our SMART goals is to get 5% of sales coming from outside of Spain, this gives the opportunity to the producers to reach a bigger audience.

Metrics to measure success: We can measure this from the data collected from our website and social media profiles.

Targeted Market:

Segment:

In 2020, we’re targeting the following segments where we’ll sell our product and reach out to customers:

| Geographic: | Demographic: | Psychographic: | Behavioral: |
|---|--|---|--|
| <ul style="list-style-type: none"> - 95% Spain - 5% internationally | <ul style="list-style-type: none"> - Men and women between the ages of 16-50 years old - Families with kids - Middle to upper class | <ul style="list-style-type: none"> - Active - Social - Curious - Emotional - Updated | <ul style="list-style-type: none"> - Has hobbies - Likes to shop - Likes to try new things - Uses Social Media |

Table 1: Segmentation Analysis

We have decided to target these segments because we have a broad line of options on our website that we can offer. From teenagers wanting to try their first makeup, to a father looking for the perfect gift for his 9-year-old son that they can do together, to the group of girlfriends looking to do a spa day at home, to the teacher looking for special activities for her young students.

Buyer Personas:

Within our target market, we've identified the following buyer personas to represent our ideal customers:

Laura Garcia

Laura is 26 years old. She works in a marketing agency where she makes 40.000 euros and spends her free time with her boyfriend and her friends, she loves to shop and go to the trendiest restaurants of Madrid. Ultimately, Lucia wants to find a hobby that will allow her to relax now that she's spending more time at home and wants to treat herself.

Alejandro Santana.

Alejandro is a 38-year-old doctor. He spends his free time with his wife, two kids and their dog. Alejandro wants to find activities for his kids to do at home that are entertaining and also educational so they can spend less time watching TV this summer.

Competitive Analysis:

Within our target market, we expect to compete with the following companies:

Regalador: <https://regalador.com/>

Products we compete with: Regalador is a Spanish website that offers gifts and gift boxes for any occasion. We consider them competition since they can have similar products to what we have to offer and also have great presence in social media.

We can differentiate ourselves from them focusing our products to hobbies that people can do and try at home.

Smyla: <https://www.smyla.es/>

Products we compete with: Like our previous competitor, Smyla is a German website that offers a wide range of products for people looking for gifts for any occasion.

Since this is a German website it is not very well known in Spain which we can use as our advantage.

Market Strategy:

Product:

We offer customers a variety of Gift Boxes designed for every occasion. We take pride in designing the perfect products to fit the needs of our customers. You can find your new hobby, the perfect activity to do with your family or the best gift to impress your new mother-in-law. We are constantly updating our product selection and new products are available seasonally.

Price:

We have set up the price ranges as follows: 10,00€ for our pre-made boxes that come in our monthly subscription program, 20,00€ for our non-subscription pre-made boxes and the prices for the customized boxes varies from 20,00-100,00€. Since we offer such a broad selection, our prices vary according to the products and what our customers are willing to pay.

Being a gifting centered company and also having identifying search trends in gifts during the Holiday seasons we will do seasonal price promotions.

Promotion:

Our main promotion medium and the most powerful will be our social media platforms where we will create content specifically tailored to reach our targeted audience with what they want to see. Original content on Instagram to create engagement and receive feedback from our customers.

Place:

Our main platform is our website. The site has been created to be comfortable and easy to navigate for our customers so they can find everything they need to make their purchase and come back to our site for future purchases. We will offer online assistance via chat and a recommendation algorithm that will help our customers find what they need.

Process:

We will rely on our logistics partners to ensure that our customers receive their orders on time and in the best condition so they can enjoy our products to the fullest and according to their expectations.

Budget:

For 2020, given the investment made in MiBox, the Marketing team expects to invest in the following items to ensure we meet the objectives outlined in this marketing plan:

| Marketing Expense | Estimated Price (year) |
|---|------------------------|
| Marketing Software: Sales Manago https://www.salesmanago.com/ | 1.617,87 EUR |
| Content Sponsorship: 3 influencers during the first year. | 3.000 EUR |
| Pay-per-click (Google) | 9.000 EUR |
| Social Media ad campaign | 7.200 EUR |
| Event/Fair (Hosting) | 13.550 EUR |
| Event/Fair (Attending) | 5.350 EUR |
| Total | 39.717,87 EUR |

Table 2: Marketing Expenses

Marketing Channels:

During the first year we will launch our use of the following channels for letting our customers know about our brand and what we have to offer, generating leads, and developing brand awareness:

Social Media:

- Purpose of channel: Create Brand Awareness. We want our targeted market segment to get to know what is MiBox and what we have to offer.
- Metrics to measure success: Engagement, following, clicks on ad. (Backpage analytics). We will rely on SEO using the hashtags #MiBox #MiBoxLover

Website:

Purpose of channel: Sales.

Metrics to measure success: SEM Strategies. Clicks on ads, time lasted in website, customer journey on the website from entering until final sale.

Digital Marketing at MiBox:

Mibox wants to combine an SEO and SEM strategy, since we believe that in the short term it will be more expensive to implement a well-made SEO strategy, but we believe that in the long term it is the best way for MiBox to really position itself in the engines of search. Since we know that an SEO strategy requires time and effort, we want to combine an SEM strategy in the first months so that in this period in which the SEO strategy still has no results, we do not lose click on the search engines.

Web Page:

The MiBox Web page will be a means to show the products it offers, a kind of showcase in which customers can see every detail of their Box, and of course access to buy the products that MiBox offers.

This web page will include a customer service area which is undoubtedly one of the most important areas, since MiBox wants to differentiate itself for its excellent service, which can only be obtained through adequate feedback from its customers.

A very important part of this website will be the MiBox Blog, in which notes about the products included in the Boxes and their benefits, origin, modes of use and most important features will be published.

In this Blog, the help of MiBox influencers will be used, who will write their experiences with the products, and will give advice on their use.

The idea of this Blog is the generation of traffic and communication on the website, since MiBox clients can also comment on these notes and give their own advice and share their experiences.

This web page also aims to include advertising for the brands with which MiBox works.

App:

The MiBox App is a fundamental aspect within its tools, since it is the one that will allow, in addition to being a showcase for products and making purchases / subscriptions, it will allow you to monitor certain specific MiBox, such as gardening MiBox, which through the App Users will be able to monitor their plants and their evolution. In addition to this, the App will allow communication between users, since there will be a section for the MiBox community in which influencers can be themselves and share their experiences with other users.

This App also aims to include advertising for the brands with which MiBox works

Social Networks:

Youtube:

The YouTube platform will be used to support MiBox digital marketing, since it will be used for influencers to publish their videos / tutorials using MiBox products.

This will help to give visibility to the different boxes and the fact that they are used by influencers will make customers feel more motivated when purchasing the Boxes.

Box will be given to the different influencers in exchange for them to make a video of maximum 5 minutes in which they show the products, their characteristics and try some product from the box.

In addition, they want to make "Famous MiBox" in which celebrities from Spain create their own boxes with, for example, their daily facial routine. These boxes will be put up for sale on the different platforms, and we believe it will be a good idea to continually create new boxes and vary our products.

My box will be in charge of editing all the videos so that they follow a uniform template.

Instagram:

This platform will be of great importance, since it will be the main means of communication between clients and MiBox, on this platform it is intended to make a kind of catalog of the different Boxes, to show products through the use of influencers, as on YouTube, but with shorter stories, in which a short and precise message is delivered that motivates the client to try these products.

In addition, it will be the means that MiBox will use to run contests, and thus through these contests generate more traffic on Instagram, and gain a greater number of followers, that is, potential customers. In the same way, it will be the ideal platform to present new products, promotions, new news and the main means to carry out digital marketing with original, stimulating content and take advantage of each important date or holiday to show the different Boxes that exist for each occasion.

Facebook:

We do not want to leave out the older public that is not yet an active user on Instagram, and we want to use this medium to carry out the same actions as on Instagram, but appropriate to this platform and thus reach clients who are not necessarily as suitable to Instagram.

As we commented at the beginning, we intend that MiBox in the long term works with SEO strategy mainly, and that is why in each of its platforms it is required to generate daily and interesting content, with the use of influencers, notes, blogs, tutorials and contests. / promotions that together generate traffic and communication between Mibox clients.

COMMERCIAL PLAN

Commercial structure:

The MiBox team will be made up of a Full Time Equivalent of 6.12 people, this has been calculated according to the level of sales forecasted previously and the workload that this level will grant to MiBox.

This number of people will be modified according to the level of demand and their behavior. Next, we will detail the functions and activities of each member of the MiBox team.

- Member A: In charge of Human Resources, finance and after sales.
- Member B: Marketing Manager.
- Member C: Operations and logistics manager.
- Member D: Manager of purchases and acquisitions.
- Member E: BI. (B2B)
- Member F: IT Manager.

The characteristics and skills that each member of the MiBox team needs are:

- Proactive.
- Customer focused.
- Easy adaptation to change.
- Teamwork.
- Knowledge of Lean or Agile methodologies.
- English.
- Analytical capacity.

These characteristics and competencies are in general for all members of the MiBox work team, however, there will be other skills and competences that will be key for certain jobs.

- **Responsible for Human Resources, finance and post sales:** knowledge in organizational development, recruitment and selection, Microsoft Office package, customer experience, strategy, Power Bi, must be analytical and possess leadership skills.
- **Marketing Manager:** Knowledge and skills in digital marketing is fundamental, creative, passion, motivation, communication, emotional intelligence, Microsoft Office package, Adobe package, SEO and SEM tools, creation and management of web pages and App and knowledge in public relations.
- **Operations and Logistics Manager:** Knowledge and skills of organization, negotiation, strategic vision, long-term vision, leadership capacity, bargaining power, Microsoft Office package, management capacity, flexible and easily adaptable to change.
- **Purchasing and acquisitions:** Negotiation power, communication skills, organized person, market knowledge, constant updating and complete knowledge of the company's strategy.
- **BI manager. (B2B):** Deep knowledge in Business Intelligence, informatics, in-depth knowledge of the company's strategy, analytical capacity, data analysis, industry trends, IBM Cognos analytics, Microsoft dynamics, Microsoft office package, data management, data mining and reporting tools.
- **IT Manager:** Innovation, creativity, organization, autonomy, programming knowledge, knowledge of IT tools, such as Microsoft dynamics.

Remuneration policy:

Each member of the Mibox team will have a fixed salary of 20,000 euros gross per year.

This sum will be modified according to the level of sales and the workload to which each member is exposed in subsequent years.

Training policy:

The training policies that MiBox will impart to its employees will be 100% focused on customer experience, Big Data, Design and architecture of Web pages and App.

MiBox must go year by year renewing its sales tools (App and Web). It is important that the greatest potential of these tools is taken out, all this effort to generate a greater positioning of the MiBox and

thus an increase in sales and subscriptions. To achieve these goals, it is important to know MiBox current and potential customers in depth, their purchasing behaviors, preferences, physical and psychological qualities, recurrence, etc. This will require training in the aforementioned areas, with a strong focus on data analysis and always placing the customer at the center.

Sales tools:

Exchange of mentions in social networks for products. (influencers)

As mentioned in the digital marketing strategy, MiBox aims to use influencers as a fundamental resource. Exchanges of boxes for mentions and demonstrations of boxes will be carried out on the social networks of influencers.

Flash Prices:

In slower sales periods, flash prices are intended, this is that the client when entering the website will be exposed to flash offers, which will not last more than 8 minutes, thus motivating the purchase of these.

Member get member:

Regarding subscriptions, MiBox intends to reward its customers who publicize the brand, this will be done through discounts every time a customer brings a new subscriber.

Discount roulette (First purchase):

In the first purchase, the customer will be rewarded with a discount roulette, which will appear when a product is added to the cart, and they can play roulette and get a discount for the first purchase.

Trade Marketing Plan:

- Appearance of the Website and App: Audiovisual resources, not overload, reliable and clean page.
- Ease of use of the Website and App: They must be intuitive.
- Clarity in the products: Prices, accessories, mode of use, returns.
- Chat in real time: Guide and motivate the customer in their purchase, problems, returns, after sales.

OPERATIONS PLAN

Value Chain:

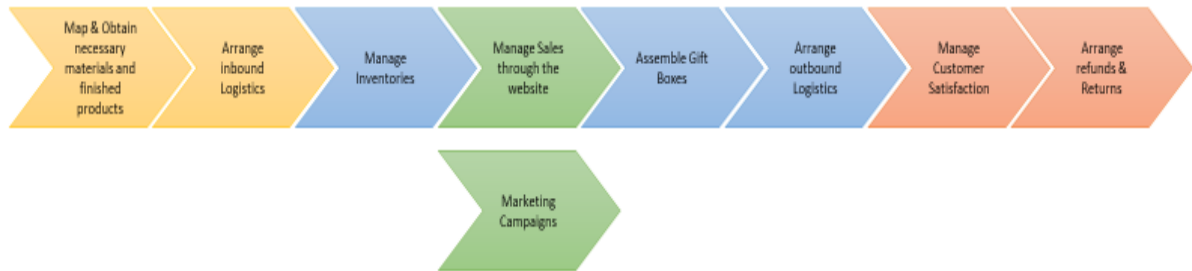


Figure 8: Operative Process.

Operations Process' detail:

- Map & obtain necessary materials and finished products:
 - Check for suppliers
 - Updated quotes
 - Bulk-buying considering expected sales + inventories
- Arrange inbound logistics
 - Warehouse rental
 - Reception schedules
- Manage inventories
 - Inventories for 2 months
 - All inventory must be stored in the database
- Manage sales through the website
 - Web petitions directly connected to operations
 - Operations distributes to assemblers
 - Priority for subscribers
 - Dispatch before 15.00h on working days
- Assemble Gift Boxes

- Priority for custom made MiBox
- Stock of generic MiBox for 3 weeks (in case of surge of petitions)
- Petitions before 14.00h are dispatched on the same day
- Arrange outbound logistics
 - Courier
 - Pick-up at 17.00h
 - Guaranteed 24h delivery
 - Invoice & Shipping ID sent to buyer and operations
- Manage customer satisfaction
 - 1 week after pick-up → satisfaction e-mail
 - Results directed to Marketing (Post Sales)
- Arrange refunds & returns
 - 2 weeks refund policy (factory flaw and/or untouched)
 - 1 month return policy (if usable again → coupon for customer, if unusable → denied)
- Marketing Campaigns
 - TBD by Marketing dept
 - Marketing notifies expected sales to arrange inventories

New product development process:

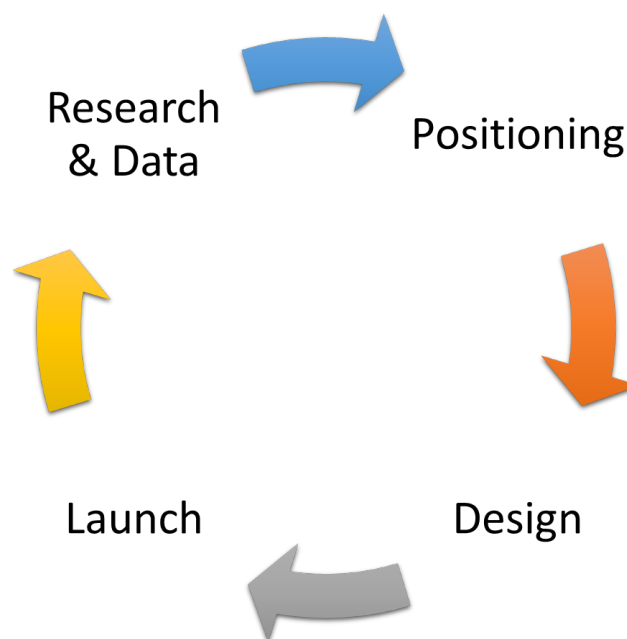


Figure 9: New Products' development process.

For the product development in MiBox we will be using all the data collected in the website and app, as well as a market research to develop the knowledge we need about what the customers want. After that, we will design our positioning strategy to create a unique identity for our products and brand. The third, and most important part would be the design itself, where we will be considering everything studied in the previous steps as well as other considerations like customer experience. All these steps will be done by both departments, Marketing & Operations, to take full advantage of our know-how.

The last step of this process will be the launching itself. In this step, all the work will be done, again, in both departments, because we will have to consider logistics, distribution and our production capacity (Operations) as well as the pricing and promotion (Marketing).

Provisioning:

The provisioning part of the Operations plan is key for MiBox. There will be three main stages: Sales & operations planning, production forecast and capacity forecast.

Sales & operations planning:

For this stage of the Provisioning plan, both departments, Marketing and Operations, have to work hand in hand. First, the Marketing department has to make the forecast of the sales to be expected in the next period (considering new launches, investment in advertising, special offers, holidays, etc.). If this part is not done correctly, our losses could be deadly. If we underestimate our sales, we will lose potential clients and money, and if we overestimate, we will lose money because all the capacity of the Operations department is going to be wasted.

Considering the first step done, now is the turn of the Operations department. With the sales forecast in hand, they have to make a budget of the needed supplies (with official quotes of said suppliers), delivery times of those suppliers (in order to avoid out of stock situations) and then check the warehouse capacity. Every forecast made will be stored in the Company's servers.

Production planning:

This part of the plan works hand in hand with the previous step. Here, the operations department will be planning our daily output of MiBox. For this part, we will have to consider having 2 different work shifts, the first one from 6.30h to 14.00h and the second one from 14.00h to 20.30h. This rotative shifts will allow us to have the warehouse prepared for supplies drop-offs early in the morning, assembling and organizing deliveries all through the morning, and then the second shift, manages delivery pick-ups and sends the bills with the delivery number to the customer and the operations office.

Capacity planning:

In this part, we get to know the two main terms in play: Fixed capacity and operating capacity. The fixed capacity is the actual capacity we have for box assembling, in other words, our 100%. The operating capacity is the actual capacity being used at that moment. Our main goal is to have a fixed capacity that allows us to cover the projected demand from the marketing department, but, also having enough headroom in case of a sudden surge of orders. This will allow us to have as low costs as possible without compromising the operation.

We are also aware of the seasonality of this market, so we are going to increase our fixed capacity as well as the operating capacity when holidays and special days are near. The first years of operation this will mean an increase in personnel for the operations department, but, if our forecast is to become true, we could need temporary rentals of another warehouse.

For this reason, our personnel is not going to be hired directly from us, but from a certified third party. For the day to day routines we are planning on having 1 worker in the first shift and one in the second shift. But, as said previously, whenever we approach to a special holiday, we will have, for example, up to 3 workers in each shift.

Departments KPIs:

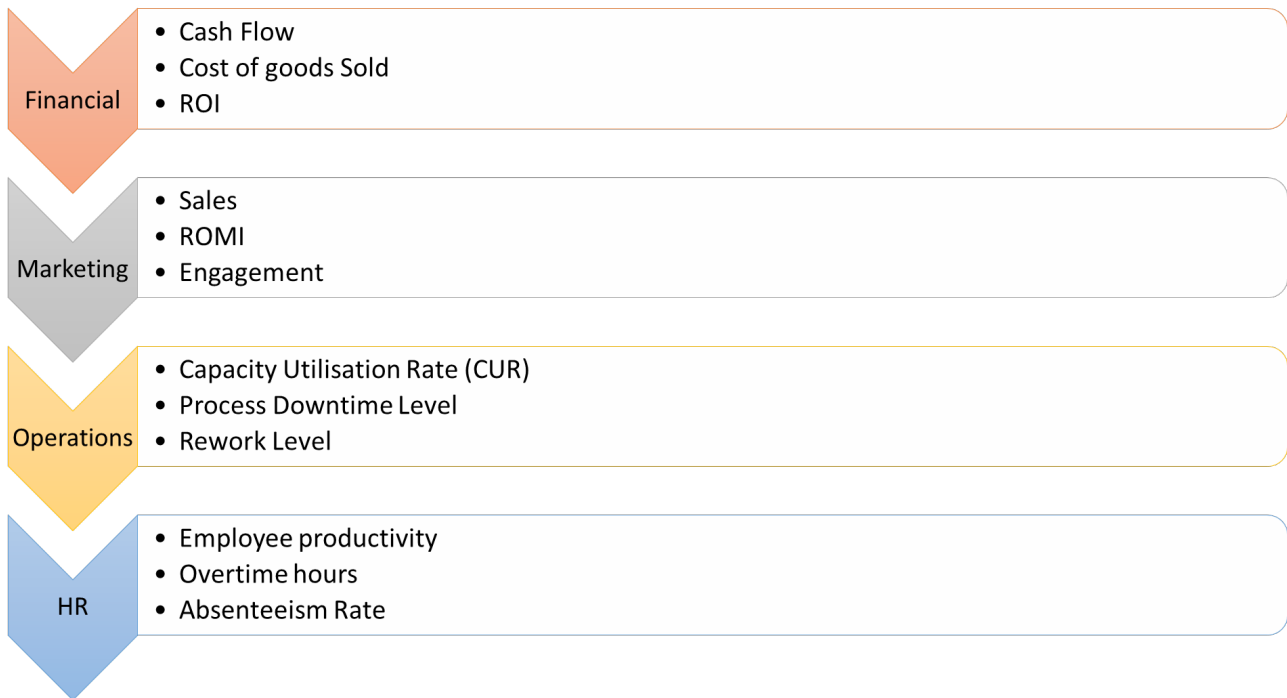


Figure 10: KPIs

Operation's Budget:

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|--------------------|--------------------|---------------------|---------------------|---------------------|
| Maintenance | 600,00 € | 900,00 € | 1.200,00 € | 1.500,00 € | 2.000,00 € |
| Facility supplies (Electricity, water, Internet, gas) | 2.628,10 € | 6.494,00 € | 12.754,00 € | 17.894,00 € | 21.405,00 € |
| Salaries Workforce | - | 21.580,82 € | 30.091,95 € | 66.420,10 € | 81.739,79 € |
| Furniture, tools, office supplies, etc. | 600,00 € | 3.293,00 € | 7.495,00 € | 14.958,00 € | 21.948,00 € |
| Rentals | 15.000,00 € | 21.000,00 € | 29.000,00 € | 39.000,00 € | 50.500,00 € |
| Direct Costs | 18.828,10 € | 53.267,82 € | 80.540,95 € | 139.772,10 € | 177.592,79 € |
| Salary HQ | 31.000,00 € | 31.000,00 € | 31.000,00 € | 31.000,00 € | 31.000,00 € |
| Raw Materials & Packaging | 9.553,17 € | 27.027,52 € | 51.082,00 € | 101.312,64 € | 150.181,09 € |
| Shipping | 9.274,92 € | 26.240,31 € | 49.594,18 € | 98.361,79 € | 145.806,89 € |
| Operations & Logistics | 51.000,00 € | 93.095,00 € | 145.456,00 € | 260.394,00 € | 368.953,00 € |

Table 3: Operation's Budget

FINANCIAL PLAN

Before starting with financial plan, we must understand the provenance, as well as the assumptions behind our forecasted results.

As our initial sample pool, we have chosen to select the number of households in the most populated provinces in Spain. In order to make this number more approachable, we have decided to adjust it by multiplying it by the rate of individuals whom have used the internet within 12 months to make an online purchase – according to Eurostat: 64% in Spain. In turn we have obtained a Serviceable Objective Market of **6.058.368,0** households in Spain, which we could target to sell our products. Our financial objectives regarding the SOM is to attain 2% by Year 5 of our operations. Also, we have assumed a positive CAGR Increase in Sales of 5% for the whole forecasted period.

Seasonality:

It is important to analyze the effect that seasonality has in the gift industry, since we need to adapt our costs to tackle both very low and very high demand within the year.

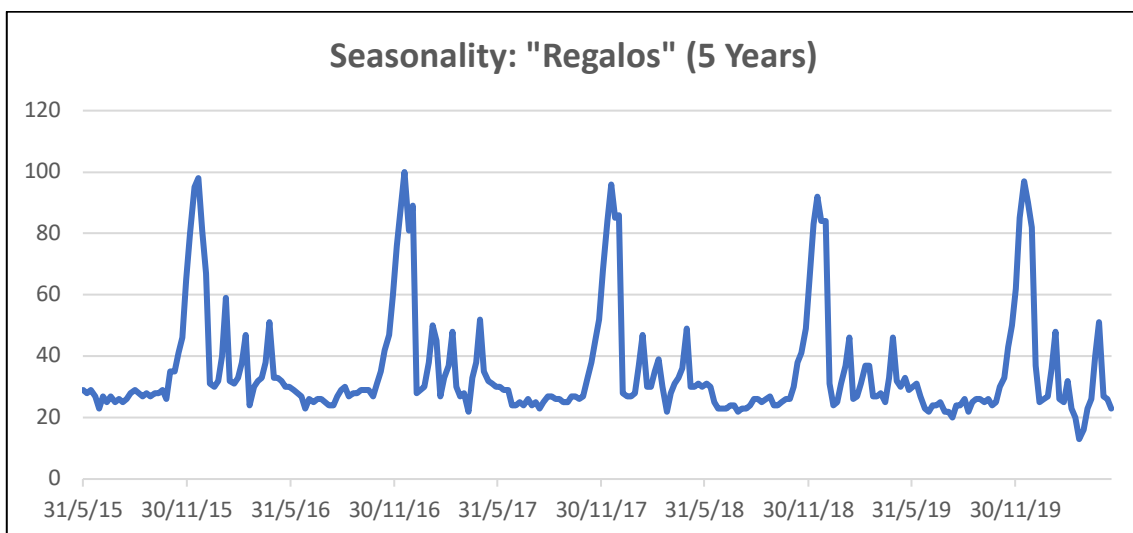


Figure 11: Seasonality Analysis 5 years

In this graph we can observe that there is a clear pattern in sales when it comes to people searching for gifts in the internet. To understand this number within the logic of a single year we can observe the following graph:

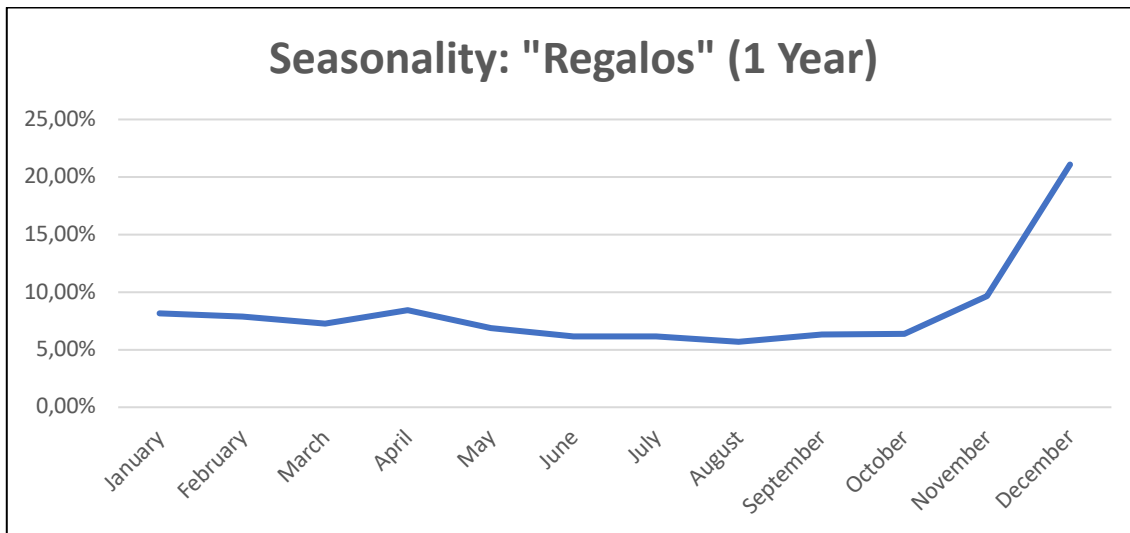


Figure 12: Seasonality Analysis 1 year

We have translated this data to the table below, which shows us a clear skew towards sales during the end of the year. Notably in December, where we could expect to have to satisfy up to 21,09% of the yearly sales. This also provides us with an important lesson, we need to adapt our structure to meet demand in profitable months, as well as to stay lean the rest of the year. Also, as we have explained throughout this business plan, we will invest heavily in communication, so that we can maximize profit during the last months of the year.

| Month | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec |
|-------|------|------|------|------|------|------|------|------|------|------|------|-------|
| % | 8,14 | 7,87 | 7,27 | 8,42 | 6,90 | 6,16 | 6,14 | 5,69 | 6,29 | 6,39 | 9,64 | 21,09 |
| Sales | % | % | % | % | % | % | % | % | % | % | % | % |

Table 4: Seasonality adjusted sales forecast per month

Profit & Loss Statement:

The last step before looking at the forecasted results from our operations, is to understand the revenues and costs from our products.

In the first table we can observe the COGS from three of our initial boxes' categories:

| | Total Cost | Materials & Packaging | % COGS Packaging | Shipping | % COGS Shipping |
|-----------------|------------|-----------------------|------------------|----------|-----------------|
| ScienceBox | 6,32 € | 3,32 € | 53% | 3,00 € | 47% |
| CraftsBox | 5,51 € | 2,51 € | 46% | 3,00 € | 54% |
| GardeningBox | 6,45 € | 3,45 € | 53% | 3,00 € | 47% |
| Partner's Boxes | - € | - € | - € | - € | - € |

Table 5: COGS Analysis

As we can observe we have also included our Partner's boxes in this table, since although the costing will not be directly relatable to us, we are providing a visibility service which will be reimbursed with a referral tax of 5% of the total sale. For more detail on the boxes content, please refer to the annex.

In the second table we can observe the selling price of our three product categories:

- Monthly subscription: these boxes will provide us with a steady stream of revenue and data throughout the year. We expect subscriptions to remain as 5% of our total sales revenues. In the event of this percentage increasing considerably, we would adapt our pricing strategy.
- MiBox boxes: these boxes represent single sales to individual users. We have calculated that we would need to maintain at least a Gross Margin of 70%, in order to maximize revenues while maintaining a price acceptable by our customers.
- Partner's Boxes: we have estimated the average box price of this category to be 60€. This takes into consideration that in our website our customers will be able to find boxes ranging in price from 20€ to 100€

| | |
|----------------------------|---------|
| Monthly Subscription Price | 10,00 € |
| MiBox Avg. Price | 20,00 € |
| Partner's Avg. Price | 60,00 € |

Table 6: Price Analysis

With this information and the previously mentioned assumptions, we can already take a look at our forecasted Profit and Loss statement.

Please find the Profit & Loss statement in Annex X.

In the following graph we can observe the expected sales tendency at MiBox. We expect to obtain a total sales revenue of 1.169.106,13 € by Year 5. Please note that this graph only represents the sales operations at MiBox, thus year 0 is not represented.

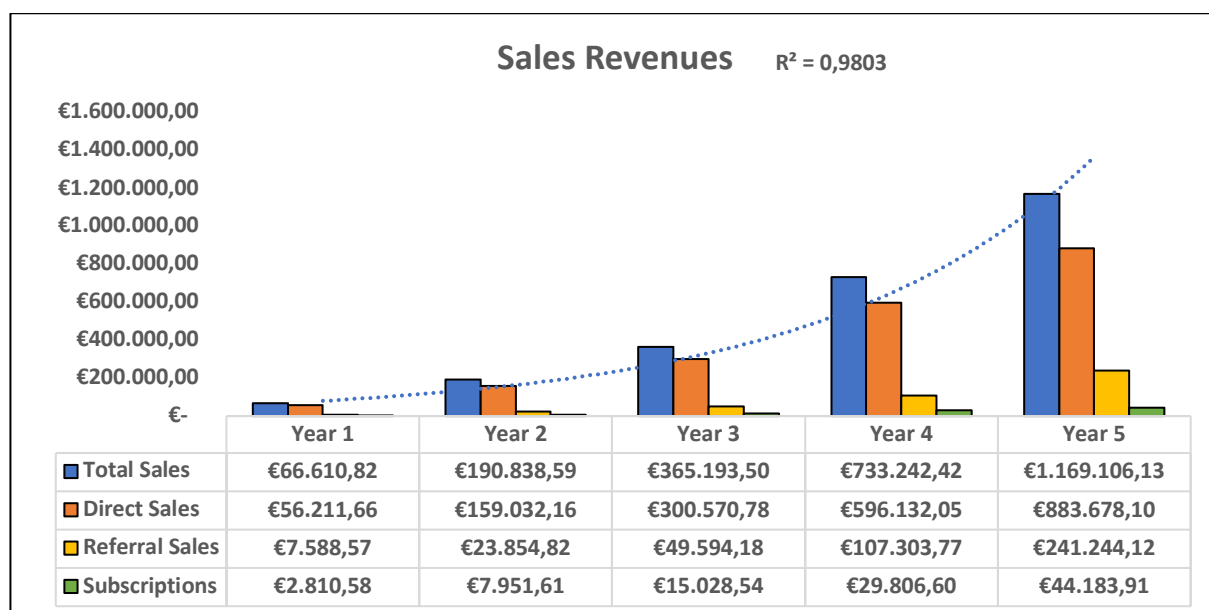


Figure 13: Sales revenues

From the P&L we have also calculated the Average Revenue per household shopping at MiBox, and the Expected monthly customer growth. Please find the table below.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|----------------------------|---------|---------|---------|---------|---------|
| Avg. Revenue per Household | 11,85 € | 12,00 € | 12,15 € | 12,30 € | 13,23 € |
| Monthly Customer Growth | - | 67% | 89% | 98% | 148% |

Table 7: Average revenue per household & monthly customer growth.

As for the cost structure, with our increase in sales we observe an increase in direct costs, however we expect to take advantage of economies of scale in order to increase our Gross Margin. Detail can be observed in the table below.

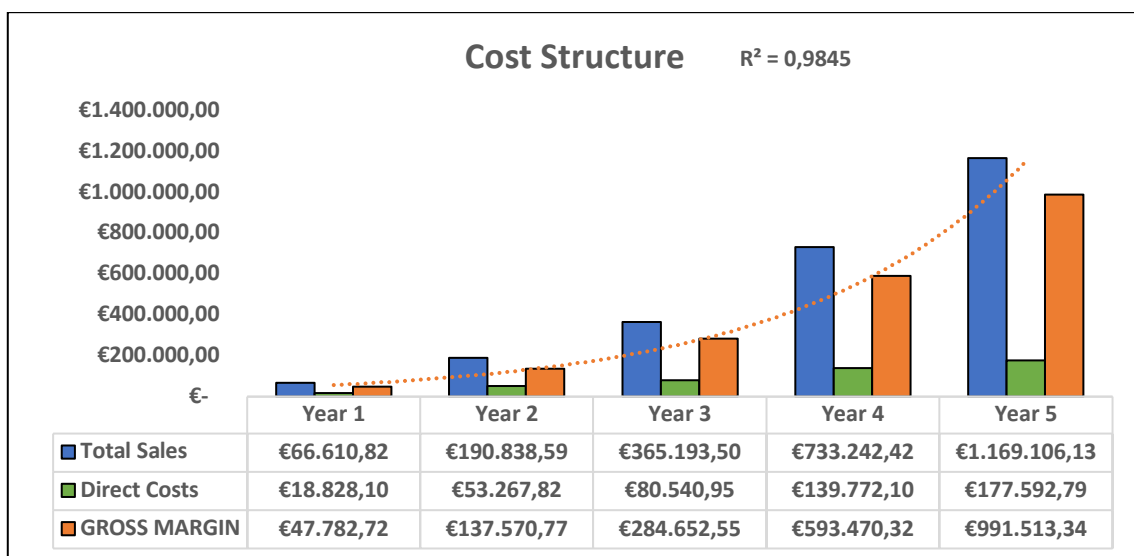


Figure 14: Direct cost structure

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--------------|-------------|--------------|--------------|--------------|----------------|
| Total Sales | 66.610,82 € | 190.838,59 € | 365.193,50 € | 733.242,42 € | 1.169.106,13 € |
| Direct Costs | 18.828,10 € | 53.267,82 € | 80.540,95 € | 139.772,10 € | 177.592,79 € |
| % Of Sales | 28% | 28% | 22% | 19% | 15% |

Table 8: Direct costs as a % of Total Sales

To have a broader understanding of our total costs, we can take a look at the Operating Margin. We can observe that until Year 3, Operative costs are the main reason for our negative results. These costs however need to be integrated, as they are directly necessary for the well-functioning of our business. For more detail on operative costs please look at the table below. Please note that in this graph, we

have included operations from Year 0, as we have considered that some cost will have to be incurred in order to both: register the company and initiate promotional activities.

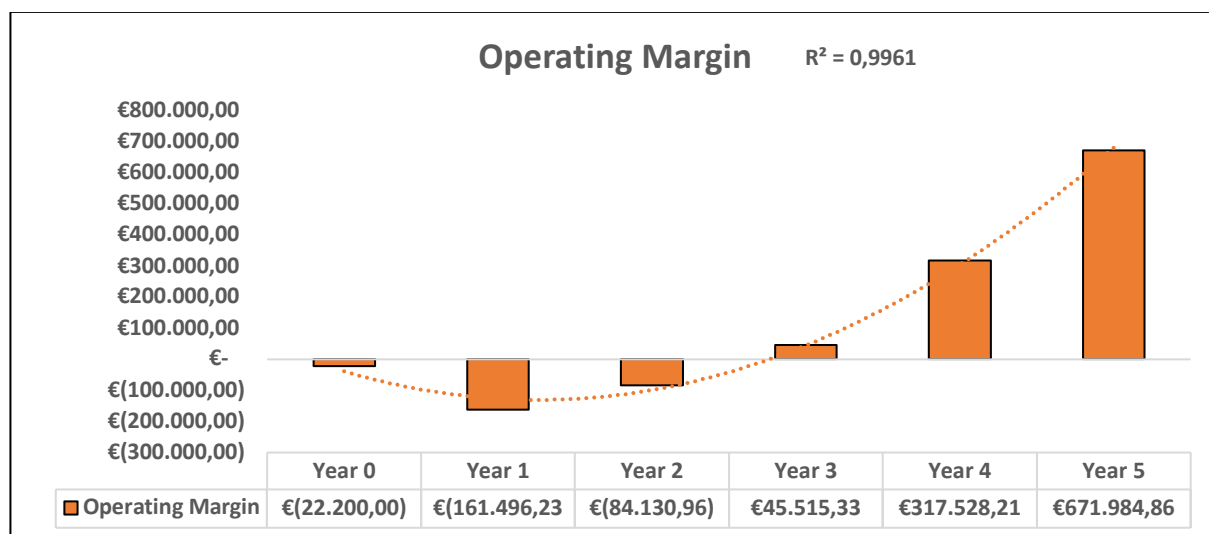


Figure 15: Operating Margin (EBIT)

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|------------------------|--------------|--------------|--------------|--------------|----------------|
| Total Sales | 66.610,82 € | 190.838,59 € | 365.193,50 € | 733.242,42 € | 1.169.106,13 € |
| Operative Costs | 209.278,95 € | 221.701,73 € | 239.137,22 € | 275.942,11 € | 319.528,48 € |
| % Of Sales | 314% | 116% | 65% | 38% | 27% |

Table 9: Operative costs as a % of Total Sales

Cash Flow Statement:

After analyzing our Profit and Loss statement, we need to understand how our treasury is going to fluctuate during the forecasted years.

Before starting, we have assumed the following paying and inventory terms for our business:

| | Days |
|------------------|------|
| Acc. Payable | 60 |
| Acc. Receivables | 1 |
| Inventory Period | 60 |

Table 10: Payment & Collection periods

Please find the Cash Flow Statement in Annex X.

In the following graph we can observe the forecasted cash flow from Year 0 to Year 5:

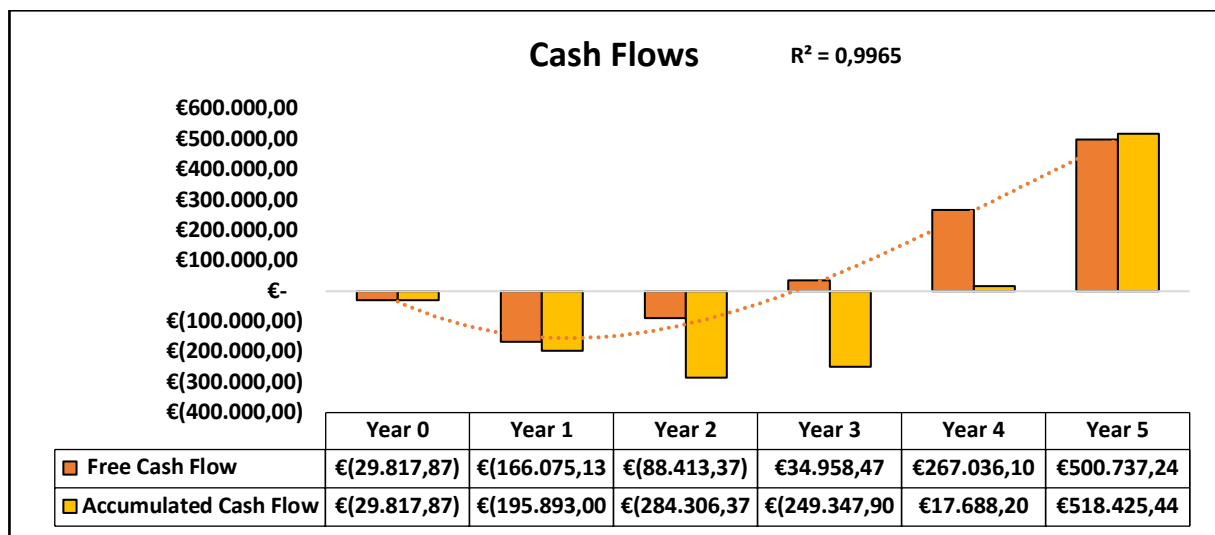


Figure 16: Forecasted Cash Flows

Balance Sheet:

Once we understand the treasury flow resulting from operations, investment and financing, we can look at the bigger picture by looking at the resulting Balance Sheet of MiBox.

Please find the Balance Sheet in Annex X.

For more detail on the evolution of Total Assets, Total Liabilities, Capital as well as the level of treasury, please look at the graphs below:

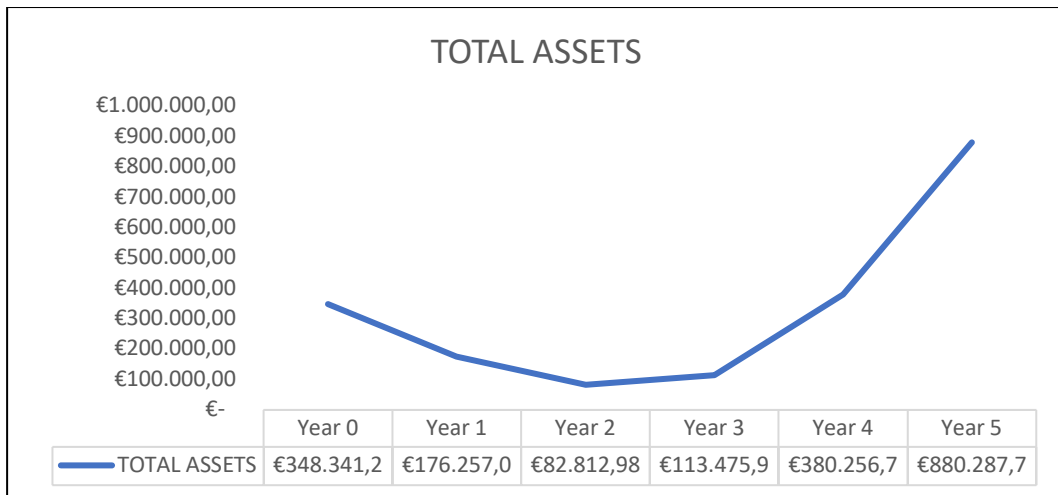


Figure 17: Forecasted Total Assets

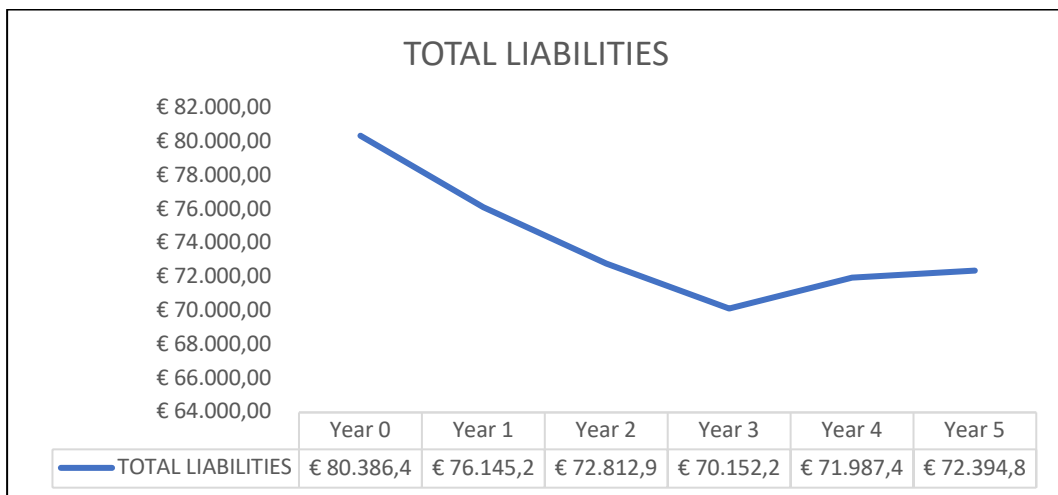


Figure 18: Forecasted Total Liabilities

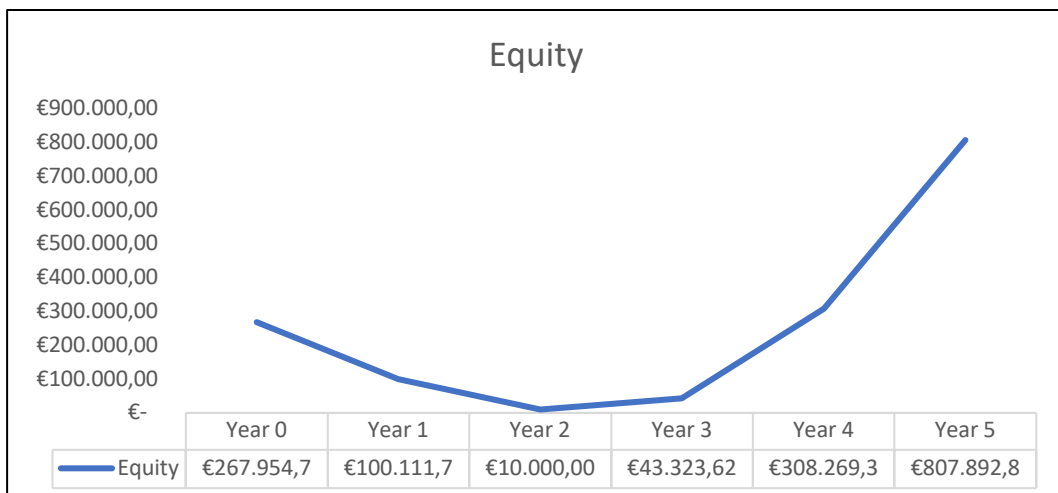


Figure 19: Forecasted Total Equity

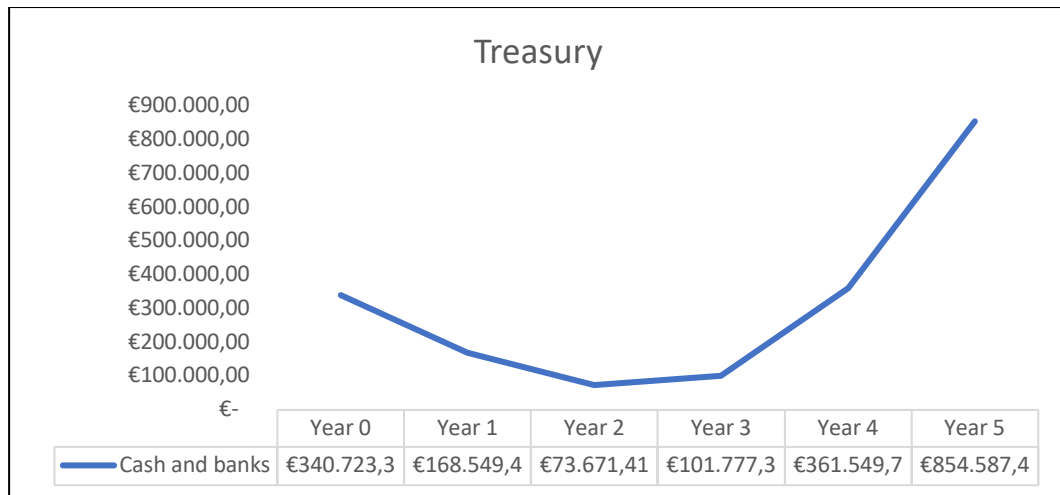


Figure 20: Forecasted Treasury Evolution

Financing:

In order to finance our operations, we have estimated that we will need a total capital of **348.341,22€**. To obtain this amount, we will resort to the following financing solutions: Entrepreneurial team's contribution, Venture Capital, Public institutions financing and Banking Credit.

Entrepreneurial team's investment:

In order to initiate our operations in Y0, we will require an initial investment of 80.000€. To obtain this amount, each member will contribute with: 20.000€.

The remaining capital will be acquired from the following sources:

Banking Credit:

A credit for **80.386,43€** will be requested at a banking institution. This amount has been calculated so that the following criteria is met throughout the following five years of operations:

- The maximum level of debt that MiBox will accept will be 30% of equity.
- The minimum level of treasury that MiBox will have at their disposal cannot be under 10.000€.

- The minimum level of capital available for operations that MiBox will have at their disposal cannot be under 10.000€

In the table below are represented the credit conditions:

| | |
|-----------------------|--------------|
| Level of debt (%) | 30% |
| Principal of the loan | 80.386,43€ |
| Number of years | 10 |
| Nominal interest rate | 6,0% |
| Yearly payment | - 10.921,94€ |

Table 11: Credit conditions

For more information on the repayment of the debt, please refer to Annex X.

Public institutions:

We are hoping to receive public aid in the amount ranging from **20.000 €** to **187.568,35€**. In order to obtain this amount of financing, we will be requesting fund in the following institutions and programs:

- SME Instrument: https://ec.europa.eu/info/funding-tenders_en
- Horizonte PYME: <https://eshorizonte2020.es>
- Neotec: <http://www.cdti.es/>
- Emplea: <https://www.ciencia.gob.es/>
- Enisa: <https://www.enisa.es/>

Venture capital:

In order to obtain the remaining amount of capital needed, we will resort to venture capital investors.

Detail of this operation is shown below:

| | |
|----------------------------|--------------------------|
| % of the company sold | 20% |
| Price per-share | 8.378,42€ |
| Number of shares sold | 20 |
| Venture capital investment | 167.568,35€ ¹ |

Table 12: Venture Capital Investment

Financial Ratios:

With the previously mentioned financing and through the operations mentioned throughout this business plan, we expect the following results for MiBox:

| | |
|-------------------------------|--------------|
| Net present value (NPV) | 307.844,72 € |
| Internal rate of return (IRR) | 43,05% |
| Modified IRR (MIRR) | 37,33% |
| Pay-back (CFROI) | 3Y&11M |

Table 13: MiBox financial results

- We expect to create 307.844,72 € in value up to Year 5
- This project will have a profitability of 43,05%
- If we consider the reinvestment fee that we will need to provide to the investors, a better picture on the profitability of the project is: 37,33%
- After 3 years and 11 months of operations, we will have already paid back the capital required for our operations. From that moment onwards, we will be making profit for the shareholders of MiBox.

¹ This amount corresponds to the investment required in the event that we only obtain public financing in the amount of 20.000€.

Annex 1: Next Steps & Technological Plan.

We have considered that after 5 years of operations, we will have obtained the necessary critical mass in order to start integrating business intelligence tools into our daily operations. With these tools we aim to:

- Improve our business strategy and positioning
- Analyze a set of data in order to integrate these insights into our product design
- Provide a consulting service to our partners by providing them with consumer insights

In order to achieve the above-mentioned objectives, we will need to acquire, store, clean, analyze and visualize the following data sources:

1. SQL:

- Users interaction in our Web & App
- Consumer data
- Consumer profiling

2. NoSQL

- Forums & Blogs publications
- User's interactions with our Chatbot
- Key words in SN

With these data, we hope to set an architecture that would allow us the following metrics:

1. Predictive Models:

- Sales predictions
- Pricing models

2. Decision-making Models:

- Procurement optimization
- Operations & Logistics optimization
- Consumer-insights-driven Sales & Marketing

- After sales service improvement
- Business Intelligence services for companies

3. Descriptive

- Tableau
- Power BI

In order to be able to develop the above-mentioned metrics, we will put in place the following Big Data Architecture:

1. For the study of our website and App we are going to use the tools given by Google analytics.

- In the first case, the website, we will be using Google Analytics to achieve 2 of our goals:
 - At a quantitative level, we can analyze the parts of the funnel in the website where there is a low conversion, and act against it to generate more and better qualified leads.
 - In qualitative terms, we can use the data about customer behaviors in our website to realize whether we are fulfilling their expectations or not.
 - Develop reports about customer behavior
- In the case of the App, we will be using tools from Google too, but in this case, Google Firebase. This is a tool that will help us improve our App enormously, while improving our data collection and storage. This is how:
 - Using Cloud Storage tools from Firebase to store and synchronize data from the app in just milliseconds.
 - With performance monitoring and crashlytics.
 - Tools based in Analytics such as smart user segmentation based on predicted behavior

2. The structure we are going to use to gather information from social media (Twitter in Particular, Reddit also) is going to be something like this:

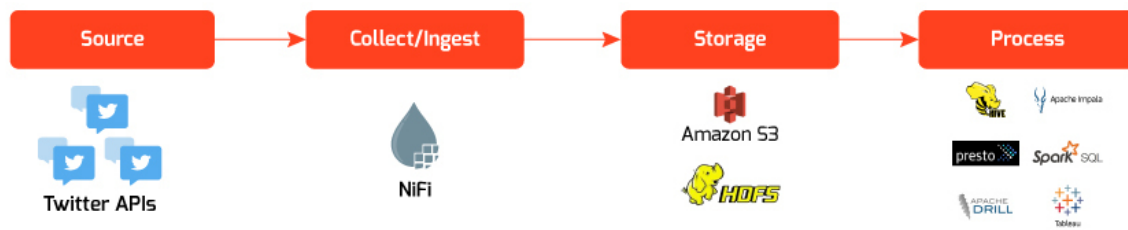


Figure: 21 Big Data Architecture.

- Apache NiFi for Data Ingestion delivers an easy to use, a powerful, and reliable system to process and distribute the data over several resources. The benefits of using Apache NiFi is that if we ever plan on doing a Real Time analysis, this Data Ingestion tool is capable of it.
 - We could use both HDFS or Amazon S3 to store all the data(as we are going to process the data in Batch mode we are inclined to use HDFS which is recommended for large volumes of data), and then we are going to process it using Apache Hive. After the data is on MySQL format (from Hive) we can connect Hive with Tableau or Power BI directly, as both offers full compatibility with it, and from them we can visualize all the vital information we need to develop our strategies or to offer consulting services to our partners.
3. Our predictive models will be based on machine learning architectures. Machine learning will allow us to use large amounts of data and the models can be developed considering a wide and diverse set of variables, namely products, physical characteristics, etc. We have determined to use Deep Learning instead of other techniques i.e. Decision Trees, Random Forest, etc, because we believe in the performance shown by this tool to predict sales in other markets for example retail.
 4. We plan on incorporating to our decision process a tool that will allow as to visualize all the information gathered previously to increase our insight in the market and the customers. This tool is going to be Power BI:

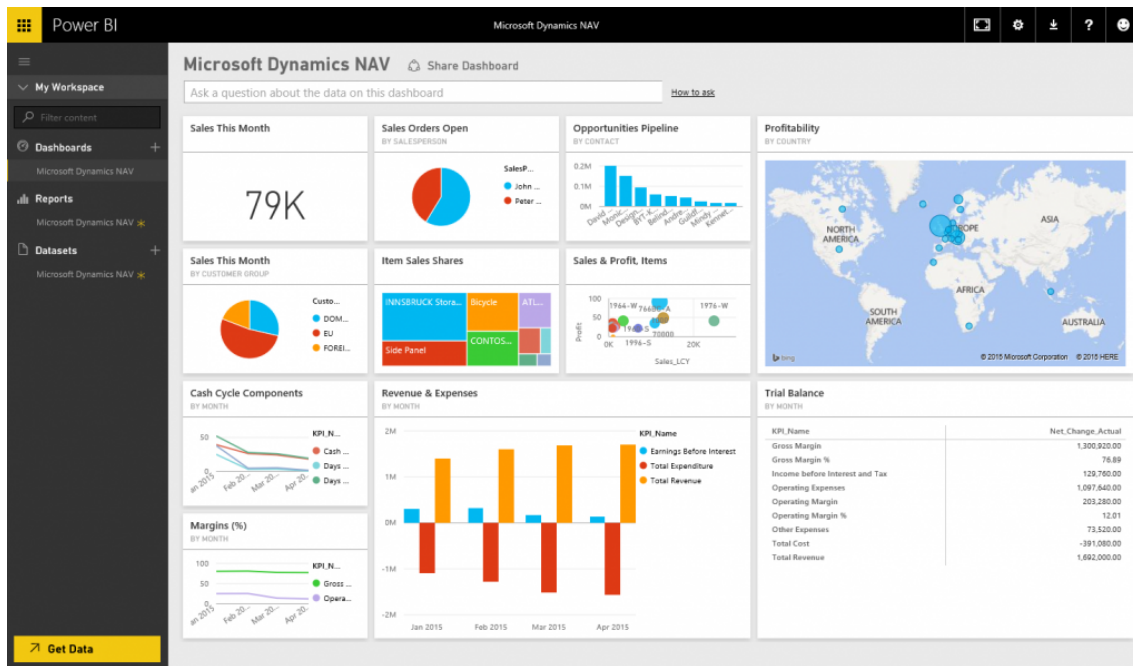


Figure 22: Balance Scorecard.

With Power BI, we can add all the knowledge we need to take the most critical decisions with just a quick glance to the dashboard. It can be used to monitor our performance on a market, or on a particular segment of the population, or which MiBox performs better (and analyze why). We will use it to monitor our company's KPIs, like COGS, ROI, ROMI, Capacity utilization Rate or Employee Productivity to name a few.

This will bring our company to the next level, where we will optimize every aspect of our business to the point where no extra money or energy is spent without a good reason. We believe this will allow us to gain a huge boost to our performance in every department.

Annex 2: Financial Statements².

| | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------|--------------------------|--------------------------|----------------------|---------------------|---------------------|---------------------|
| Total Sales | | 66.610,82 € ³ | 190.838,59 € | 365.193,50 € | 733.242,42 € | 1.169.106,13 € |
| Direct Sales | | 56.211,66 € | 159.032,16 € | 300.570,78 € | 596.132,05 € | 883.678,10 € |
| Referral Sales | | 7.588,57 € | 23.854,82 € | 49.594,18 € | 107.303,77 € | 241.244,12 € |
| Subscriptions | | 2.810,58 € | 7.951,61 € | 15.028,54 € | 29.806,60 € | 44.183,91 € |
| Direct Costs | | 18.828,10 € | 53.267,82 € | 80.540,95 € | 139.772,10 € | 177.592,79 € |
| Raw Materials & Packaging | | 9.553,17 € | 27.027,52 € | 51.082,00 € | 101.312,64 € | 150.181,09 € |
| Shipping | | 9.274,92 € | 26.240,31 € | 49.594,18 € | 98.361,79 € | 145.806,89 € |
| Gross Margin | | 47.782,72 € | 137.570,77 € | 284.652,55 € | 593.470,32 € | 991.513,34 € |
| Variable Costs | | 6.661,08 € | 19.083,86 € | 36.519,35 € | 73.324,24 € | 116.910,61 € |
| Fixed Costs | 3.000,00 € ⁴ | 5.000,00 € | 5.000,00 € | 5.000,00 € | 5.000,00 € | 5.000,00 € |
| HHRR | | 6.800,00 € | 6.800,00 € | 6.800,00 € | 6.800,00 € | 6.800,00 € |
| Finance & Reporting | | 6.800,00 € | 6.800,00 € | 6.800,00 € | 6.800,00 € | 6.800,00 € |
| IT | | 26.600,00 € | 26.600,00 € | 26.600,00 € | 26.600,00 € | 26.600,00 € |
| Procurement | | 26.600,00 € | 26.600,00 € | 26.600,00 € | 26.600,00 € | 26.600,00 € |
| Operations & Logistics | | 31.000,00 € | 31.000,00 € | 31.000,00 € | 31.000,00 € | 31.000,00 € |
| Marketing & Sales | 19.200,00 € ⁵ | 47.417,87 € | 47.417,87 € | 47.417,87 € | 47.417,87 € | 47.417,87 € |
| After Sales Service | | 13.400,00 € | 13.400,00 € | 13.400,00 € | 13.400,00 € | 13.400,00 € |
| BI | | 39.000,00 € | 39.000,00 € | 39.000,00 € | 39.000,00 € | 39.000,00 € |
| Operating Margin | - 22.200,00 € | - 161.496,23 € | - 84.130,96 € | 45.515,33 € | 317.528,21 € | 671.984,86 € |
| Depreciation | | 1.523,57 € | 1.523,57 € | 1.523,57 € | 1.523,57 € | 1.523,57 € |
| EBIT | - 22.200,00 € | - 163.019,80 € | - 85.654,53 € | 43.991,76 € | 316.004,64 € | 670.461,28 € |
| Interests | | 4.823,19 € | 4.457,26 € | 4.069,38 € | 3.658,23 € | 3.222,40 € |
| EBT | - 22.200,00 € | - 167.842,99 € | - 90.111,79 € | 39.922,38 € | 312.346,41 € | 667.238,88 € |
| Taxes | | | | 6.598,76 € | 47.400,70 € | 167.615,32 € |
| Net Income | - 22.200,00 € | - 167.842,99 € | - 90.111,79 € | 33.323,62 € | 264.945,71 € | 499.623,56 € |

Table 14: Profit & Loss Statement (From Year 0 to Year 5)

² Each of these results represents the yearly result of operations at MiBox. This is to say that the numbers shown represent a picture of the P&L on the 31/12 for each of the forecasted years.

³ In Year 1, the sales revenue has been adjusted. Considering that in order to sell we must first make an intensive marketing campaign, we have only accounted the sales forecast for October, November and December, which account for 37% of the total accessible sales in Y1.

⁴ Expenditure for registering MiBox in the "Registro Mercantil" as an S.L.

⁵ Initial Marketing expenditure to start making MiBox known

| | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|-------------------------|----------------|----------------|----------------|--------------|--------------|
| Operating Cash Flow | - 22.200,00 € | - 166.319,41 € | - 88.588,22 € | 34.847,19 € | 266.469,29 € | 501.147,13 € |
| Purchases | | 11.145,37 € | 29.939,91 € | 55.091,09 € | 109.684,42 € | 158.325,83 € |
| Inventory | | 1.592,20 € | 4.504,59 € | 8.513,67 € | 16.885,44 € | 25.030,18 € |
| Accounts Receivables | | 21,08 € | 66,26 € | 137,76 € | 298,07 € | 670,12 € |
| Accounts Payables | | 1.857,56 € | 4.989,98 € | 9.181,85 € | 18.280,74 € | 26.387,64 € |
| Working Capital | | - 244,29 € | - 419,14 € | - 530,42 € | - 1.097,23 € | - 687,33 € |
| Change in working capital (OPEX) | | - 244,29 € | - 174,85 € | - 111,28 € | - 566,81 € | 409,90 € |
| Cash Flow of the Working Capital | | 244,29 € | 174,85 € | 111,28 € | 566,81 € | - 409,90 € |
| Investment in Fixed Assets | 7.617,87 € ⁶ | - € | - € | - € | - € | - € |
| Cash flow of the CAPEX | - 7.617,87 € | - € | - € | - € | - € | - € |
| Free cash flow of the Company | - 29.817,87 € | - 166.075,13 € | - 88.413,37 € | 34.958,47 € | 267.036,10 € | 500.737,24 € |
| Accumulated cash flow | - 29.817,87 € | - 195.893,00 € | - 284.306,37 € | - 249.347,90 € | 17.688,20 € | 518.425,44 € |
| Loan obtained | 80.386,43 € | - € | - € | - € | - € | - € |
| Loan repaid | - € | 6.098,75 € | 6.464,68 € | 6.852,56 € | 7.263,71 € | 7.699,54 € |
| Cash flow of the debt | 80.386,43 € | - 6.098,75 € | - 6.464,68 € | - 6.852,56 € | - 7.263,71 € | - 7.699,54 € |
| Free cash flow of the Equity | 50.568,56 € | - 172.173,88 € | - 94.878,05 € | 28.105,91 € | 259.772,38 € | 493.037,70 € |
| Accumulated cash flow | 50.568,56 € | - 121.605,32 € | - 216.483,37 € | - 188.377,46 € | 71.394,93 € | 564.432,63 € |

Table 15: Cash Flow Statement (From Year 0 to Year 5)

⁶ Investment in office supplies and in the marketing software: "Sales Manago".

| | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------|---------------------|---------------------|--------------------|---------------------|---------------------|---------------------|
| Cash & Banks | 340.723,35 € | 168.549,46 € | 73.671,41 € | 101.777,33 € | 361.549,71 € | 854.587,41 € |
| Inventory of products | | 1.592,20 € | 4.504,59 € | 8.513,67 € | 16.885,44 € | 25.030,18 € |
| Acc. Receivables | | 21,08 € | 66,26 € | 137,76 € | 298,07 € | 670,12 € |
| Current Assets | 340.723,35 € | 170.162,74 € | 78.242,26 € | 110.428,75 € | 378.733,22 € | 880.287,71 € |
| Fixed Assets | 7.617,87 € | 7.617,87 € | 7.617,87 € | 7.617,87 € | 7.617,87 € | 7.617,87 € |
| Accumulated D&A | | - 1.523,57 € | - 3.047,15 € | - 4.570,72 € | - 6.094,30 € | - 7.617,87 € |
| Net Fixed Assets | 7.617,87 € | 6.094,30 € | 4.570,72 € | 3.047,15 € | 1.523,57 € | - € |
| Total Assets | 348.341,22 € | 176.257,04 € | 82.812,98 € | 113.475,90 € | 380.256,79 € | 880.287,71 € |

| | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|------------------------------|---------------------|---------------------|--------------------|---------------------|---------------------|---------------------|
| Accounts Payable | - € | 1.857,56 € | 4.989,98 € | 9.181,85 € | 18.280,74 € | 26.387,64 € |
| Current Liabilities | - € | 1.857,56 € | 4.989,98 € | 9.181,85 € | 18.280,74 € | 26.387,64 € |
| 10-year loan | 80.386,43 € | 74.287,68 € | 67.823,00 € | 60.970,44 € | 53.706,73 € | 46.007,19 € |
| Long Term Liabilities | 80.386,43 € | 74.287,68 € | 67.823,00 € | 60.970,44 € | 53.706,73 € | 46.007,19 € |
| Capital | 267.954,78 € | 267.954,78 € | 267.954,78 € | 267.954,78 € | 267.954,78 € | 267.954,78 € |
| Retained Earnings | - € | - € | - 167.842,99 € | - 257.954,78 € | - 224.631,17 € | 40.314,55 € |
| Net income | - € | - 167.842,99 € | - 90.111,79 € | 33.323,62 € | 264.945,71 € | 499.623,56 € |
| Equity | 267.954,78 € | 100.111,79 € | 10.000,00 € | 43.323,62 € | 308.269,33 € | 807.892,89 € |
| Total Liabilities | 348.341,22 € | 176.257,04 € | 82.812,98 € | 113.475,90 € | 380.256,79 € | 880.287,71 € |

Table 16: Balance (From Year 0 to Year 5)

Annex 3: 10 years Bank Loan.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Remaining debt (initial) | 80.386,43 | 74.287,68 | 67.823,00 | 60.970,44 | 53.706,73 | 46.007,19 | 37.845,68 | 29.194,48 | 20.024,21 | 10.303,72 |
| Yearly Payment | 10.921,94 | 10.921,94 | 10.921,94 | 10.921,94 | 10.921,94 | 10.921,94 | 10.921,94 | 10.921,94 | 10.921,94 | 10.921,94 |
| Interest Expenses | 4.823,19 | 4.457,26 | 4.069,38 | 3.658,23 | 3.222,40 | 2.760,43 | 2.270,74 | 1.751,67 | 1.201,45 | 618,22 |
| Repayment of debt | 6.098,75 | 6.464,68 | 6.852,56 | 7.263,71 | 7.699,54 | 8.161,51 | 8.651,20 | 9.170,27 | 9.720,49 | 10.303,72 |
| Remaining debt (final) | 74.287,68 | 67.823,00 | 60.970,44 | 53.706,73 | 46.007,19 | 37.845,68 | 29.194,48 | 20.024,21 | 10.303,72 | 0,00 |

Table 17: Financial Debt

Annex 4: Boxes contents.

| Item | Unit Cost | Quantity | Total Unit Cost | Link |
|------------------------|-----------|----------|-----------------|---|
| Box | 0,50 € | 1 | 0,50 € | https://www.alibaba.com/product-detail/Custom-Cardboard-Packing-Mailing-Corrugated-Apparel_60770033377.html?spm=a2700.12839234.0.0.37e43e5fHXvpjd&bypass=true |
| Instructions | 1,00 € | 1 | 1,00 € | https://spanish.alibaba.com/product-detail/printing-flyers-leaflets-printing-tri-fold-1875561354.html?spm=a2700.galleryofferlist.0.0.28bf5aa2zX4Nm2&s=p |
| Baking Soda | 0,04 € | 3 | 0,12 € | https://www.vadequimica.com/bicarbonato-sodico-alimentario.html?gclid=EAlaIqobChMItKGZla2f6QIV2PhRCh07Wg1oEAAYASAAEgIscPD_BwE |
| Citric Acid | 0,10 € | 3 | 0,30 € | https://www.vadequimica.com/acido-citrico-anhidro-farmaceutico-25kg.html |
| Ingredient's Bottle | 0,10 € | 2 | 0,20 € | https://www.alibaba.com/product-detail/100ml-1-ounce-200g-25ml-30g_62122157354.html?spm=a2700.galleryofferlist.0.0.7aba704fE95e6C |
| Colorant | 1,20 € | 1 | 1,20 € | https://spanish.alibaba.com/product-detail/edible-healthy-coloring-matter-food-grade-pearlescent-pigment-liquid-color-62183647306.html |
| Shipping | 3,00 € | 1 | 3,00 € | https://www.genei.es/ |
| Total Unit Cost | | | 6,32 € | |

Table 18: ScienceBox

| Item | Unit Cost | Quantity | Total Unit Cost | Link |
|--------------|-----------|----------|-----------------|---|
| Box | 0,50 € | 1 | 0,50 € | https://www.alibaba.com/product-detail/Custom-Cardboard-Packing-Mailing-Corrugated-Apparel_60770033377.html?spm=a2700.12839234.0.0.37e43e5fHXvpjd&bypass=true |
| Instructions | 1,00 € | 1 | 1,00 € | https://spanish.alibaba.com/product-detail/printing-flyers-leaflets-printing-tri-fold-1875561354.html?spm=a2700.galleryofferlist.0.0.28bf5aa2zX4Nm2&s=p |
| Pot | 0,15 | 1 | 0,15 | https://spanish.alibaba.com/product-detail/eco-friendly-coconut-fiber-pots-coco-peat-coir-pot-for-seed-nursery-rosie-84-901396659--62017294532.html?spm=a2700.galleryofferlist.0.0.6a93d4bfC0qhUZ |
| Seeds | 1,50 € | 1 | 1,50 € | https://www.fitoagricola.net/es/tienda-online/Catalog/listing/semillas-de-flores-49389/1 |
| Accessories | 0,30 € | 1 | 0,30 € | https://spanish.alibaba.com/product-detail/wholesale-3pcs-miniature-set-mini-garden-tools-62092313514.html?spm=a2700.galleryofferlist.0.0.4819f65c4KG2dP |
| Shipping | 3,00 € | 1 | 3,00 € | https://www.genei.es/ |

| | |
|--------------------|--------|
| Total Cost per Box | 6,45 € |
|--------------------|--------|

Table 19: GardeningBox

| Item | Unit Cost | Quantity | Total Unit Cost | Link |
|-------------------------|-----------|----------|-----------------|---|
| Box | 0,50 € | 1 | 0,50 € | https://www.alibaba.com/product-detail/Custom-Cardboard-Packing-Mailing-Corrugated-Apparel_60770033377.html?spm=a2700.12839234.0.0.37e43e5fHXvpjd&bypass=true |
| Instructions | 1,00 € | 1 | 1,00 € | https://spanish.alibaba.com/product-detail/printing-flyers-leaflets-printing-tri-fold-1875561354.html?spm=a2700.galleryofferlist.0.0.28bf5aa2zX4Nm2&s=p |
| Construction Set | | | | |
| Cars (A) | 0,50 € | 1 | 0,50 € | https://spanish.alibaba.com/product-detail/3d-car-puzzle-construction-jigsaw-kit-wooden-car-model-crafts-for-decoration-62221987733.html?spm=a2700.galleryofferlist.0.0.3e784ee7Pp0qOx |
| Dinosaurs (B) | 1,37 € | 1 | 1,37 € | https://spanish.alibaba.com/product-detail/3d-wooden-crafts-construction-wooden-pieces-jigsaw-dinosaur-puzzle-3d-puzzle-for-kids-62436293322.html?spm=a2700.md_es_ES.deiletai6.35.762e1c3cUOigY7 |
| Casas © | 1,15 € | 1 | 1,15 € | https://spanish.alibaba.com/product-detail/2019-hot-sales-wood-crafts-3d-puzzle-educational-wooden-model-for-decoration-62223688912.html?spm=a2700.md_es_ES.deiletai6.2.762e1c3cUOigY7 |
| Shipping | 3,00 € | 1 | 3,00 € | https://www.genei.es/ |

| | |
|----------------------|--------|
| Total Cost per Box A | 5,00 € |
|----------------------|--------|

| | |
|----------------------|--------|
| Total Cost per Box B | 5,87 € |
|----------------------|--------|

| | |
|----------------------|--------|
| Total Cost per Box C | 5,65 € |
|----------------------|--------|

Table 20: CraftstBox

Annex 5: ROMI.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|------------|------------------|-------------------|------------------|-----------------|
| Total Sales | 94.857,18 | 240.536,14 | 446.681,58 | 611.473,69 | 621.336,16 |
| Variable Costs | 35.545,09 | 92.327,12 | 172.533,89 | 259.517,98 | 306.107,47 |
| Contribution Margin | 63% | 62% | 61% | 58% | 51% |
| Incremental Revenue Attributable to Marketing | | 145.678,96 | 206.145,44 | 164.792,11 | 9.862,48 |
| Marketing Spending | 47.417,87 | 47.417,87 | 47.417,87 | 47.417,87 | 47.417,87 |
| ROMI | | 89.760,72 | 126.519,32 | 94.851,03 | 5.002,63 |

Table 21: ROMI

The Marketing investment made during the first year will have a ROMI of 89.760,72 EUR for the second year. We believe that it is important to make heavy investments in marketing specially during the first 3 years. It will be the best way to get customers to know about us and what we do. We have the great advantage that given that all of our marketing efforts will be online, we can have all the tools to monitor and know which campaigns or platforms provide us the most business.

Annex 6: Website & App.

For MiBox it has developed a web page and the application in which there are certain fundamental points that support the commercial strategy of MiBox.

The first point to comment on is the live chat that both the website and the application have. As previously discussed in the MiBox strategy, it is intended to differentiate itself through its customer experience, since it is believed to be the best means at present to retain and attract new customers in the face of the high level of competition.

In this way the Live Chat that will be attended by one of our sellers, will be essential to guide and motivate the purchase of our customers. It is the tool that allows us to create a shopping experience, since it provides this advice that is so valuable in shopping in stores, and that is what customers miss most when buying online. In this way we can combine the best of both worlds.

Another point to comment in this annex that supports the sales strategy is the platform that will be included both on the website and in the application that can answer using a 5-key questionnaire, guiding clients to create the best box according to their personal characteristics. In this way, we help customers when they do not know what to get back to that special person, or simply want to innovate in their purchase and want MiBox to personalize their box according to the answers they provide in the questionnaire.

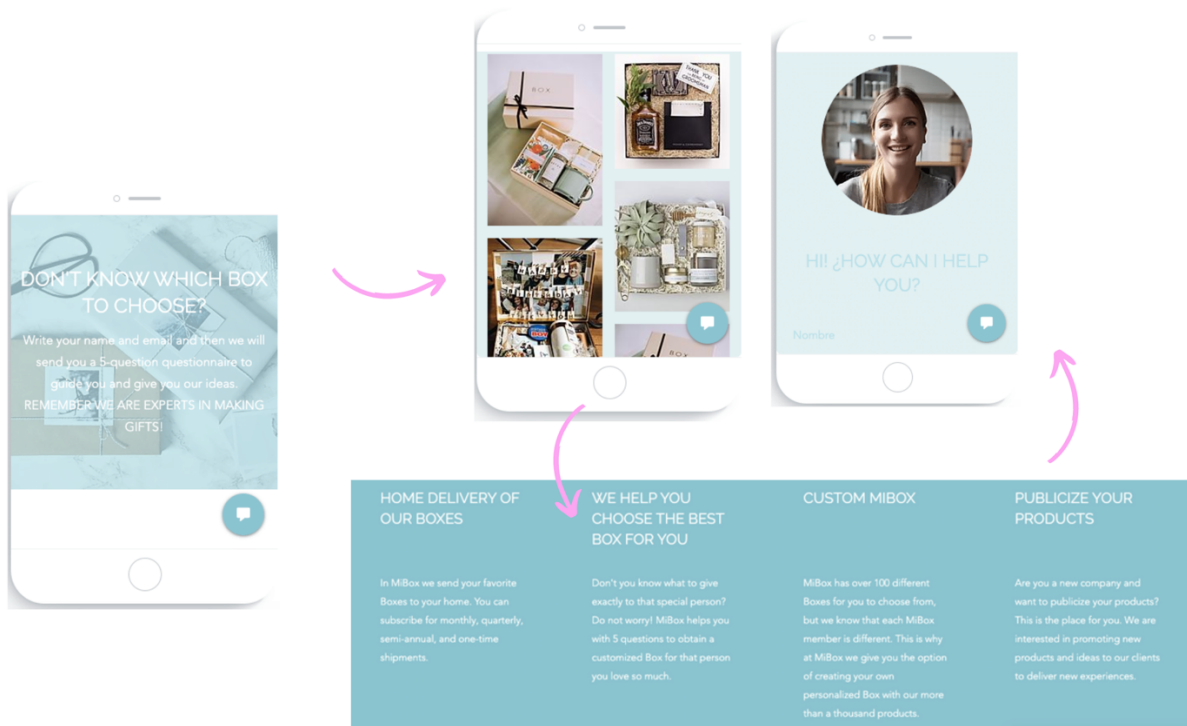


Figure 22: Web 1

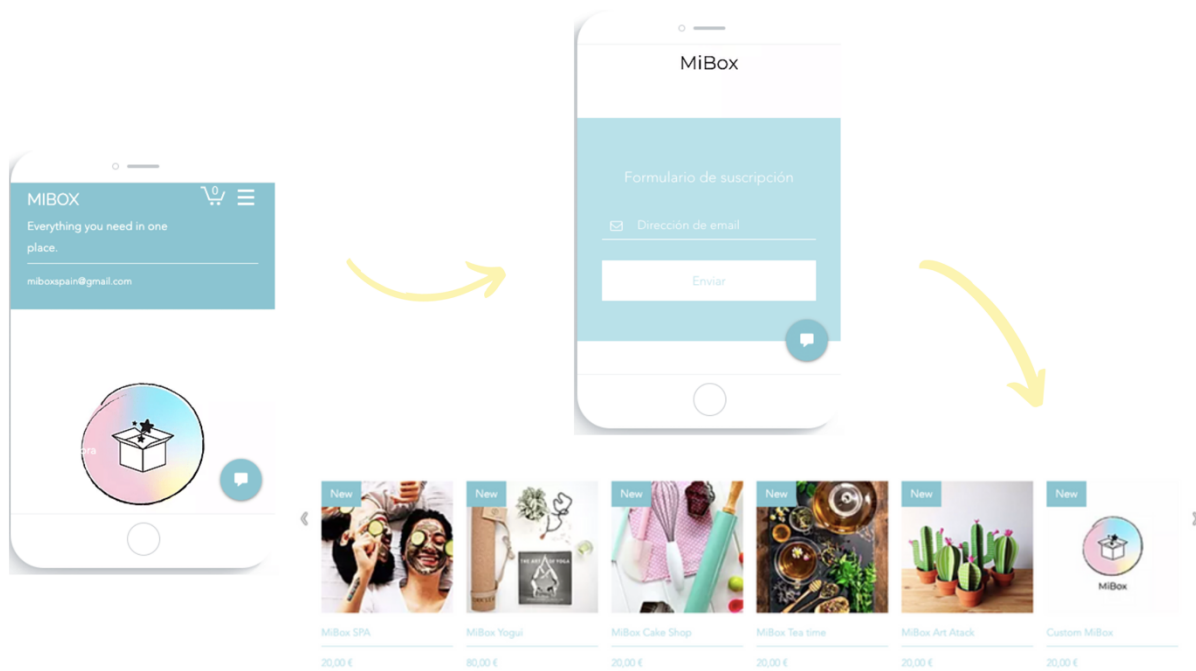


Figure 23: Web 2

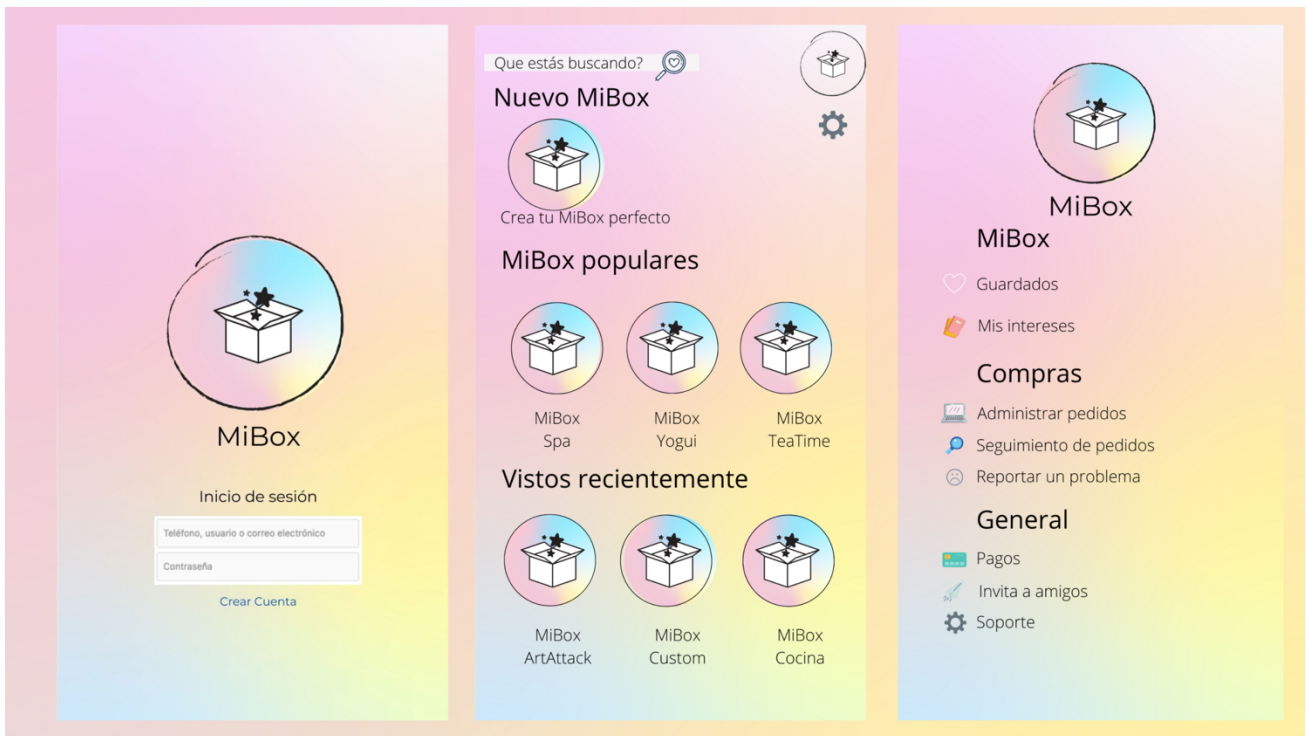


Figure 24: App 1



Figure 25: App 2

Annex 6: Customer Journey.

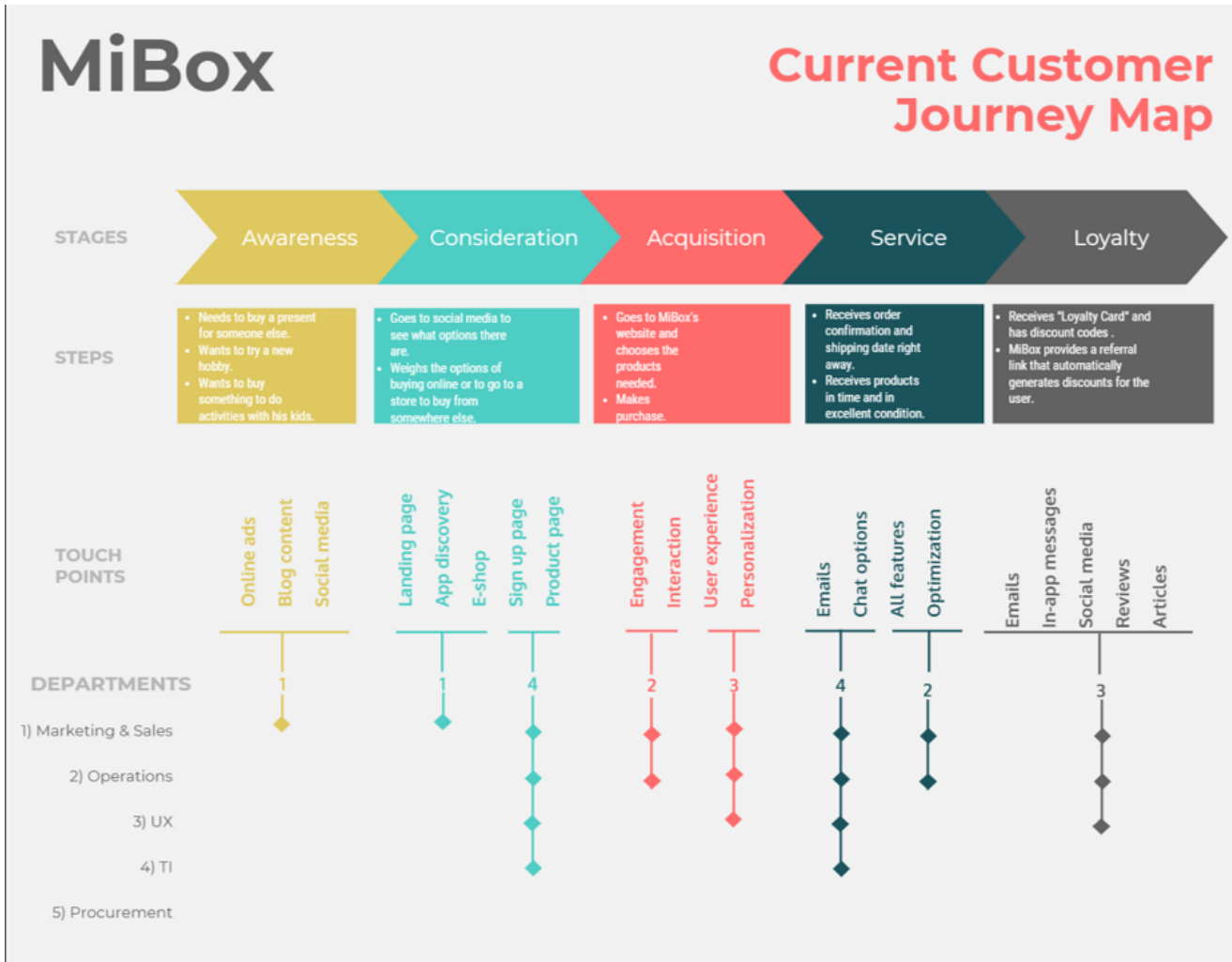


Figure 27: Customer Journey

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