



Lucihub | Diligence Memo

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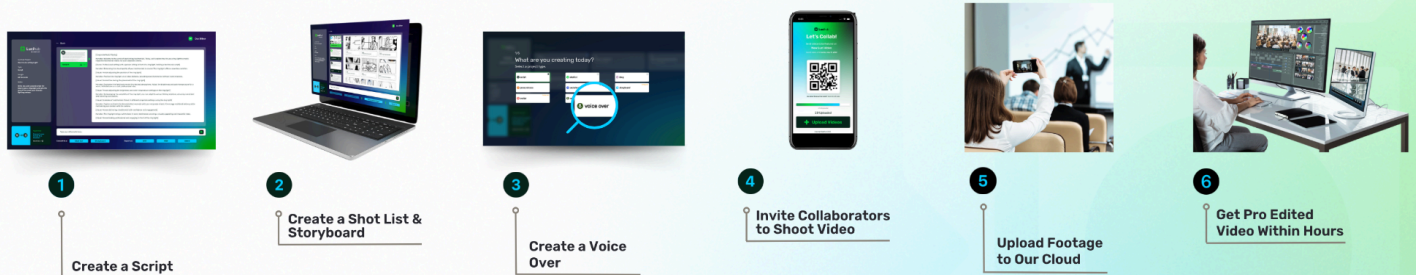
THIS DEAL SUMMARY IS NOT AN INVESTMENT RECOMMENDATION. IT IS ONLY A SUMMARY OF A LIMITED REVIEW PERFORMED BY OUR MEMBERS. YOU MUST MAKE YOUR OWN THOROUGH REVIEW OF ALL INFORMATION INCLUDING THE OPPORTUNITY TO SPEAK WITH REPRESENTATIVES OF THE COMPANY. IT IS YOUR RESPONSIBILITY TO MAKE YOUR OWN INVESTMENT DETERMINATION BASED ON YOUR OWN INDEPENDENT EVALUATION OF THE COMPANY AND ITS PROSPECTS. ALL ANGEL INVESTMENTS ARE HIGHLY SPECULATIVE.

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EXECUTIVE SUMMARY

LuciHub is an AI-powered creative director and video production platform that streamlines the entire video creation process from concept to completion. The platform allows users to create scripts, generate shot lists and storyboards, invite collaborators to shoot videos, upload footage to the cloud, and receive professionally edited videos within hours. LuciHub aims to address the growing demand for high-quality video content by providing businesses with the tools, budget efficiency, and bandwidth needed to create videos quickly and at scale.

Go from concept to completion all on one platform.



The company has achieved \$400,000 in annual recurring revenue (ARR) and delivered 628 videos in 2024. LuciHub's key customers include Microsoft, Galaxy Gaming, Sumo Logic, Boys & Girls Club, and CBRE. The platform is also part of the Microsoft for Startups Founders Hub, leveraging Microsoft Azure to enhance its product capabilities.

LuciHub previously raised a round at a \$7 million valuation and is now raising at an \$11 million post-money valuation following a period of rapid growth and proven product-market fit. The funds raised will be used to accelerate the company's roadmap, which includes moving up the value chain through vertical applications in enterprise, learning and development (L&D), and video podcasts, while continuing to enhance its AI stack and production cloud. The platform is designed to maximize quality, speed, and scalability, with a focus on increasing AI-driven efficiencies, projected to reach 80% by Q4 2025.

INVESTMENT ASSESSMENT

Investment Strengths

- Strong Revenue Growth: Achieved \$400,000 in annual recurring revenue (ARR) with a proven ability to scale, delivering 628 total videos in 2024.
- Product-Market Fit: Established relationships with prominent customers and partners, including Microsoft, Galaxy Gaming, and CBRE.
- AI-Driven Efficiency: The platform leverages AI to enhance video production speed and quality, with a goal to reach 80% AI-driven processes by Q4 2025. This will be massively improved from 20% in 2023 and 50% in 2024.
- Strategic Partnerships: Lucihub is part of the Microsoft for Startups Founders Hub, offering credibility and leveraging Microsoft Azure for its technology stack.
- Scalable Business Model: The platform's end-to-end video production capabilities provide a streamlined, repeatable process that supports growth across multiple industries.
- Innovative Solution: Addresses a critical market gap by providing businesses with tools, budget efficiency, and bandwidth to meet the increasing demand for high-quality video content that low cost tools cannot provide.
- Clear Growth Trajectory: Lucihub has a well-defined roadmap, including vertical applications for enterprise, learning and development, and video podcasts.
- Operational Efficiency: The blend of human labor and AI enhances productivity, with a demonstrated trend towards increasing automation and reduced labor costs.
- Attractive Valuation: Current round raising at an \$11 million post money valuation, offering a compelling investment entry point.

Investment Risks

- Competitive Market: The video production and AI-driven content creation space is highly competitive, with established players and new entrants potentially impacting market share.
- Customer Concentration: Reliance on key customers such as Microsoft may expose the company to revenue risks if these relationships are not maintained.
- Market Adoption: The platform's success hinges on continued adoption by businesses seeking to streamline video content production, which may fluctuate with market trends.
- Economic Factors: Budget constraints in target industries could affect the demand for video content and associated services.

Valuation

- **Raise**
 - \$2M at \$9M pre money (effectively \$11M post)
- **Terms**
 - We are lead and setting all normal terms (MFN, Pro-Rata, Info Rights, Board Seats, SSBCI Match, etc)
- **Amount committed for the round**
 - Around \$555k (SSBCI willing to match up to \$750k)
- **Use of funds**
 - Sales and marketing + Go to market strategy
- **Exit/ Likely Buyers**
 - Microsoft stands out as the most strategic acquirer for Lucihub. The company is already part of the Microsoft ecosystem and acquiring Lucihub would align well with their strategy of acquiring productivity and creative tools, complementing its existing suite of products. Beyond Microsoft, other potential acquirers could include major technology firms with content and media ambitions, such as Adobe, which could integrate Lucihub's platform into its Creative Cloud suite. Additionally, enterprise-focused software companies such as Salesforce or HubSpot might see Lucihub as a way to enhance their marketing and sales enablement tools with video production capabilities.

TEAM ASSESSMENT

Amer Tadayon, Founder & CEO: Amer is an experienced executive and entrepreneur with a strong focus on media and technology. He has held leadership roles at CleanSpark as Chief Revenue Officer and previously founded p2kLabs Digital, which was acquired by CleanSpark. His background includes leadership positions with prominent companies such as IBM, Cognizant, and frog design. Amer's extensive experience in driving revenue growth and executing successful acquisitions highlights his capability to lead Lucihub through its growth phase and expand market presence.

Tim Huckaby, CTO: Tim brings over 35 years of experience in the technology industry, specializing in AI, computer vision, machine learning, augmented and mixed reality (AR/MR), data visualization, and edge computing. He is a recognized leader as a Microsoft Global RD and AI MVP and a founding member of the Microsoft Partner-to-Partner Advocacy Council. Tim's deep technical expertise and strategic vision in advanced technologies are critical assets in driving Lucihub's innovative

AI-driven video production platform.

Jennifer Lopez, VP of Client Success: Jennifer has over 20 years of experience in media and entertainment, with leadership roles at high-profile organizations such as Universal Pictures, Netflix, and Dale Carnegie. She is a seasoned sales and marketing leader with a strong understanding of media production. Jennifer's track record in managing client relationships and delivering value through tailored solutions enhances Lucihub's ability to maintain and grow its customer base, ensuring high levels of client satisfaction and success.

Management Discussion

Lucihub's management team brings a strong blend of entrepreneurial, technical, and industry-specific experience that positions the company well for success. CEO Amer Tadayon's track record of building and exiting a digital business, coupled with leadership roles at major firms like IBM and Cognizant, demonstrates his strategic vision and executional capability. CTO Tim Huckaby's deep expertise in AI, machine learning, and advanced computing technologies adds significant technical strength, particularly as Lucihub aims to integrate AI-driven efficiencies into its platform. Jennifer Lopez's extensive background in media and entertainment, with experience at industry giants like Netflix and Universal Pictures, ensures the company can effectively manage client relationships and deliver a compelling value proposition to the market. Overall, the team possesses the right mix of experience, vision, and operational knowledge to navigate growth challenges and capitalize on opportunities, making them well-equipped to drive Lucihub to success.

MARKET ASSESSMENT

Description of Market and Targeted Segments

TAM

The global enterprise video market, which includes video creation, management, and distribution tools for businesses, was valued at USD \$16.4B in 2021 and is expected to grow at a CAGR of 13.8% from 2022 to 2030 [Grand View Research](#). Based on the CAGR, the estimated global market size is **\$27.5B**.

This figure encompasses platforms used for internal and external video content, relevant to Lucihub's target customers, such as marketing teams and corporate communications departments in industries like technology, education, media, entertainment, and corporate sectors.

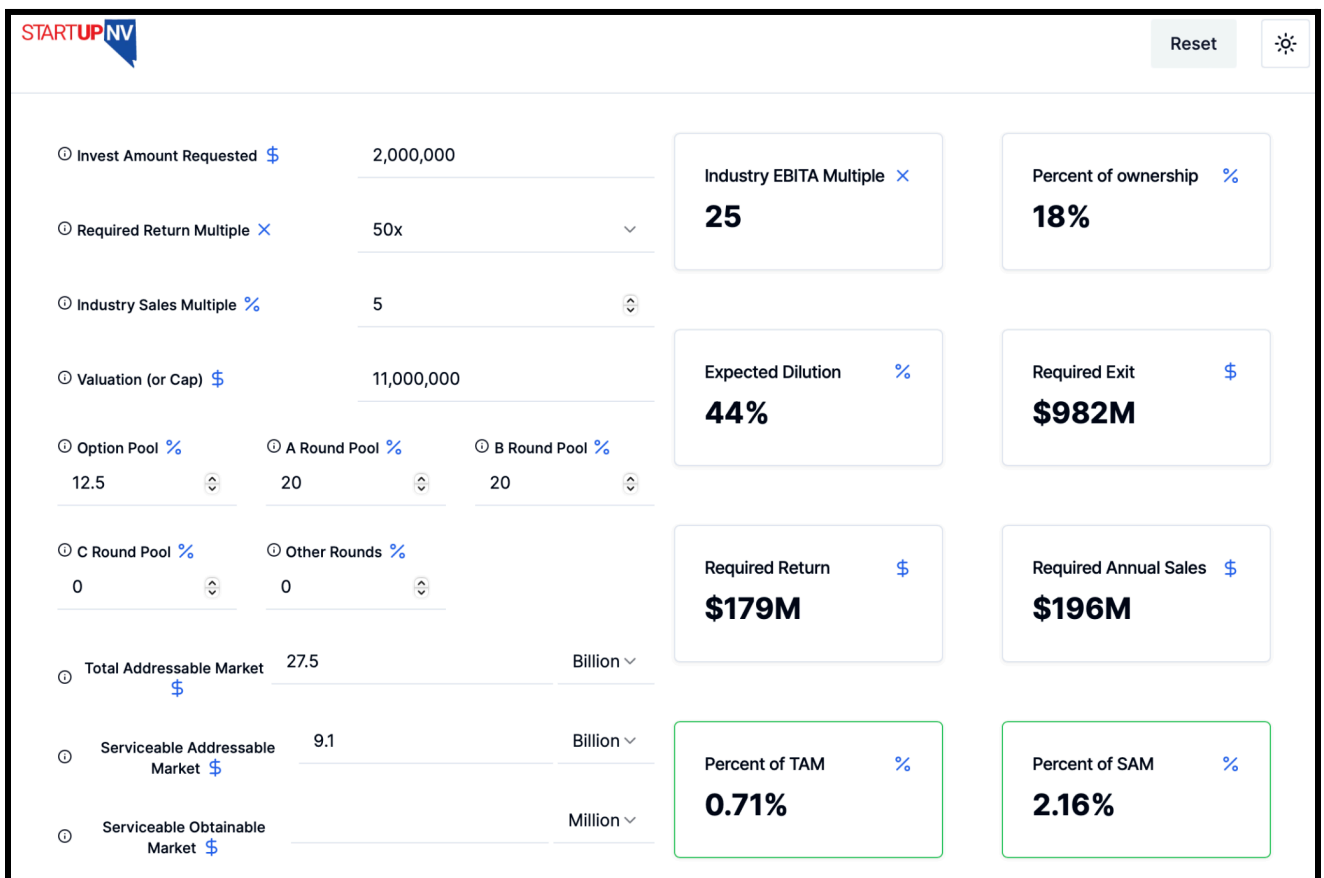
SAM

North America accounts for approximately 1/3rd of the global enterprise video market share - **\$9.1B**.

Impact of White Labeling and Microsoft Partnership

LuciHub's white labeling and selling through Microsoft could expand their market reach, potentially increasing their SAM by leveraging Microsoft's enterprise client base. However, exact figures for this impact are speculative without additional data, and it is considered an addition to the main calculation.

Valuation Cap / Sanity Check:



The screenshot shows the STARTUP NV Valuation Cap / Sanity Check tool interface. It features a sidebar with input fields for various financial metrics, and a main area with calculated results in boxes. The results are as follows:

Input Field	Value	Input Field	Value
Invest Amount Requested	\$ 2,000,000	Industry EBITA Multiple	25
Required Return Multiple	50x	Percent of ownership	18%
Industry Sales Multiple	5	Expected Dilution	44%
Valuation (or Cap)	\$ 11,000,000	Required Exit	\$ \$982M
Option Pool	12.5	Required Return	\$ \$179M
A Round Pool	20	Required Annual Sales	\$ \$196M
B Round Pool	20	Percent of TAM	0.71%
C Round Pool	0	Percent of SAM	2.16%
Other Rounds	0		
Total Addressable Market	27.5 Billion		
Serviceable Addressable Market	9.1 Billion		
Serviceable Obtainable Market	Million		

LuciHub raised their first round at a \$7M post money valuation and has made significant progress, reaching more than \$300k in ARR and growing. Now raising at an \$11M post

money valuation (technically \$9M pre money), the deal looks great from a market sizing perspective. Lucihub would have to capture about .7% of TAM and 2.16% of SAM to reach a 50x return. This would mean about \$196M in annual sales and an exit price of \$980M.

PRODUCT / BUSINESS MODEL ASSESSMENT

Problem

Lucihub addresses the growing demand for high-quality video content created quickly and efficiently. Many businesses lack the tools, budget, and bandwidth to produce professional videos at scale. Traditional video production processes can be slow, costly, and complex, limiting organizations' ability to keep up with content needs. Lucihub's platform streamlines the entire video production process—from scripting to final edits—enabling businesses to produce polished videos rapidly and cost-effectively while maintaining quality and creative control.

Solution

Lucihub offers an all-in-one, AI-powered creative director and video production platform that streamlines the video creation process from concept to completion. The platform provides a comprehensive set of tools, including scriptwriting, shot list and storyboard creation, voice-over generation, and collaborative video shooting. Users can upload footage to the cloud and receive professionally edited videos within hours. By combining human creativity with AI-driven efficiencies, Lucihub enables businesses to produce high-quality video content quickly and affordably, meeting the increasing demand for fast and scalable video production.

Target Customer Profile

Lucihub's ideal customers are businesses and organizations that require high-quality video content to enhance brand storytelling, streamline content creation, and amplify their social media presence. The platform is particularly valuable for marketing teams, corporate communications departments, and creative agencies that need efficient, scalable, and cost-effective video production solutions. Lucihub appeals to industries such as technology, education, media, entertainment, and corporate sectors where regular, professional video content is a critical part of communication and marketing strategies.

B2B Buyer Persona: Emily Thompson:

Emily Thompson is a 35-year-old Corporate Communications Manager at a mid-sized technology firm. She is a resourceful problem-solver with strong leadership abilities and

a passion for delivering impactful results. Her goals include enhancing brand storytelling, streamlining content creation processes, and boosting her company's social media presence. She values tools that offer collaboration and project management features, are easy to use, and provide professional editing services. Emily is motivated by growth, making a positive impact through corporate communications, and finding solutions that save time and reduce costs. Lucihub aligns well with her needs by offering a comprehensive video production platform that enables her team to create high-quality videos efficiently and effectively.

Business Model

Lucihub operates on a subscription-based business model, generating revenue through annual recurring revenue (ARR) from its platform users. The company offers tiered plans tailored to the needs of different customer segments with a range of different amounts of videos in the package. The business model is designed to scale efficiently, with a strong focus on customer retention.

Sales Process/Go-to-Market

Lucihub employs a B2B sales approach, targeting corporate communications teams, marketing departments, and teams that require high-quality video content at scale. The company leverages its partnerships, such as Microsoft, to gain credibility and access to potential enterprise clients (and potentially white label and sell through their pipeline).

The go-to-market strategy focuses on demonstrating Lucihub's ability to streamline the video production process, reduce costs, and enhance content quality. Lucihub also benefits from targeting high-impact use cases, such as brand storytelling and social media amplification to showcase how the platform can address specific business needs.

Once a customer is acquired, the focus shifts to onboarding and ensuring high adoption rates within the organization, supported by Lucihub's easy-to-use tools and professional support services. This approach helps drive recurring revenue through subscription renewals.

Product/Solution Discussion

The problem Lucihub aims to solve—businesses' need for high-quality video content created quickly and efficiently—is a genuine and growing challenge across industries. As video content becomes an increasingly dominant form of communication and marketing, organizations struggle with the high costs, complexity, and time demands of

traditional video production methods. The pain points include limited internal resources, budget constraints, and the inability to produce videos at the speed required to remain relevant in fast-moving digital environments.

LuciHub's solution effectively addresses these challenges by offering an end-to-end video production platform that simplifies every step of the process, from script creation to final video delivery. The integration of AI-driven tools enhances both the speed and quality of video production while keeping costs manageable. The platform's collaborative features also enable seamless project management and team coordination, which is particularly valuable for corporate environments where multiple stakeholders are involved. By combining advanced technology with user-friendly tools, LuciHub positions itself as a practical and scalable solution for companies looking to amplify their brand storytelling and streamline content creation. The approach of blending human creativity with AI efficiencies appears well-suited to the current market demands and offers a compelling value proposition to potential customers.

COMPETITION

Competitor Analysis

90 Seconds

Year Founded: 2010

Total Raised to Date: \$34.82M (as of 2023)

Valuation: \$33.80M (as of 2020)

Description

Developer of a cloud-based video production platform designed to help users handle the video-making process in one place. The company's platform strips back the complexity of video production, giving brands and agencies access to a marketplace of creatives, enabling brands to connect with a network of videographers, directors, editors, producers, animators, drone operators and photographers.

Most Recent Financing Status (as of 19-Feb-2025)

The company received an undisclosed amount of development capital from LIQUiDITY Group in approximately February 2025. Previously, the company raised debt financing.

Invideo

Year Founded: 2017

Description

Developer of a video creation platform designed to democratize professional-quality video production. The company's platform is created using natural language processing and includes features such as a video library, power transitions, multiple layers, and intelligent frames, enabling users to transform their content into videos.

Most Recent Financing Status (as of 13-Jan-2025)

The company raised INR 584.24 million of Series B venture funding from Base Partners, Peak XV Partners, and other undisclosed investors on September 1, 2021, putting the company's pre-money valuation at INR 1.92 billion. The funds will be used to expand the software's directorial abilities to A-roll, SFX, and VFX in the near future.

Runway

Year Founded: 2018

Total Raised to Date: \$236.50M (as of 2023)

Valuation: \$1.50B (as of 2023)

Description

Developer of creative tools designed to bring the benefits of artificial intelligence to creative projects. The company's tools use original image and video creation techniques inventing interfaces for synthetic manipulation and editing using text to edit video and create a video, enabling artists, designers, and filmmakers to get an intuitive and simple visual interface.

Most Recent Financing Status (as of 21-Jan-2025)

The company joined Avra on November 14, 2023. No equity or funding was exchanged as a result of this program. Previously, the company raised \$191 million of venture funding through a combination of debt and equity on June 29, 2023, putting the company's pre-money valuation at \$1.35 billion.

Adobe Firefly Video Model

Part of the Adobe suite of products

Market Cap: \$193.98B

Adobe Firefly Video Model is a generative AI tool designed to revolutionize video creation by enabling users to generate video content from text and image prompts. Introduced in public beta in February 2025, Firefly integrates seamlessly with Adobe's Creative Cloud applications, offering a versatile platform for both individuals and businesses.

Key Features:

- Text and Image to Video Conversion: Users can transform textual descriptions or images into dynamic video clips, facilitating the rapid development of content such as b-roll footage and visual effects.
- Creative Control: The model provides advanced controls, allowing users to adjust camera angles, styles, and motion elements, ensuring the output aligns with their creative vision.
- IP-Friendly Outputs: Firefly is designed to produce content that is safe for commercial use, addressing concerns related to intellectual property rights.
- NEWS.ADOBE.COM
- Integration with Adobe Tools: The model integrates with Adobe's video editing software, such as Premiere Pro and After Effects, enhancing existing footage and streamlining workflows for film and television productions.

Subscription Plans:

- Firefly Standard: Priced at \$9.99 per month, this plan offers 20 video clips per month at 1080p resolution.
- Firefly Pro: Available at \$29.99 per month, this plan provides 70 video clips per month at 1080p resolution.

Competitive Advantage

LuciHub's key advantage lies in its hybrid approach—blending AI-driven efficiency with expert human support. While many competitors offer AI-powered tools for users to edit

on their own, LuciHub streamlines the process by integrating AI tools and having a direct hand in the final product, filling in where AI can't on the creative side. This allows businesses to produce high-quality content faster and more affordably than traditional professional editing services.

Competition Discussion

The market for video editing tools is saturated with AI-driven platforms like Runway ML, which focuses on generative AI for special effects and automated editing, Descript, which offers text-based video editing and overdubbing, and Pictory, which generates videos from scripts or blog posts. While these platforms enhance efficiency, they still require users to do the editing themselves. LuciHub differentiates itself by removing that burden, offering a seamless experience where AI accelerates the process, and human expertise ensures a polished final product. This positions LuciHub as an ideal solution for businesses seeking professional-grade videos without the steep learning curve or high costs associated with traditional agencies.

FINANCIALS

Forecast

	(Unaudited) 2024	2025	2026	2027
Revenue	139,731	1,200,500	5,001,505	11,997,910
COS	34,933	300,125	1,250,376	2,999,478
Gross Profit	104,798	900,375	3,751,129	8,998,433
Gross Profit Margin	75%	75%	75%	75%
Total OPEX	1,231,138	1,521,045	2,339,996	3,687,113
PnL	(1,126,340)	(620,670)	1,411,132	5,311,319

LuciHub's financial forecast demonstrates strong growth, with projected revenue increasing from \$139,731 in 2024 to nearly \$12 million by 2027. The company maintains a robust 75% gross profit margin throughout the forecast period, driving profitability by 2026 with a projected net income of \$1.4 million, expanding to over \$5.3 million in 2027.



Major Expenses and Drivers (2024)

AS	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Total
Income													
Sales	625.00	3,958.33	6,862.33	6,943.41	6,943.41	11,610.08	11,725.74	8,766.58	15,137.58	17,806.67	25,598.34	28,098.34	144,075.81
Z-Discounts given			-582.41	-582.41	-582.41	-3,164.83	-3,164.82	-3,326.50	-7,324.00	-7,824.00	-10,053.17	-10,053.17	-46,657.72
Total Income	\$ 625.00	\$ 3,958.33	\$ 6,279.92	\$ 6,361.00	\$ 6,361.00	\$ 8,445.25	\$ 8,560.92	\$ 5,440.08	\$ 7,813.58	\$ 9,982.67	\$ 15,545.17	\$ 18,045.17	\$ 97,418.09
Cost of Goods Sold													
Cost of Service													0.00
Cost of labor - COS	1,426.65	2,445.31	2,152.69	4,345.67	3,577.56	4,452.79	3,905.57	4,523.81	4,697.83	4,961.16	4,588.39	4,155.96	45,233.39
Hosting - COS	1,125.35	824.95	1,035.54	1,047.51	434.67	429.63	414.16	475.05	434.14	907.92	427.41	433.50	7,989.83
Total Cost of Service	\$ 2,552.00	\$ 3,270.26	\$ 3,188.23	\$ 5,393.18	\$ 4,012.23	\$ 4,882.42	\$ 4,319.73	\$ 4,998.86	\$ 5,131.97	\$ 5,869.08	\$ 5,015.80	\$ 4,589.46	\$ 53,223.22
Total Cost of Goods Sold	\$ 2,552.00	\$ 3,270.26	\$ 3,188.23	\$ 5,393.18	\$ 4,012.23	\$ 4,882.42	\$ 4,319.73	\$ 4,998.86	\$ 5,131.97	\$ 5,869.08	\$ 5,015.80	\$ 4,589.46	\$ 53,223.22
Gross Profit	-\$ 1,927.00	\$ 688.07	\$ 3,091.69	\$ 967.82	\$ 2,348.77	\$ 3,562.83	\$ 4,241.19	\$ 441.22	\$ 2,681.61	\$ 4,113.59	\$ 10,529.37	\$ 13,455.71	\$ 44,194.87
Expenses													
Advertising & marketing													0.00
Conferences/Events	12,693.59	11,616.52	2,142.26	3,164.00	1,250.00		275.21	4,388.27	6,423.56	1,471.43	4,000.00	-2,401.25	45,023.59
Promotional Products		373.11	388.39	486.86					1,245.48				2,493.84
Public Relations Fees	5,000.00	4,000.00	0.00	2,000.00	2,000.00	2,000.00	2,000.00			500.00	500.00	500.00	18,500.00
Social media				60.00	1,278.81	243.13	590.50	119.99	40.75				2,333.18
Website ads				500.00	500.00	500.00	0.00						1,500.00
Total Advertising & marketing	\$ 17,693.59	\$ 15,989.63	\$ 2,530.65	\$ 6,210.86	\$ 5,028.81	\$ 2,743.13	\$ 2,865.71	\$ 4,508.26	\$ 7,709.79	\$ 1,971.43	\$ 4,500.00	-\$ 1,901.25	\$ 69,850.61
Bad Debt												1,000.00	1,000.00
Consulting Services Expense	13,000.00	17,000.00	10,000.00	5,300.00	5,480.00	9,830.00	10,640.00	11,374.00	16,149.00	10,399.00	6,589.00	5,930.00	121,691.00
Contract labor	28,740.02	9,721.36	10,234.38	12,899.65	12,342.14	7,373.78	6,666.37	7,884.61	4,764.30	6,312.91	11,000.09	451.04	118,390.65
Employee benefits													0.00
Group term life insurance			2.24	13.44	7.84	7.84	7.84	7.84	7.84	7.84	7.84	7.84	78.40
Health insurance & accident plans			1,415.62	4,802.58	3,109.10	3,109.10	3,109.10	3,109.10	3,109.10	3,109.10	3,109.10	3,109.10	31,091.00
Workers' compensation insurance			236.16	236.16	236.16	199.16	143.66	157.32	157.32	157.32	157.32	157.32	1,837.90
Total Employee benefits	\$ 0.00	\$ 0.00	\$ 1,654.02	\$ 5,052.18	\$ 3,353.10	\$ 3,316.10	\$ 3,260.60	\$ 3,274.26	\$ 3,274.26	\$ 3,274.26	\$ 3,274.26	\$ 3,274.26	\$ 33,007.30
General business expenses													0.00
Bank fees & service charges	5.55	-1.21	1.20	42.14	45.33	140.33	155.47	137.72	118.53	6.94	101.94	131.42	885.36
Continuing education			49.99	49.99	50.02								150.00
Memberships & subscriptions	1,750.00			1,505.00	1,505.00			449.00			394.27		5,603.27
Parking & tolls	133.00	90.00	206.20	20.00		119.25		30.00	160.00	186.00	18.00		962.45
Total General business expenses	\$ 1,888.55	\$ 88.79	\$ 257.39	\$ 1,617.13	\$ 1,600.35	\$ 259.58	\$ 155.47	\$ 616.72	\$ 278.53	\$ 192.94	\$ 514.21	\$ 131.42	\$ 7,601.08
Interest expense	19.42	80.00	608.85	483.46	640.22	794.11	982.74	1,115.50	1,190.87	922.79	1,034.83	1,356.40	9,229.19
Legal & accounting services											80.00		80.00
Accounting fees	494.71	775.00	775.00	775.00	1,975.00	775.00	1,275.00	1,275.00	1,275.00	1,275.00	1,275.00	1,275.00	13,219.71



Accounting fees	494.71	775.00	775.00	775.00	1,975.00	775.00	1,275.00	1,275.00	1,275.00	1,275.00	1,275.00	1,275.00	13,219.71
Legal Fees	833.00		4,009.30	2,802.66	147.50	2,319.00	147.50	266.00	1,041.50	2,128.50	3,249.25	1,247.75	18,191.86
Total Legal & accounting services	\$ 1,327.71	\$ 775.00	\$ 4,784.30	\$ 3,577.66	\$ 2,122.50	\$ 3,094.00	\$ 1,422.50	\$ 1,541.00	\$ 2,316.50	\$ 3,403.50	\$ 4,604.25	\$ 2,522.75	\$ 31,491.67
Meals													0.00
Meals with clients	1,320.07	65.43	804.45						355.24	96.69	81.36		2,723.24
Travel meals	26.22	55.85	58.76							187.96	37.57		366.36
Total Meals	\$ 1,346.29	\$ 121.28	\$ 863.21	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 355.24	\$ 284.65	\$ 118.93	\$ 0.00	\$ 3,089.60
Mello services fee											33.00		66.00
Modified Business Tax Expense						847.12				891.23		28.15	1,766.50
Office expenses											269.98		269.98
Merchant account fees			43.50	43.50	43.50	43.50	43.50	43.50	43.50	43.50			348.00
Office supplies	295.66	269.00	99.00					164.23		164.00			992.09
Shipping & postage	92.11	195.05		97.53					107.98	57.58			550.25
Small tools & equipment									2,258.41	41.18			2,299.59
Total Office expenses	\$ 387.97	\$ 464.05	\$ 142.50	\$ 141.03	\$ 43.50	\$ 43.50	\$ 43.50	\$ 207.73	\$ 2,409.89	\$ 306.26	\$ 269.98	\$ 0.00	\$ 4,459.91
Payroll expenses													0.00
Payroll taxes			4,959.68	3,846.66	3,805.85	3,686.32	3,347.91	3,494.38	3,494.35	3,494.37	3,494.35	3,494.39	37,118.26
Salaries & wages			42,094.66	39,130.66	37,940.66	39,130.66	39,130.66	39,981.68	39,981.68	39,981.68	39,981.68	39,981.68	397,335.70
Total Payroll expenses	\$ 0.00	\$ 0.00	\$ 47,054.34	\$ 42,977.32	\$ 41,746.51	\$ 42,816.98	\$ 42,478.57	\$ 43,476.06	\$ 43,476.03	\$ 43,476.05	\$ 43,476.03	\$ 43,476.07	\$ 434,453.96
Payroll Fees			1,190.00	1,190.00	1,190.00	1,190.00	1,190.00	1,190.00	1,190.00	1,190.00	1,190.00	1,190.00	11,900.00
QuickBooks Payments Fees	10.00		59.20	235.17	59.68	79.21	125.25	44.79	2.24	939.71	97.18	216.83	1,869.26
Recruiting Expense				2,095.54									2,095.54
Software Development Labor	34,347.00	30,006.98	28,500.00	16,250.00	16,999.00	16,250.00	22,250.00	11,250.00	11,250.00	11,250.00	11,250.00	11,250.00	220,852.98
Software Subscription	4,178.75	3,524.57	7,762.45	863.23	11,395.34	10,023.43	893.74	805.93	3,500.69	-3,787.15	-975.10	-35.57	38,150.31
Travel													0.00
Airfare	3,230.90	1,121.10	512.20	1,020.06	473.39	561.45	572.97	711.44	3,238.38	3,102.97		433.84	14,978.70
Hotels	1,365.35	1,629.13	2,052.70	749.91	841.91	1,553.61		474.94	870.73	1,150.16			10,688.44
Taxis or shared rides	52.78				50.79					157.19	242.19	48.86	551.81
Vehicle gas & fuel	423.44		6.34	423.44									853.22
Vehicle rental			386.90										386.90
Total Travel	\$ 5,072.47	\$ 2,750.23	\$ 2,958.14	\$ 2,193.41	\$ 1,366.09	\$ 2,115.06	\$ 572.97	\$ 1,186.38	\$ 4,109.11	\$ 4,410.32	\$ 242.19	\$ 482.70	\$ 27,459.07
Utilities													0.00
Internet & TV services				666.97	150.00	150.00	150.00		300.00	165.00			1,581.97
Phone service		500.00											500.00
Total Utilities	\$ 0.00	\$ 500.00	\$ 0.00	\$ 666.97	\$ 150.00	\$ 150.00	\$ 150.00	\$ 0.00	\$ 300.00	\$ 165.00	\$ 0.00	\$ 0.00	\$ 2,081.97
Total Expenses	\$ 108,011.77	\$ 81,021.89	\$ 118,599.43	\$ 101,753.61	\$ 103,517.24	\$ 100,926.00	\$ 93,697.42	\$ 88,475.24	\$ 103,167.68	\$ 84,711.67	\$ 87,218.85	\$ 69,405.80	\$ 1,140,506.60
Net Operating Income	-\$ 109,938.77	-\$ 80,333.82	-\$ 115,507.74	-\$ 100,785.79	-\$ 101,168.47	-\$ 97,363.17	-\$ 89,456.23	-\$ 88,034.02	-\$ 100,486.07	-\$ 80,598.08	-\$ 76,689.48	-\$ 55,950.09	-\$ 1,096,311.73
Net Income	-\$ 109,938.77	-\$ 80,333.82	-\$ 115,507.74	-\$ 100,785.79	-\$ 101,168.47	-\$ 97,363.17	-\$ 89,456.23	-\$ 88,034.02	-\$ 100,486.07	-\$ 80,598.08	-\$ 76,689.48	-\$ 55,950.09	-\$ 1,096,311.73
Profit and Loss by Month													

In 2024, Lucihub generated \$144k in sales revenue, with discounts bringing total income to \$97k. The cost of goods sold (COGS) totaled \$53k, resulting in a gross profit of \$44k. Major expenses included payroll costs of \$397k, reflecting investment in staff and talent. Software development labor was another key expense at \$220k, underscoring a focus on platform enhancement. Marketing and advertising efforts, including conferences, events, and public relations, totaled \$69k, highlighting the push for brand visibility. Consulting services contributed \$122k to expenses, while contract labor added \$118k. Despite a net loss of approximately \$1M, these strategic investments in technology, personnel, and market positioning set the groundwork for future growth and profitability.

Financial Discussion

Lucihub's financials demonstrate a company in the transition from early-stage investment to growth and profitability. The 2024 P/L shows modest revenue of \$144k with significant investments in talent, technology, and market expansion, resulting in a net loss of approximately \$1M. However, the financial forecast indicates strong revenue growth for the coming three years, reflecting optimism about scalability. The company maintains a healthy 60+% gross profit margin throughout, demonstrating strong operational efficiency and pricing strategy. Operating expenses are expected to stabilize

relative to revenue, allowing Lucihub to transition to profitability by 2026 with projected net income of \$1.4 million, growing to \$5.3 million by 2027. Being candid, expenses are high, but Amer is picking up steam on the sales front and the net income is improving month over month.