



Changes to the numbers

For Jon, from Stevan · 7 October 2026 · Confidential

Jon, a reviewer read the July plan and called its numbers unrealistic: 300,000 subscribers and AED 241M of profit in year one on AED 4.6M of costs, with almost no marketing, no lawyer costs and no App Store fees. They asked for a clearer plan that shows the cascade from price to profit and allows for contingencies and marketing, and for development at about double the at-cost figure.

So we rebuilt the numbers as a monthly model over three years, in three cases. Members now join month by month from paid marketing and word of mouth, some stop paying, and every cost is counted. The plan and teaser of 7 October use it. The spreadsheet is ELA-financial-model-2026-10-07.xlsx; every input has its source.

What changed, and why

	July plan	Now (Base case unless shown)	Why
Members in year one	300,000, counted for the whole year	Join month by month: 10,969 at the end of year one (Cautious 2,756, Upside 33,031)	Reviewer: your 28 July notes said 7,000 to 45,000
Marketing	AED 480,000 of social ads	AED 150,000 a month of paid installs in year one (200,000 and 250,000 after), plus Helios, PR and creators: AED 2.9M in year one	Reviewer: allow for marketing
VAT and Apple	Not taken off	5% VAT off first. Apple 15% in year one (Small Business Program, under USD 1M); 30% once a case passes that; a blended 20% after	App Store rules
Company seats	Not modelled	AED 500 a seat a year, by contract, no Apple fee: 400 seats a month from month 5	New revenue line
Insurance	Half of members insured	15% of members take the add-on from month 6 (5% and 25% in the other cases)	More realistic take-up
Legal referral	Built on insurance claims	Dispatches (1.5% of members a year) x 60% keep the firm x AED 25,000 fees x 10%. Switched on, with a switch to remove it	Counted until you confirm
Law firms	One firm	A panel of 3 to 5 (4 in the model). Free for two years, then AED 5,000 per firm a month. ELA pays firms nothing	Stevan, 7 October
Delivery team	AED 600,000	AED 1.2M a year	Reviewer: allow double
24/7 desk	AED 140,000 call centre	On-call desk at AED 15,000 a month; staffed seats at AED 30,000 each from 10,000 members (month 11 in Base)	A real budget line
Legal and accounting	None	AED 7,500 a month, plus AED 50,000 once for legal opinions, the entity and licences	Needed before launch
Contingency	AED 2.38M inside the raise	15% on every operating cost	Reviewer
Year-one costs	AED 4.62M	AED 8.0M, against AED 6.2M of revenue	All of the above
Runway	About 18 months	Base: cash never runs out (lowest AED 5.2M, month 8). Cautious: 14 months	From the model

The three cases

AED million unless shown	Cautious	Base	Upside
Members at the end of year one	2,756	10,969	33,031
Net revenue, year one	1.6	6.2	17.1
Result, year one	(6.0)	(1.8)	8.0
Result, year three	(3.8)	10.1	48.0
First month with a profit	None in 3 years	Month 9	Month 3
Cash runs out	Month 15	No	No

What separates the cases is the cost per install (AED 25, 15 or 10) and how many installs pay (3%, 5% or 8%). We have no market figure for either yet; the first months of paid campaigns will tell us.

Questions for you

- **Referral commission.** Is a per-case commission from the firm allowed under Federal Decree-Law 34 of 2022, Art. 101? It is in the projections until you confirm otherwise; the model has a switch to take it out.
- **Panel fee.** Is a panel membership fee from year three workable, and at what level? AED 5,000 per firm a month is a placeholder. Is two years free the right start?
- **Duty lawyer.** Who pays the duty lawyer's first attendance? The model assumes the member, or the insurance add-on, never ELA.
- **The 24/7 desk.** We need quotes for both stages: the on-call desk and a staffed seat.
- **Board fees and office.** Do the AED 40,000 a month of board fees and the AED 41,667 a month office need to start in month 1, or can they wait for members?
- **Founders' pay.** The July plan has none, and neither does the model. Should it?
- **Insurance take-up.** 5%, 15% or 25% of members, against the July plan's 50%. Do Howden and AIG have a view?