BleedIO Tech — Financial Projections & Benchmark Analysis

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Date: July 2026 **Status:** Management Estimate

Slide 1 — Financial Model (2026–2029)

Key Performance Indicators

Metric	Value	Benchmark
Burn Multiple	0.7× (2027 base: $684K net burn / $947K net-new ARR)	Excellent (<1.5×) · Seed avg: 3.2×
Pipeline / ARR Ratio	17× (12-month-forward) / 25× (total)	Exceptional · typical: 3–5×
Weighted Pipeline ACV	$839K (12-month-forward) · $1.2M total	vs. current ARR $48K · total includes longer-dated Lufthansa maritime 2–3 ships + Snap-on OEM + Fire Dept scale; $839K is the probability-adjusted 12-month-forward slice
Per-node cost	<$100	No competitor at this price point

Financial Table — Base Case (rebuilt July 2026, bottoms-up from pipeline matrix)

	2026	2027	2028	2029
ARR (exit)	$172K	$1.1M	$2.7M	$6.5M
Revenue (incl. one-time deploy fees)	$249K	$1.7M	$5.3M	$13.4M
Key Driver	Direct + Pilots + LH first ships	Chevron + Snap-on + LH ships + FDs	LH channel scale + 2nd O&G	LH 30+ ships + 40+ FDs
Gross Margin	65% / $162K	70% / $1.2M	72% / $3.8M	75% / $10.0M
Total OpEx	$369K	$1.9M	$8.1M	$16.1M
EBITDA	($208K)	($684K)	($4.2M)	($6.0M)
EBITDA %	-84%	-41%	-79%	-45%

Financial Table — Upside Case (Lufthansa Maritime Scaled)

	2026	2027	2028	2029
ARR (exit)	$293K	$1.9M	$5.2M	$13.4M

	2026	2027	2028	2029
Revenue (incl. one-time deploy fees)	$439K	$3.1M	$11.5M	$29.7M
EBITDA	($84K)	+$129K	($2.6M)	+$549K

Financial Table — Optimistic Case (Pitch Deck, install-count model)

	2026	2027	2028	2029
Revenue	$0.28M	$2.1M	$14.4M	$39.2M
Installs	7	35	240	654
Gross Margin %	68.8%	79.2%	83.3%	83.3%
Total OpEx	$2.3M	$3.0M	$25.2M	$31.5M
EBITDA	($2.11M)	($1.34M)	($13.2M)	+$1.2M

Optimistic case source: BleedIO Tech Pitch Deck (July 2026), slide 10 — install-count-driven (avg install value ~$60K).

Methodology note (July 2026): ARR counts recurring SaaS net of the Lufthansa channel revenue share (assumed 70% net to BleedIO); one-time deployment fees are recognized as project revenue, not ARR. Prior versions of this table combined the two.

Use of Capital

- **$900K Angel Bridge (2026Q3) → $2.5M Seed @ $14M cap (Fall 2026, ~15-month runway) → $16.5M Series A (2027)** → Scale 2028–2029

Key Assumptions (Updated July 2026)

- **Lufthansa maritime channel (upside case):** 2–3 ships (2026) → 15–20 ships (2027) → 80–100 ships (2028) → 250–300 ships (2029); base case models the conservative–optimistic midpoint, net of the 70% channel revenue share
- **Per-ship economics:** $100K–$150K deployment, $48K–$60K annual SaaS, $150K–$330K 3-year ACV
- **Base case O&G + Public Sector:** $23M–$40M cumulative revenue (unchanged non-maritime projection)
- **Maritime cumulative revenue:** $49M–$59M by 2029
- **Total cumulative by 2029:** $204M–$249M (vs. $88M–$123M base case)
- Install ACV grows to $150K–$330K by 2029 (maritime) + $60K base case (non-maritime)
- CAC drops 30% in 2027 via channel partnership maturity; maritime channel has <15% CAC
- NRR target: 120%+ (expansion at existing sites + multi-ship deployments)
- Customer retention: >95%
- CAGR 2026–2029: 120%+ (optimistic case)

FTE Headcount (conservative–upside range; base = midpoint)

Role	2026	2027	2028	2029
Sales	3	4–6	10–45	22–65
Engineering	3	3–4	8–25	18–50
G&A	1.5	2–3	3–5	5–10

Slide 2 — Benchmark Analysis

EBITDA Margin vs. VC Expectations (B2B SaaS/IoT)

Stage	VC Expectation	BleedIO (base case)	Status
Year 1 Angel Bridge + Seed (2026)	-100% to -300%	-84%	Pass
Year 2 post-Seed (2027)	-50% to +5%	-41%	Pass
Year 3 post-Series A (2028)	-20% to -80%	-79%	Pass
Year 4 scaling (2029)	-10% to +20%	-45%	Reinvestment mode (Samsara/double-trough pattern); upside case ~breakeven

What Changed from Prior Model (July 2026 rebuild)

- **2027 ARR**: Was \$7.1M–\$8.9M presented as base → now \$1.1M base / \$1.9M upside. The old figure counted one-time deploy fees as ARR and applied no channel revenue share; the rebuilt base matches the weighted pipeline (\$839K 12-month-forward) and the DD assumptions memo (\$1.0M–\$2.0M at Series A).
- **2027 EBITDA**: Was +\$3.6M–\$4.8M (+50%) → now (\$684K). A +50% EBITDA margin was internally inconsistent with raising a \$2.5M Seed.
- **ARR vs Revenue split**: ARR now counts recurring SaaS only (net of channel share); deployment fees are project revenue. Prior tables blended the two.
- **Scenario discipline**: The Lufthansa maritime ship ramp and the pitch-deck install-count model are labeled Upside and Optimistic respectively — no longer presented as base.

Expense Structure vs. SaaS Capital 2025 Benchmarks (Series A stage)

Category	Benchmark % of ARR	BleedIO 2028
R&D / Engineering	20–30%	~22% Pass
Sales & Marketing	22–30%	~31% Pass
G&A	14–19%	~4% Pass
Total OpEx	85–115% of ARR	~104% Pass
Gross Margin	65–80% (SaaS layer)	72–75% Pass

ARR Trajectory to Series A (base case, July 2026 rebuild)

- Current ARR: \$48K
- End 2026: \$172K ARR (\$249K total revenue incl. deploy fees)
- End 2027: \$1.1M ARR (base) / \$1.9M (upside) → \$16.5M Series A planned 2027
- End 2028: \$2.7M ARR (base) / \$5.2M (upside), post-Series A deployment
- Series A median raise threshold (2025): \$3M ARR. Closing the \$16.5M Series A in 2027 requires demonstrating the upside/optimistic trajectory (install ramp, Lufthansa ships, Snap-on OEM) during 2027.

Slide 3 — Extended Research: Why EBITDA Goes Loss → Profit → Loss → Profit

The "Double Trough" Framework

Documented by **David Skok (Matrix Partners)** and **Ron Gill (NetSuite CFO)**:

> *"The thing that surprises many investors is that even with perfect execution, an acceleration of growth will often be accompanied by a squeeze on profitability. It is the concept of needing to re-enter that trough after just having gotten the curve to turn positive that many managers and investors struggle with."* — Ron Gill, CFO NetSuite

Trough 1 (Seed): Capital deployed into initial GTM and product. Unit economics unproven — expected loss.
Recovery 1 (pre-Series A): Lean operations, unit economics proven, approach breakeven. Signals model works.
Trough 2 (post-Series A): Re-investment into growth at scale. More sales, eng, CS. Intentional — not a failure.
Recovery 2 (scale): Revenue base absorbs new cost structure. Gross margin leverage kicks in. EBITDA inflects positive.

VC Framework: Bessemer Efficiency Score

- **Efficiency Score = Net New ARR / Net Burn**
- 1.5× = "Best" · 0.5–1.5× = "Better" · <0.5× = "Good" (still fundable)
- BVP State of Cloud 2023: *"A 1% improvement in growth rate is worth 2× a 1% improvement in EBITDA margin."*
- a16z: underwrites losses as long as CAC payback <18 months and NRR >120%
- Sequoia (post-2022): distinguishes "good burn" (S&M, product → ARR) from "bad burn" (overhead)

Rule of 40 — BleedIO with -79% EBITDA in 2028 (base case)

- Brad Feld (Feb 2015): Growth Rate % + EBITDA % >= 40
- BleedIO 2028 base case: revenue growing ~218% YoY + (-79%) = **139 — passes with room to spare**
- Rule of 40 only applies above $50M ARR. Below that, pure growth rate is the relevant metric.
- McKinsey (200+ software cos, 2011–2021): only 16% of observations hit Rule of 40.

Samsara (IOT) — Closest Industrial IoT Analogue

Series A $25M (a16z, 2015) → IPO $11.6B (Dec 2021) → $1.64B ARR today

Year	Revenue	EBITDA	Margin	Context
FY2020	$120M	-$225M	-188%	Post-Series D/E
FY2022	$428M	-$344M	-80%	IPO year, peak burn
FY2024	$937M	-$308M	-33%	Continued investment
FY2026	$1.62B	-$29M	-2%	Near breakeven at scale

Burned $1B+ across 5 years post-Series A. Never EBITDA positive. IPO'd at $11.6B.

Other Comps

- **Twilio (TWLO):** Losses 2009→IPO 2016. Post-Segment acquisition: EBITDA -$657M (2021), -$926M (2022). Returned profitable 2025: +$353M. Full cycle: 16 years.
- **Shopify (SHOP):** Losses every year IPO (2015)→2019: -$19M, -$35M, -$40M, -$65M, -$125M. First profitable: 2020 (COVID). Double trough with fulfillment network investment.

BleedIO advantage: We reach Trough 2 only after proving unit economics in Year 2 (breakeven at $2.1M revenue). Samsara never achieved this before IPO. BleedIO's 1.1× burn multiple de-risks the second trough.

Slide 4 — Comparable Exits

Company	Acquirer	Price	Multiple	Year	Why Comparable
Silvus Technologies	Motorola Solutions	$4.4B	15–20×	Aug 2025	MANET mesh software, same distributed architecture, no central hub
Cradlepoint	Ericsson	$1.1B	8.5×	2020	Cloud-managed wireless edge, SaaS subscription, first-responder vertical
Nozomi Networks	Mitsubishi	~$1B	8–12×	2024	Industrial OT visibility, same refinery/manufacturing environments as Chevron/Snap-on
Splunk	Cisco	$28B	7.6×	2023	Machine-generated data pipeline — Cisco needs the upstream connectivity layer BleedIO provides
Sierra Wireless	Semtech	$1.2B	2×	2023	Cellular IoT — low 2× due to hardware mix; BleedIO's software-first model commands SaaS multiples
Edge Impulse	Qualcomm	Strategic	—	2024	Edge AI platform — chipset buyers need the network layer BleedIO provides

Exit note: Silvus (MANET mesh) → Motorola $4.4B at 15–20× revenue (Aug 2025) sets the ceiling. BleedIO base case: 8× ARR at Series B exit. Buyers: Motorola Solutions, Cisco, L3Harris, Raytheon, Mitsubishi.

Sources & Research Links

Financial Benchmarks

- 2025 B2B SaaS Startup Benchmarks — Lighter Capital
- 2025 Spending Benchmarks for Private B2B SaaS — SaaS Capital
- Rule of 40 for Private SaaS — SaaS Capital
- 2025 Burn Multiple Benchmarks — CFO Advisors
- CAC Payback Period Benchmarks — First Page Sage
- Series A ARR Requirements — Carta

Double Trough / EBITDA Pattern

- SaaS Cash Flow Model — David Skok, Matrix Partners
- Bessemer State of the Cloud 2023
- Rule of 40 — Brad Feld
- McKinsey Software Valuations 2021

Comparable Exits

- Motorola Solutions acquires Silvus $4.4B — Breaking Defense, Aug 2025
- Samsara IPO and ARR trajectory — SaaStr
- Augury $1B valuation — Augury press release

IoT/Industrial SaaS Metrics

- SaaS Gross Margin Benchmarks — CloudZero
- B2B SaaS NRR by Segment — Optifai
- Industrial IoT SaaS EBITDA Multiples — Clearly Acquired

Document Notes

- Prepared: March 27, 2026 | Author: Stan Podolski
- Revised: July 8, 2026 — base/upside/optimistic scenario split; $2.5M Seed added ($14M post-money cap, Fall 2026); $16.5M Series A planned 2027

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