



# Business Plan

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## **Confidentiality Agreement**

The reader acknowledges that any information provided by MOST TECHNOLOGY in this business plan, other than information that is in the public domain, is confidential in nature, and that any disclosure or use of same by the reader may cause serious harm or damage to MOST TECHNOLOGY. Therefore, by scrolling down this page you agree not to disclose it without express written permission.

This is a business plan. It does not imply an offering of securities.

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## I. Executive Summary

The idea of our business is to optimize the education system for the needs of the user (student) and the entrepreneur.

Our aim is to enable everyone who wants to get a new profession or improve their skills in the online environment, to do it in efficient and quick manner.

With our business model we aim to solve the problem of organizing and structuring of the online education environment, improving the quality of education and the level of knowledge of the graduates. Also, how to accurately assess the level of knowledge and how to attract more students and reduce their churn in the learning process.

Our product is the full-cycle management system for the vocational schools that combine LMS, CRM and Career Center.

Our goal for 2022 is with the help of our platform is to establish an online educational process in 30+ schools that will educate and graduate more than 15000 students. For us, this is an opportunity to assess the soft and hard skills of graduates, create their portfolio and help employers in the selection process for the ideal employee for their team, whether it be a developer, analyst, accountant, marketer or any other digital specialist. In 3 years, we forecast more than 1000 vocational schools of various kinds to be present on our platform, more than 700000 evaluated graduates, and 150000 specialists will be employed through our platform. In 5 years, we forecast more than 25000 schools on our platform, about 20M qualified specialists. The presence of proven technologies will lead to willingness to integrate into the structure of higher education institutions.

At this stage, our ideal client is a small/medium sized professional/ vocational school that doesn't have a common and synchronized online learning management and client acquisition system, with 100–700 graduates per year and geographically located in Europe and North America.

Currently, our main competitors are GetCourse, Learme, Handshake, Wanted, Verbetcetera, Blackboard, eCollege, intralearn, but we strongly differ from them with one significant advantage: we work not only with the educational institutions, but also with the students. We assess their skills, create their professional portfolio, boost their motivation for life-long learning and offer opportunities for further employment.

Our management team consists of experienced entrepreneurs with knowledge and experience in education, marketing, HR and programming industries. We know how to build an effective team and achieve notable results, how to stand up for business processes and we have exit experience.

In 2021, with € 100k collected from friends and like-minded people, we built a product that is ready for operation and scaling. Now we are at the stage of product-market fit and are seeking investments for successful business development. We are raising €300K to set up a sales team and strengthen our proven customer acquisition strategy with a marketing department (advertising, media publications). This money will be enough to enter the European market. In the middle or in the second half of this year we plan to hold a Seed round of financing and raise € 2,5M + , which will open up more opportunities for market acquisition.

## II. Company Description

### *Company Description Worksheet*

<b>Business Name</b>	MOST TECHNOLOGY
<b>Company Mission Statement</b>	MOST TECHNOLOGY provides a brand new way to teaching, growing, and hiring talents.
<b>Company Philosophy/ Values</b>	Team feeling, Decency, Love for business, Optimism, Responsibility, Innovation, Proactive attitude are values that are very important to our company philosophy.
<b>Company Vision</b>	Our vision is to be a unique full-cycle management system for the vocation schools which assess people's behavior, soft and hard skills, and help businesses build super-effective teams.
<b>Goals &amp; Milestones</b>	<p>1. Short-term goals: create a sales team and marketing channels. Attract 30+ schools to the platform. Adjust AI algorithms to analyze student's data.</p> <p>2. Long-term goals: to ensure sustainable growth and profitability of the business. Personal Data protection. Influence to the educational system. Offer the opportunity to foresee people's career growth while using our platform.</p>
<b>Target Market</b>	EU and North America
<b>Industry/ Competitors</b>	<p>The global LMS Market size to grow from USD 15.8 billion in 2021 to USD 37.9 billion by 2026, at a Compound Annual Growth Rate (CAGR) of 19.1% We expect to take 2% of it in 6-7 years.</p> <p>With the online school market expansion is opening up a greater market potential.</p> <p>The combination of the modules (LMS+CRM+Career Center) is making us a competitive company to others on the market who focus solely on one of the modules separately.</p> <p>Competitors: GetCourse, Learme, Ayotree, Handshake, Wanted, Verbetcetera, Blackboard, eCollege, intralearn and etc.</p>
<b>Legal Structure/ Ownership</b>	<p>MOST TECHNOLOGY is registered in Estonia as a Private Limited Company. Legal name is MOST TECHNOLOGIES OU with the registry code 16132063. It is the most common form of registration in Estonia which is easy to operate and is bureaucracy free.</p> <p>MOST has two owners, Anna Kulp and Sergey Kulp. The ownerships are divided 60/40 between the founders. In 2021, we raised 100k euro using convertible loans from friends and related companies. Loans will be converted to equity or returned in mid 2022, See CapTable for more information.</p>

### III. Products & Services

#### *Product & Service Description Worksheet*

<b>Business Name</b>	MOST TECHNOLOGY
<b>Problem</b>	The problem we have in the education field is how to organize and structure the online education environment, how to reduce decreasing student motivation (only 70% of students complete the course) and how to organize customer relationship management. Regular CRM like Pipedrive/ Salesforce or similar is not adaptive for educational institutions.
<b>Product/ Service Idea</b>	Our product is the full-cycle management system for the vocational schools that combining LMS, CRM and Career Center. We have created a platform on which subscribed schools run their business, attract students, create courses, teach their students online and graduate them. We organize and structure the online education environment.
<b>Unique Features</b>	The student is the key figure. AI algorithms generate automatically updated portfolios for them. Employers will see information about whether the candidate fits their job or not. How do we do it? During the studies we analyze student's behaviour, hard and soft skills. We collect data of student engagement, punctuality, number of errors, test scores and many other metrics. This data is used to train AI algorithms, then we analyze the results we got. If the results are not accurate according to our HR team, we change variables in AI and train it again. When the AI result is accurate, we will reduce the HR team to a minimum, just for permanent quality control.
<b>Limits and Liabilities</b>	We strictly protect the processing and storage of personal data. All posting of or access to personal information is possible only with the permission of the user.
<b>Production and Delivery</b>	We use only proven methods and tests to assess soft and hard skills. Based on AI algorithms, each graduate can build his own career path and as a result will be able to get a dream job anywhere in the world.
<b>Suppliers</b>	We use accredited HR and psychology professionals to create tests to assess candidate's personality.
<b>Intellectual Property Special Permits</b>	We currently do not have any patents, but in the near future we will patent some of our assessment methods and technologies.

<b>Product/ Service Description</b>	<p>MOST TECHNOLOGY's core revenue stream is from subscriptions for and commissions from our services.</p> <ul style="list-style-type: none"> <li>- Subscription for schools has 3 different plans depending on schools needs and quantity of students. It starts from 270 EUR/year, the middle plan is 540 EUR/year and the third one is 1620 EUR for annual subscription.</li> <li>- Subscription for employers for viewing assessed candidates is 150 EUR/month or special offer for enterprises.</li> <li>- analytics fee and referral fee</li> </ul>
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#### IV. Marketing Plan

##### *SWOT Analysis Worksheet*

	<b>Strengths</b>	<b>Weaknesses</b>	<b>Opportunities</b>	<b>Threats</b>
<b>Product/ Service Offering</b>	Full-cycle management system: LMS+CRM+Career Center. B2B, B2B2C, SaaS	GDPR compliance. Development cost.	AI forecasting. Automation of study and work. Life-long learning. Talent management.	Tightening government regulations on international employment.
<b>Brand/ Marketing</b>	Market relevance.	High competition.	Opportunity to take a significant part of the market.	Incorrect positioning.
<b>Staff/HR</b>	We have experienced developers. Strong team spirit on a mission base. Experienced management and developers team.	Long recruitment period.	A large number of outsourcing teams we can use.	No technical founder. Everyone in the development department works under a contract.
<b>Finance</b>	Budget optimization using	Long free trial period.	Friendly ecosystem.	Small amounts of investment at an early stage, we have to keep



	international contractors.			focus on permanent funding.
<b>Operations/ Management</b>	Experienced management team. Over 10 years experience in each field. Great mentors and consultants.	No technical founder.	Worldwide hiring.	Employees have different time zones.
<b>Market</b>	The market has changed due to the pandemic and continues to grow.	Highly competitive market.	International market.	Difference in mentality.
<b>Can any of your strengths help with improving your weaknesses or combating your threats? If so, please describe how below.</b>				
The growing EDTech market attracts more staff.				
<b>Based on the information above, what are your immediate goals/next steps?</b>				
Increase team: hire 3 more front end developers, 1 more designer, 1 data analyst, 1 product marketing specialist.				
<b>Based on the information above, what are your long-term goals/next steps?</b>				
Take a leading position in the EU market.				

## *Competitor Data Collection Plan*

<b>Price</b>	<ul style="list-style-type: none"><li>- Pricing structure: Subscription. The subscription cost based on provided memory space, quantity of users, quantity of chat-bots, customisation options, etc.</li><li>- Commitment length: duration is one month or annual subscription.</li><li>- Average annual subscription costs € 600-800 for a mid-sized plan.</li></ul>
<b>Benefits/Features</b>	<ul style="list-style-type: none"><li>- Cloud-based ,</li><li>- All-in-One,</li><li>- Marketplace,</li><li>- Own customer traffic,</li><li>- Branding and own domain, analytics,</li><li>- Mentors from top tech companies,</li><li>- Closing the gap between educational programs and job placement,</li><li>- Own job search with relevant companies,</li><li>- Combining Best-in-Tech Solutions</li></ul>
<b>Profitability</b>	Average Gross Profit Margin in the industry is 80%
<b>Market strategy</b>	LMS for Business, education institutions, traditional and online schools, bloggers and individual coaches.

## Competitive Analysis Worksheet

For each factor listed in the first column, assess whether you think it's a strength or a weakness (S or W) for your business and for your competitors. Then rank how important each factor is to your target customer on a scale of 1 to 5 (1 = very important; 5 = not very important). Use this information to explain your competitive advantages and disadvantages.

<b>FACTOR</b>	<b>Me</b>	<b>Competitor GetCourse</b>	<b>Competitor Ayotree</b>	<b>Competitor eCollege</b>	<b>Importance to Customer</b>
<b>Products</b>	S	S	S	S	5
<b>Price</b>	S	S	S	W	4
<b>Quality</b>	S	S	W	S	5
<b>Selection</b>	S	S	S	S	3
<b>Service</b>	S	S	W	W	5
<b>Reliability</b>	S	W	W	S	5
<b>Stability</b>	S	S	W	S	5
<b>Expertise</b>	S	S	W	S	3
<b>Company Reputation</b>	W	W	W	S	4
<b>Location</b>	W	S	S	S	1
<b>Appearance</b>	S	W	W	S	4
<b>Sales Method</b>	S	S	W	W	4
<b>Credit Policies</b>	S	S	S	W	5
<b>Advertising</b>	S	S	W	S	3
<b>Image</b>	S	S	S	S	4

*Marketing Expenses Strategy Chart*

	<b>Target Market 1 Vocational schools</b>	<b>Target Market 2 Employers</b>	<b>Target Market 3 Students</b>
<b>One-Time Expenses</b>	Demo Presentation	landing page webinar funnel	Employment instructions.
<b>Monthly or Annual Expenses</b>	Brand Development Public Relations Advertising Website / Interactive Marketing channels Marketing events Market research & memberships	Targeted advertising in social networks Email marketing Columns in specialized publications Networking Word-of-mouth webinars for employers	push-Notifications Email marketing
<b>Labor Costs</b>	Sales department Salaries and fees for marketing employees and contractors Developers salary	Salaries and fees for marketing employees and contractors	Salaries and fees for marketing employees and contractors

*Pricing Strategy Worksheet*

<b>Business Name</b>		MOST TECHNOLOGY
<b>Which of the following pricing strategies will you employ?</b>		
<b>Cost Plus</b>  <i>The costs of making/obtaining your product or providing your service, plus enough to make a profit</i>	<b>Value Based</b>  <b>Based on your competitive advantage and brand (perceived value)</b>	<b>Other:</b>
<b>Explanation of pricing model selection.</b>  <p>Instead of offering the lowest price, we are going with an average price and compete on quality and service.</p> <p>Our pricing strategy reflects our positioning. We provide reasonable prices for good product. Some of our competitors offer lower prices for fewer products, some are much more expensive and have a larger range. We are in the middle. We believe that we offer exactly what our customer needs, not more nor less.</p> <p>We know from customer reviews that our price is not the first reason when they choose our services. At the top is the native understanding of how to use a particular function. Set of features and quality of services.</p> <p>We will be happy to provide a high level of customer service at a reasonable price, offering credit and discounts policy.</p>		

*Distribution Channel Assessment Worksheet*

	<b>Distribution Channel 1 Direct sales (at early stage )</b>	<b>Distribution Channel 2 Inside sales force</b>	<b>Distribution Channel 3 Retail (at late stage)</b>
<b>Ease of Entry</b>	No impact to retail price. It will lengthen the distribution process.	No impact to retail price. It will lengthen the distribution process.	No impact to retail price. It will not lengthen the distribution process.
<b>Geographic Proximity</b>	Impact to overall distribution funnel	Impact to overall distribution funnel	No impact to overall distribution funnel
<b>Costs</b>	This channel adversely affects profits. It requires hiring more staff. Need to offer financial incentives.	This channel adversely affects profits. It requires hiring more staff. Need to offer financial incentives.	Has a positive effect on profits. Low cost. No more staff needed. Easily scalable.
<b>Competitor s' Positions</b>	Competitive advantage	Competitive advantage	No competitive advantage
<b>Managemen t Experience</b>	The channel is moving products to the end customer in the most efficient manner. The costs will be controlled properly. We will make an effort to shorten delivery times to fulfill orders.	The channel is moving products to the end customer in the most efficient manner. The costs will be controlled properly. We will make an effort to shorten delivery times to fulfill orders.	The channel is not moving products to the end customer in the most efficient manner.
<b>Staffing Capabilities</b>	Need to have enough staff to adequately and efficiently fulfill orders, enough experience and expertise to make sure operations run smoothly. Need to have the right players guiding the process and paying attention to the details.	Need to have enough staff to adequately and efficiently fulfill orders, enough experience and expertise to make sure operations run smoothly. Need to have the right players guiding the process and paying attention to the details.	Not necessary to have a lot of experienced staff. Need to have the right team of coordinators guiding the process of retail.
<b>Marketing Needs</b>	Distribution channel is strongly connected with our target audience. It will be used on promotions, sales or giveaways. It plays a very	Distribution channel is strongly connected with our target audience. It will be used on promotions, sales or giveaways. It plays a very important role in promoting your product.	Distribution channel is not enough to connect with our target audience.

	important role in promoting your product.		
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**V. Management & Organization**

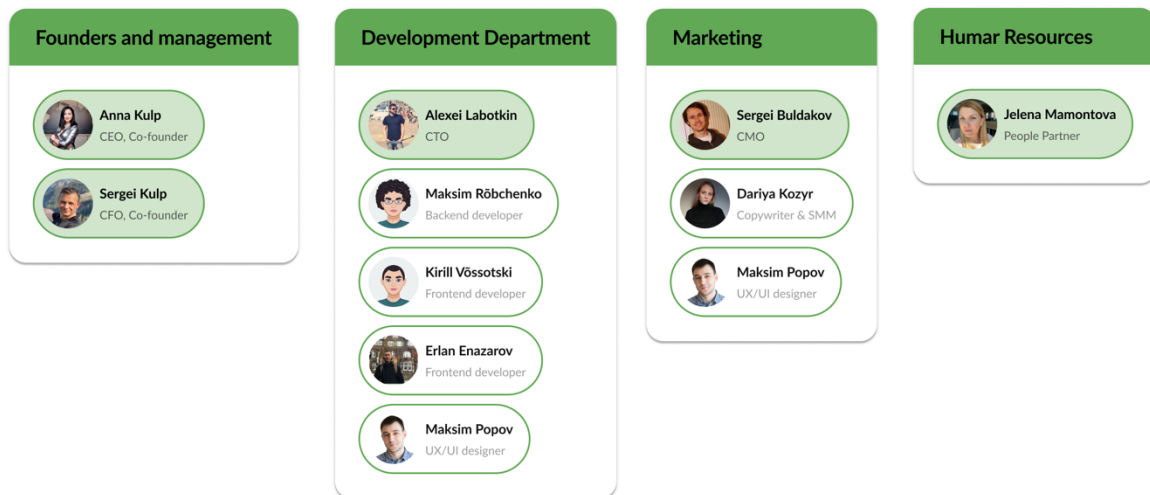
*Management Worksheet*

<b>Bio/s</b>	<p><b>Anna Kulp</b> Anna is the Founder and the CEO of MOST TECHNOLOGY. She has 15+ years of experience in the educational field. She is also the founder of the MOST BUSINESS SCHOOL, which has government contracts and is a member of the Estonian Chamber of Commerce and Industry and Estonian Association of Small and Mid-size enterprises. The school has 800 alumni yearly, a campus in Riga, Latvia and more than 35 employees. Anna is a very self-motivated leader and is a life-long Learning evangelist.</p> <p><b>Sergei Kulp</b> Sergei is the co-founder and CFO of MOST TECHNOLOGY. He has 15+ years of Business Development experience. He received a “Gasell” (fast growing company) diploma in 2016. He has successfully launched and sold four businesses. His strengths are: sales, process organising, strategy, and finance.</p> <p><b>Aleksei Labotkin</b> Aleksei is the CTO. He has 10+ years in full stack software development. He is a participant of Estonian Startup incubator, has experience with TensorFlow, image recognition and other Big Data projects. He is the team lead of our IT department.</p> <p><b>Jelena Mamontova</b> Jelena is our People Partner. She has 7+ years in HR management in an international environment.</p>
<b>Gaps in Management or Experience</b>	<p>We have a team of initially strong and experienced people building both local and international businesses. In case of any gaps, we know where to look for specialists and how to create teams, how to set up business processes, how to find solutions to any issues that may arise. At this stage, we perform many functions with the existing team and plan to expand the team in proportion to the growth of the company.</p>
<b>Advisors</b>	<p>List the members of your professional/advisory support team, including:</p> <ol style="list-style-type: none"> <li>a. Attorney</li> <li>b. Accountant</li> <li>c. Start up industry consultant</li> <li>d. Mentors and other advisors</li> </ol>

## Organization Chart

MOST TECHNOLOGY

# TEAM STRUCTURE





## VI. Refining the Plan

### Raising Capital

- Investment amount you need short-term  
*We need € 300K to create a sales department and increase sales. Strengthen a proven customer attraction strategy with the help of the marketing department (advertising, media publications). Once we have more traction we will go to the Seed round where we expect to raise € 2.5M for scaling and product updates. Planting Seed round at mid or at the end of the 2022.*
- Investment amount you'll need in two to five years  
*We need € 50M- 75M to acquire new markets and develop new features.*
- How you'll use the money and how that will help your business grow  
*Hire the right employees for leadership positions, get government contracts and agreements, gain a competitive advantage, expand into new markets, marketing events, and so on.*
- Estimated return on investment  
*We expect a 10x return at this stage.*
- Exit strategy for investors (buyback, sale or IPO)  
*We plan Exit an IPO in 5-6 years.*
- Financial reporting you will provide to investors  
*Profit and Loss, Sales forecast (2 options), Cap Table.*

### SaaS business

- What is your pricing structure? Will you use a free trial, “freemium” or paid business model?  
*Reference to Product & Service Description Worksheet, Product/ Service Description*
- If you offer a free services option, how will you upsell customers to a payment model?  
*We offer creation of automatically updated student portfolios for free, but we charge a small fee for the career path projection analytics.*
- Have you tested your software? Are any “early adopters” already using the product?  
*We use our own and our partner vocational school to test the MOST TECHNOLOGY platform . The “early adopters” are still using our platform.*
- How will you encourage long-term contracts in order to create recurring revenues?  
*We offer free features and other traits.*
- How will you manage rapidly changing markets, technologies and costs?  
*Being a small-sized company at the moment makes it is easy for us to adapt to market changes, cope with changes in industry and technology, and optimize costs*
- Will you use in-house developers or outsourcers?  
*We are using both of them and will keep this strategy.*
- How will you provide customer support?  
*24/7 online and offline customer support*
- How will you retain key personnel?  
*Options, vesting, special conditions and other methods.*
- Are you using any proprietary or exclusive software that will give you a competitive edge?  
*We are going to use big data and trained AI on it.*
- How will you protect your intellectual property?  
*We are going to patent our proprietary.*

## **VII. Appendices**

1. Sales Forecast (12 Months) worst case and best guess
2. Profit and Loss Projection (12 Months)
3. Cap Table