Introduction
This document presents three forward-looking operating scenarios designed to illustrate the range of potential performance outcomes for the company. The Base Projections reflect steady market adoption in line with management's execution plan, the Slow-Start scenario models a more conservative ramp in early utilization, and the Series-Driven Utilization scenario reflects longer-duration episodic occupancy with greater revenue stability. Together, these scenarios are intended to demonstrate both upside potential and downside resilience rather than to serve as precise forecasts.

In addition to the physical studio assets, the Ingalls & Co. has developed SimpleStrips, a proprietary software designed to streamline production workflows, scheduling, and coordination. It is currently in active use in a fee beta phase, with early adoption informing product refinement and future commercialization strategy. Given that pricing, conversion timing, and go-to-market strategy have not yet been finalized, SimpleStrips is not included in the financial projections as a core value driver.

Global Dividend Assumptions
- Equity Unit Price: $50,000
- Ownership Per Unit: 1.0%
- Dividend Policy: 15% of Net Operating Profit
- Dividends Paid Pro Rata to Equity Units

Capital Allocation Policy (in profitable years)
1. Net Operating Profit
2. 15% → Dividends to equity holders
3. 85% → Retained Earnings
4. Of Retained Earnings:
   - 50% → Reinvestment Budget (growth, expansion, improvements)
   - 50% → Cash retained on balance sheet
5. Expansion capital expenditures is funded exclusively from the Reinvestment Budget
6. No investor capital calls; no dilution

Other Assumptions, Estimates, & Notes
- Initial Construction Costs Estimate: $1,300,000
  - Parcel Acquisition (complete): $200,000
  - Campus Development Estimate: $1,100,000
- Operating Expenses were calculated using intentionally padded over-estimates at 100% annual facility utilization.
- Average Rental Time per Film = 1.5 Months

Scenario 1: Base Projections

This scenario assumes steady market adoption of a purpose-built, industry-standard sound stage in an undeserved regional market. Rental pricing ($300,000 per Month) reflects scarcity and professional specifications, while utilization ramps in line with increasing market awareness, repeat customers, and growing production activity, resulting in improving operating leverage and internally funded expansion.

Revenue & Dividends

Year	*Stages*	*Films*	*Revenue*	*Operating Expenses*	*Net Operating Profit*	*Dividend per Unit*	*Dividend Return Percent*	*Annual Reinvest. Cap.*
2026	0	0	$0	$1,300,000	$0	$0	0%	$347,780
2027	1	2	$900,000	$300,000	$600,000	$900	1.8%	$255,000
2028	1	5	$2250,000	$300,000	$1950,000	$2,925	5.85%	$828,750
2029	1	7	$3,150,000	$300,000	$2850,000	$4,275	8.55%	$1,211,250
2030	1	8	$3,600,000	$300,000	$3300,000	$4,950	9.9%	$1,402,500
2031	2	15	$6,750,000	$300,000	$6450,000	$9,675	19.35%	$2,741,250

Exit Values (Equity + Dividends Received)

Exit Multiple	*Enterprise Value At Exit*	*Equity Value Per Unit*	*Cumulative Dividends Received*	*Total Value Per Unit*	*MOIC*
6.0x	$38,700,000	$387,000	$22,725	$409,725	8.19
7.0x	$45,150,000	$451,500	$22,725	$474,225	9.48
8.0x	$51,600,000	$516,000	$22,725	$538,725	10.77

Tables Key

- Equity Value per Unit = 1% ownership × Enterprise Value
- Total Value per Unit = Exit value + all dividends received
- MOIC (Multiple on Invested Capital) = Total value ÷ $50,000 initial investment

In Summary

Even at a conservative 6× exit multiple, investors recover over 8× their capital, with dividends providing early partial liquidity and the majority of returns coming from equity appreciation.

Scenario 2: Slow-Start Projections

This scenario assumes a slower-than-expected market adoption during the company's first three operating years, reflecting delayed awareness, longer sales cycles, or temporary softness in regional production activity. Rental pricing remains unchanged ($300,000 per Month), but annual film volume ramps more gradually before converging toward the base case by Year 5.

Revenue & Dividends

Year	*Stages*	*Films*	*Revenue*	*Operating Expenses*	*Net Operating Profit*	*Dividend per Unit*	*Dividend Return Percent*	*Annual Reinvest. Cap.*
2026	0	0	$0	$1,300,000	$0	$0	0%	$347,780
2027	1	1	$450,000	$300,000	$150,000	$225	0.45%	$63,750
2028	1	3	$1,350,000	$300,000	$1,050,000	$1,575	3.15%	$446,250
2029	1	5	$2,250,000	$300,000	$1,950,000	$2,925	5.85%	$828,750
2030	1	8	$3,600,000	$300,000	$3,300,000	$4,950	9.9%	$1,402,500
2031	2	12	$5,400,000	$300,000	$5,100,000	$7,650	15.3%	$2,167,500

Exit Values (Equity + Dividends Received)

Exit Multiple	*Enterprise Value At Exit*	*Equity Value Per Unit*	*Cumulative Dividends Received*	*Total Value Per Unit*	*MOIC*
6.0x	$30,600,000	$306,000	$17,325	$323,325	6.47
7.0x	$35,700,000	$357,000	$17,325	$374,325	7.49
8.0x	$40,800,000	$408,000	$17,325	$425,325	8.51

Tables Key

- Equity Value per Unit = 1% ownership × Enterprise Value
- Total Value per Unit = Exit value + all dividends received
- MOIC (Multiple on Invested Capital) = Total value ÷ $50,000 initial investment

In Summary

Even under a materially slower ramp, the investment remains capital-positive, with meaningful dividend income and a 6–8× equity outcome driven by long-term asset value.

Scenario 3: Series-Driven Utilization Projections

This scenario assumes the facility attracts episodic or limited-series productions that occupy the stage for longer continuous periods. While headline monthly pricing moderates slightly, utilization increases materially, resulting in higher annual revenue stability and improved operating leverage.

Assumptions Adjusted:

- Average Duration: 3.0 months
- Monthly Rate: $275,000

Revenue & Dividends

Year	*Stages*	*Shows*	*Revenue*	*Operating Expenses*	*Net Operating Profit*	*Dividend per Unit*	*Dividend Return Percent*	*Annual Reinvest. Cap.*
2026	0	0	$0	$1,300,000	$0	$0	0%	$347,780
2027	1	1	$825,000	$300,000	$525,000	$788	1.58%	$223,125
2028	1	2	$1,650,000	$300,000	$1,350,000	$2,025	4.05%	$573,750
2029	1	3	$2,475,000	$300,000	$2,175,000	$3,263	6.53%	$923,438
2030	1	4	$3,300,000	$300,000	$3,000,000	$4,500	9.0%	$1,275,000
2031	2	5	$4,125,000	$300,000	$3,825,000	$5,738	11.48%	$1,624,688

Exit Values (Equity + Dividends Received)

Exit Multiple	*Enterprise Value At Exit*	*Equity Value Per Unit*	*Cumulative Dividends Received*	*Total Value Per Unit*	*MOIC*
6.0x	$22,950,000	$229,500	$16,314	$245,814	4.92
7.0x	$26,775,000	$267,750	$16,314	$284,064	5.68
8.0x	$30,600,000	$306,000	$16,314	$322,314	6.45

Tables Key

- Equity Value per Unit = 1% ownership × Enterprise Value
- Total Value per Unit = Exit value + all dividends received
- MOIC (Multiple on Invested Capital) = Total value ÷ $50,000 initial investment

In Summary

Under an episodic-heavy utilization mix, returns moderate but stability improves, supporting a defensible 5–6× equity outcome driven by long-duration occupancy and predictable cash flow.