ELLIS

Venture Capital Analysis

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Agenda

- Overview
- Industry
- Product
- Financials
- Exit
- Risks

Company Overview

What is Ellis?

Ellis is an all-in-one logistics solution for international students who are hoping to move to the US

Based in

New York, NY

Size

13 employees

Mission

Connect international students with everyday services, such as mobile plans and banking, to simplify their transition to school in the US

Funding

$5.6 Million

CASTLE ISLAND VENTURES

kindred ventures

Sampei Omichi
FOUNDER & CEO

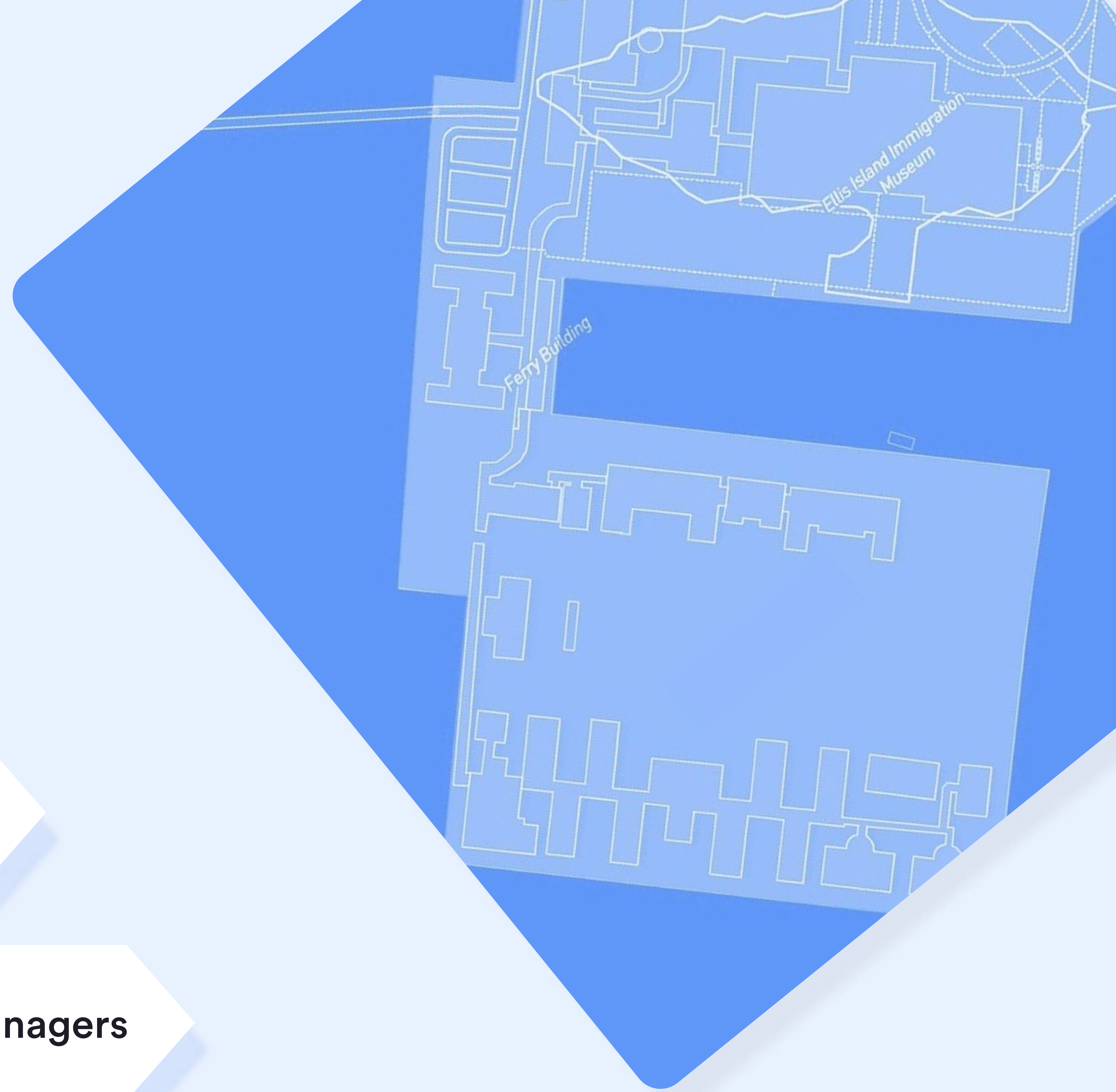
Founded Ellis after being unable to obtain an H1-B visa post-graduation from Babson

Kirill Chernik
FOUNDING ENGINEER

Prior to joining Ellis, he was a Software Engineer at Landis, where he helped build its product

Timeline

April 26th, 2021	Founded
April 11th, 2022	Ellis Money Launched
April 14th, 2022	$5.6M Seed (Kindred Ventures)
April 19th, 2022	Expanded via Regional Managers
Looking Forward	Ellis Mobile, Ellis Rent, Ellis Forms, and Ellis Tax



Total Market for Ellis

Annual Revenue in the US
(in billions of USD)

CAGR: 4.60%

Market Size: $373.61B

Key Drivers

Disposable Income
People with higher disposable income tend to engage more with digital banking platforms

Online Business
If more businesses conduct sales and operations online, the need for digital banking increases

Internet Reliance
Increased reliance on internet access leads to more people using mobile phone plans

Market Pains & Analysis

Problem

Education Barriers
Immigration processes are confusing and complex

Service Limits
Some services are gated behind U.S. restrictions

Messy Process
Setting up essential necessities in the U.S. is hard to navigate

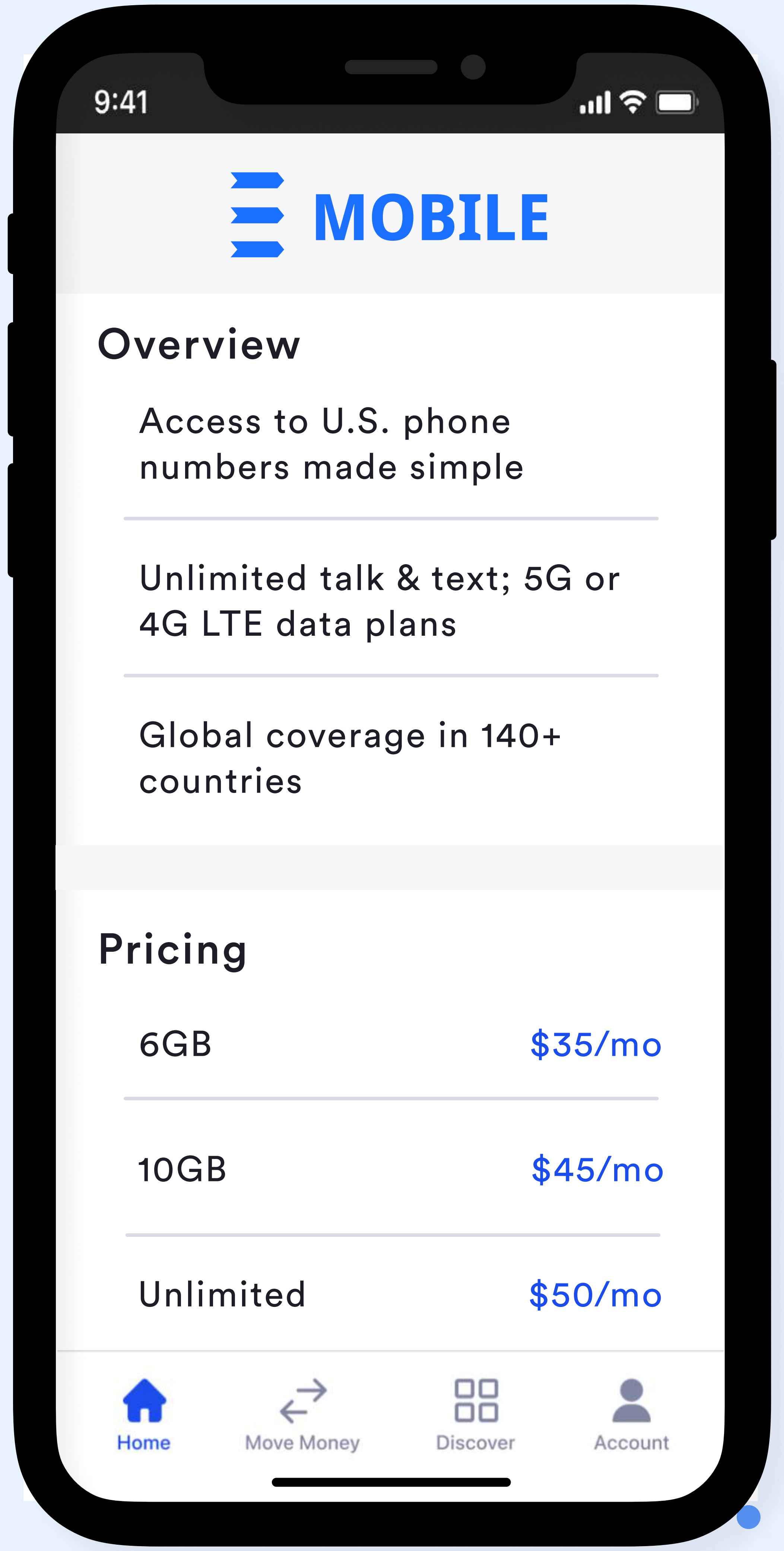
Solution

All-in-one
Consolidate documents and build an immigration profile

Beating Bureaucracy
Streamline financial and immigration documentation

Tailored Product
Easy-to-setup services built for international students

Product Summary



MONEY

Bank accounts for international students

Guaranteed through FDIC insured partner

DEBIT
VISA

Products In Development

RENT

Lease co-signing and apartment guarantor services

FORMS

Apply for Social Security, student visa, and OPT with one simple form

TAX

U.S. tax filing services catered toward foreign students

Competitors

Competitive Analysis

	Mobile Carrier		Digital Banking		
	mintmobile	ELLIS		nubank	chime
Product	Affordable Phone Plans	U.S. Mobile Plans	Mobile Banking	Neobanking	Neobanking
Pricing	$30/mo Unlimited	$50/mo Unlimited	No fees	2.75% - 9.99% Interest	No Fees
Target	Individuals of Low-Income	International Students		Millenials & Gen Z (Brazil)	Individuals of Low-Income
Series	Acquired	Seed Funding		IPO	Series G
Funding	Undisclosed	$5.6M		$5.01B	$2.3B

Valuation

$ in millions

Total Market

Year	2022	2023	2024	2025	2026	2027
Market Growth Rate		4.1%	4.2%	4.3%	4.5%	4.6%
Market Size ($)	373,607	388,894	405,275	422,883	441,870	462,409

Market Share

Wireless Telecommunication

Company	2021 Revenue ($)	Market Share
Verizon Wireless	67,733	20.5%
Dustche Telekom AG	58,369	17.6%
AT&T	55,312	16.7%
Others	149,586	45.2%

Digital Banking

Company	2021 Revenue ($)	Market Share
PayPal Holding Inc.	11,347	40.5%
Fiserv Inc.	4,453	15.9%
Square Inc.	3,111	11.1%
Others	9,089	32.5%

Operating Income

	Company	Operating Income ($)	Operating Margin (Pre-Tax)
Wireless Telecommunication	Verizon Wireless	16,469	24.3%
	Dustche Telekom AG	5,021	8.6%
	AT&T	7,744	14.0%
Digital Banking	PayPal Holding Inc.	2,607	23.0%
	Fiserv Inc.	356	8.0%
	Square Inc.	42	1.3%

Ellis's Expected Revenues, Operating Margins & Earnings

Year	Total Market ($)	Market Share	Revenue ($)	Operating Margin (Pre-Tax)	Operating Income (Pre-Tax $)
2023	388,894	0.001%	3.89	-10.0%	-0.39
2024	405,275	0.005%	20.26	-7.0%	-1.42
2025	422,883	0.010%	42.29	-3.3%	-1.37
2026	441,870	0.020%	88.37	-1.2%	-1.06
2027	462,409	0.030%	138.72	1.7%	2.36
2028	483,680	0.040%	193.47	3.8%	7.26
2029	505,929	0.045%	227.67	4.5%	12.29
2030	529,202	0.050%	264.60	5.4%	15.88
2031	553,545	0.055%	304.45	6.0%	20.10
2032	579,009	0.058%	332.93	6.6%	21.98

Valuation (cont.)

$ in millions

Discounted Cashflow (DCF)

Year	FCFF ($)	Terminal Value ($)	Cost of Capital	Cumulated Cost of Capital	Present Value ($)
2023	-1.99		16.35%	1.163	-1.71
2024	-3.58		16.35%	1.354	-2.64
2025	-5.89		13.37%	1.535	-3.84
2026	-5.99		13.37%	1.740	-3.45
2027	-3.01		13.37%	1.972	-1.52
2028	3.90		9.34%	2.156	1.81
2029	1.61		9.34%	2.358	0.68
2030	5.62		9.34%	2.578	2.18
2031	9.27		9.34%	2.819	3.29
2032	12.21	403.28	9.34%	3.082	134.81

$129.61M

ELLIS

is valued at

$129.61M

Exit Opportunities

Notable IPOs

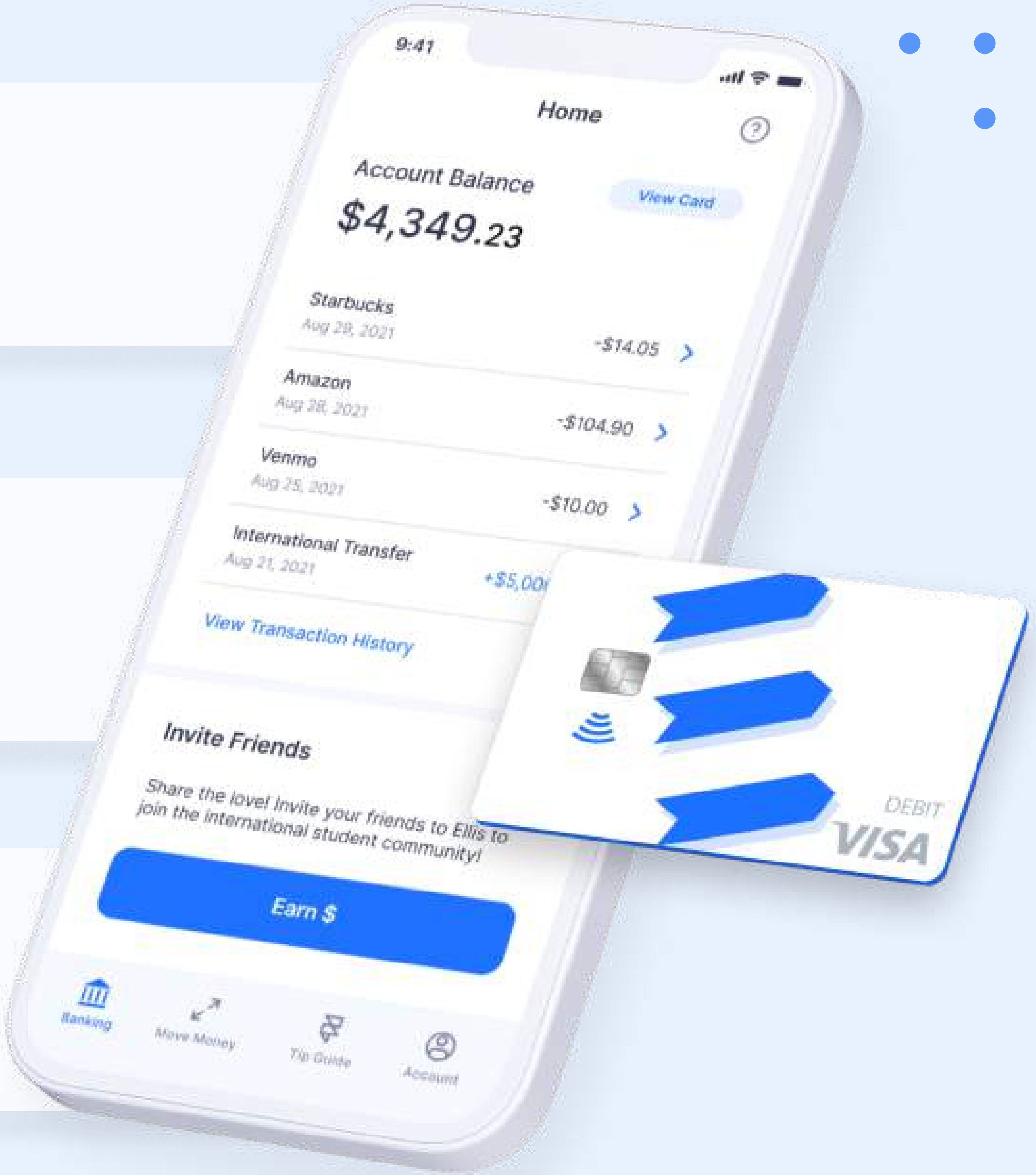
The digital banking and telecom industries have seen notable companies go public, including NuBank, China Telecom, and GoTo.

Ellis offers similar products to major players but can capitalize on servicing international students, a niche, overlooked market rich in capital

nubank

中国电信
CHINA TELECOM

goto



Risks & Mitigation

Ellis' business model is not entirely defensible

Mature companies could replicate their platform

Mobile banking and telecommunications are mature industries

Mitigant

Ellis emphasizes consolidation and convenience to its niche intended market provides differentiation

Currently, Ellis operates only domestically and works to help international students studying in the U.S.

This limits their addressable market and political tensions can also affect the business model

Mitigant

Expansion into the UK, Australia, Canada, and other regions with many international students means high growth potential and mitigation of political risks

Investment Thesis

Niche Market Focus

Catering to international students positions Ellis to capture a neglected market, leading to significant customer acquisition opportunities

All-in-One Platform

Ellis' all-in-one platform consolidates a wide range of services that solves pain points for the vast majority of international students

Ambitious Expansion

Ellis already plans to fulfill customer service gaps for numerous other needs: these include rent co-signing, automating government paperwork, and tax filing