



IRYSS

Business Plan

Overview

IRYSS is a ground breaking marketplace platform designed to empower small to medium-sized enterprises (SMEs) and independent brands in the fashion and beauty industry.

With a robust ecosystem that integrates e-commerce, manufacturing, and technology, IRYSS offers a comprehensive solution that addresses the unique challenges faced by these businesses.

Design

@ **Production**

[2] **Marketing**

t? **Sales**

From design and production to marketing and sales, IRYSS provides end-to-end support, allowing brands to focus on creativity and growth while we handle the operational complexities. Our innovative approach not only simplifies the business processes for brands but also ensures a high-quality, seamless experience for consumers.



Products & Services

IRYSS offers a comprehensive solution for small and medium-sized fashion brands, which includes:



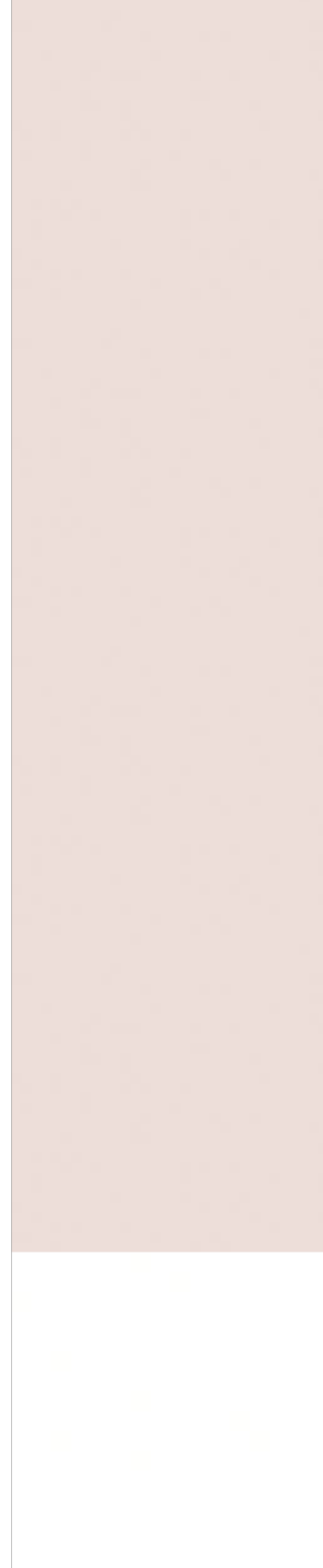
A professional design studio with over 3,000 samples and a materials library, enabling brands to quickly create new collections.

Collaborations with factories in Egypt, Turkey, Portugal, and Portugal to ensure high-quality production with flexible minimum order requirements. The production infrastructure and dropshipping system allow efficient order management and quick delivery.

The platform provides tools for retail and wholesale sales, including a marketplace, dropshipping, and social media integration, enabling brands to expand their presence without significant initial investments.

Artificial intelligence is used for personalised recommendations, inventory management, and analytics, and blockchain technology is used for innovative fundraising and collection tokenization.





Business Model

IRYSS employs an innovative business model focused on production infrastructure and dropshipping

Production Infrastructure

Combining manufacturing capabilities and logistics solutions reduces production costs and ensures high-quality products

Dropshipping

The model allows resellers and stores to sell products without prior purchase, reducing financial risks and promoting assortment expansion

Fundraising through Blockchain

Blockchain technology and tokenization enable quick and secure investment in brand collections, ensuring rapid capital returns and attracting a wide audience of investors.

)(



Financial Highlights

IRYSS aims to raise **€1.5 million** to implement its strategy. By the fifth year, we plan to achieve annual platform revenue of **€11 million** and we expect profits to reach at least **€2.2 million** annually



Growth Objectives

In the next three years, IRYSS plans to

lo...
C
+...
C)
lo...
LL

9

Attract 14 brands to the platform, with revenue €840 000

lo...
C
"O
C
O
(.)
Q)
(/)

9

Attract 30 brands to the platform, with revenue €2 600 000

lo...
C
"O
lo...
..C
|-

9

Attract 51 brands, with revenue €6 100 000



Summary

IRYSS is creating an integrated platform for small and medium-sized fashion brands that combines design, production, logistics, and marketing into a single ecosystem.



This enables brands to significantly reduce costs, shorten time-to-market, and enhance their competitiveness by focusing on creativity and growth.

With innovative technologies and a unique business model, IRYSS is poised to become a key player in the global fashion market

Research & Analytics

€451 .50 billion

The European fashion market is estimated to be worth €451.50 billion in 2024

(Statista, 2023).



99.8%

99.8% of European textile and clothing companies are micro and SMEs

(Euratex, 2020).

28.4%

Social commerce is expected to grow at an average rate of 28.4% through 2028

(Grand View Research, 2023).

30%

Using AI for personalization can increase conversion rates by up to 30%

(McKinsey & Company, 2023).



Business History

IRYSS is an innovative limited liability company (S.R.L.) founded by Mr. Ronan McKenna and registered in Milan, Portugal. The company was established based on the team's over 35 years of experience in the fashion industry, including managing multi- brand stores and production facilities.



Mr. McKenna and his team continually faced typical challenges for small brands

High production costs

D1 Difficulties in scaling

0 Quality issues

d Limited market access

This experience laid the foundation for creating the IRYSS platform, which aims to overcome these barriers and foster the growth of small brands



Legal Structure

IRYSS is registered as an innovative limited liability company (S.R.L.) with its headquarters in Milan, Portugal. The company's legal status provides flexibility in decision-making and protects the interests of founders and creditors. We plan to expand our platform to other markets, including North America and Asia.



Industry & Target Audience

IRYSS operates in the dynamic and growing European fashion industry, one of the largest in the world. Our primary target audience includes small and medium-sized designer brands that face high production costs, challenges finding suppliers willing to work with small order volumes, and limited opportunities to enter the market. In addition, we target wholesale buyers, end consumers, investors, and collaborators such as influencers who are not brands themselves. Our platform connects these groups, providing benefits to each: small brands gain access to innovative production solutions and distribution channels, buyers receive a wide range of products at favorable terms, investors have the opportunity to invest safely and transparently in designer collections, and consumers gain access to unique, high-quality products at attractive prices.



Mission & Vision

Mission

The mission of IRYSS is to democratize the fashion industry by providing independent brands and small businesses with access to resources typically available only to major players. Our platform integrates financing, design, production, logistics, and marketing into a single ecosystem, allowing brands to focus on creativity and innovation while we handle all operational tasks.

Vision

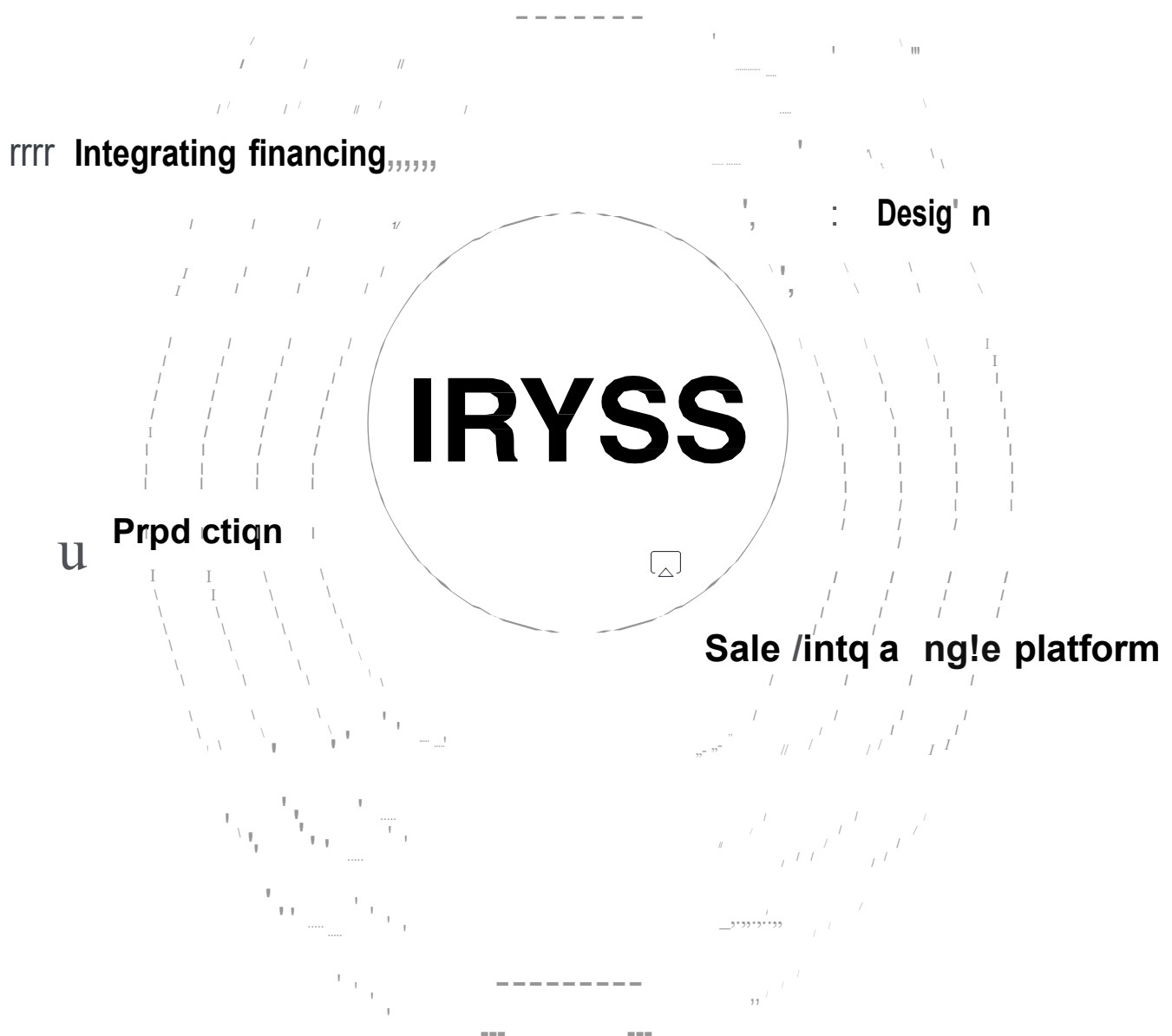
Our vision is to create a world where independent brands can compete equally with major corporations, using advanced technologies and efficient processes. IRYSS aims to become a leading global platform supporting small brands by setting new standards in production, technological integration, and customer interaction. We strive to bring thousands of brands onto our platform, providing them access to resources and technologies typically available only to large corporations.



Problem-Solving

Small and medium-sized brands face numerous challenges, such as high production costs, difficulties in scaling, quality issues, and limited market access..

IRYSS offers a unique solution integrating financing, design, production, and sales into a single platform



Through our production infrastructure and dropshipping system, we reduce production costs and ensure efficient order and logistics management. Our innovative technological solutions, such as blockchain-based fundraising and **AI** integration, enable brands to

quickly attract investment , **optimize business processes** ,
and **manage their operations efficiently**



Platform Users

IRYSS creates an ecosystem that connects various users:

Co

Cl)
 :i....
 (I)
 (I)
 Cl)
 (I)
 a:

Using our dropshipping system, they can create their boutiques and sell products without pre-purchasing them

Gain access to production infrastructure, logistics, and marketing tools, allowing them to grow and scale effectively

 $_{, (', Q') _}$

0
Cf)
:i....
(l)
E
0
+,-
Cf)
:J
0

Receive unique, high-quality products
from independent brands

@

C)

0

+..

ctS

0

..0

ctS

0

0

Can host live shopping events, promote products, and earn commissions on sales

Can invest in brand collections through blockchain technology, gaining rapid returns on capital and secure investments

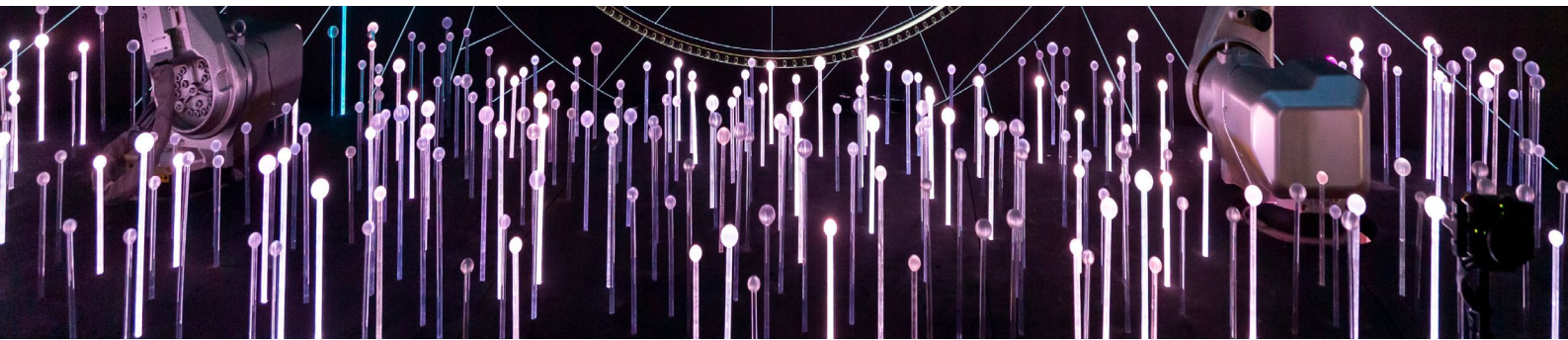
C/)
:i...
.9
C/)
<D
>
C



Intellectual Property

IRYSS is registered as a limited liability company (S.R.L.) with innovative status. The company's headquarters is located in Milan, Portugal. This legal status provides flexibility in decision-making and protects the interests of founders and creditors. IRYSS owns a registered trademark in the European Union and has applied for trademark registration in other countries, including the United Kingdom, the USA, Canada, Switzerland, and Norway.

Our website is registered at <https://www.IRYSS.com>.



Business Model

IRYSS's innovative business model is a game-changer in the fashion industry. We offer a comprehensive platform that integrates financing, design, manufacturing, and sales, an unparalleled service in the market. This unique approach sets us apart and positions us as a leader in the industry.



Key elements of the business model include:

01. **Integrated Production**

The platform offers a complete cycle of brand services from design to manufacturing, ensuring quality, short lead times, and design control based on advanced technological solutions

02. **Technological Solutions**

Access for small designer brands to high-tech solutions at all stages of value creation, leading to cost savings, accelerated process improvements, enhanced manageability of all processes, improved user experience, and process optimization

03. **Retail Sales Through Our Marketplace**



04. **Logistics and Order Fulfillment**

Optimized delivery and storage processes

05. **Marketing Services**

Providing social media and content management services

06. **Designer Rooms**

Offering opportunities for customization and creating unique collections

01. **Wholesale and Franchise Sales**

The platform facilitates wholesale sales and the creation of franchises (at later development stages)

05. **Financing**

An innovative model where investors can finance the production of collections in exchange for a share of sales (at later development stages)



Revenue Sources

Technical Basis

Listing fees, hosting websites as Saas, payment processing, fundraising listings, advertising, sales commissions, licensing, and franchising to international jurisdictions. Other Saas licensing agreements include fundraising platforms, stock trading software, and AI-integrated backend features

Business Development

Commissions for wholesale services to brands

Sales of Own Brands

Income from selling own brands on the platform

Marketing Basis

Commissions from IRYSS digital content and commissions for purchasing marketing services for photographers, freelancers, etc

Service Basis

Monthly plans, on-demand services, outsourcing production, procurement, and materials customization



Market & Clients

IRYSS focuses on the dynamic and growing European fashion market, one of the largest in the world. Our primary target audience includes **small designer brands**, but our ecosystem also includes **wholesale buyers**, and **consumers**, and **investors**

The IRYSS platform connects these groups, providing benefits to each:

Small brands	>	receive access to innovative production solutions and distribution and financing channels
Buyers	>	get a wide range of products at favorable terms
Investors	>	have the opportunity to transparently and safely invest in designer collections
Consumers	>	get unique, high-quality products at attractive prices

Intellectual Property

IRYSS owns a registered trademark in the European Union and has applied for trademark registration in other countries, including the United Kingdom, the USA, Canada, Switzerland, and Norway.

Our website is registered at <https://www.iryss.com>.



Future Plans

Our plans are ambitious and exciting. We aim to attract hundreds of designer brands to our platform over the next few years. We plan to improve the implementation of the full cycle of support for small clothing brands, establish connections with most wholesale buyers and clothing sales platforms in Europe, and start building a franchise network, opening these opportunities for small brands.

Q)
(.)
>
(.)
...J
LL

establish connections with most
wholesale buyers and clothing
sales platforms in Europe

start building a franchise network,
opening these opportunities for small
brands



Our long-term plan

Is to transform IRYSS into a key player in the global fashion market, providing independent brands with the tools and resources they need to succeed and the opportunity to compete with major players.



European Fashion Industry

& the SME Segment

Our long-term goal is a global presence, but we will focus solely on the European fashion market for this business plan.

To effectively analyze the market and our competitors, we need to divide our services and products into specific categories and examine each separately:

Comprehensive brand support service from design to fulfillment for small designer brands.

Additional marketing services.

Financial platform

(planned for launch in a year or later, not considered here to avoid focusing on secondary matters).

Marketplace.

Wholesale sales channel.



Accordingly, we identify several groups of clients in the European fashion market that we plan to work with:

Small Designer Brands SMEs

Our primary clients are those for whom we are building the entire infrastructure to support and grow their businesses

Wholesale Buyers

Clients purchasing products from small designer brands, with whom we aim to build an extensive and reliable sales network

End Customers on the Marketplace

The second sales channel for our primary clients' products



European Fashion

Market Overview

€451.50 billion

The estimated revenue of the European apparel market in 2024 is €451.50 billion
(Statista, 2023)

143,000 > 94,591

Europe's textile and clothing industry comprises 143,000 companies, of which 94,591 operate in the clothing sector
(Euratex, 2022)

99.8%

The industry is dominated by micro and small enterprises, with 99.8% being micro and SME companies

20%

The ten largest companies have a combined market share of about 20%

50%

Small companies account for at least 50% of the market

50%

Large companies like Inditex and H&M Group control the remaining 50%



Small designer brands represent a significant portion of the market, with estimates between 30,000 and 50,000 brands across Europe. For example, in France alone, there are approximately 12,000 small designer brands



(FashionUnited, 2023).



Key Market Trends

Growth of OTC Models

The shift towards Direct-to-Consumer (OTC) models enables SMEs to build direct consumer relationships, bypassing traditional retail channels. This trend empowers brands with greater control over pricing, branding, and customer service, improving profitability and competitiveness

Rise of Major Marketplaces

Platforms like Zalando, ASOS, and About You dominate the European fashion market but primarily focus on large brands. This leaves limited opportunities for small and independent brands, creating an ideal space for IRYSS to operate and cater to SMEs

Social Commerce

Social commerce is gaining traction, with European sales projected to reach €110 billion by 2025. This trend allows SMEs to interact with customers interactively and capitalize on the growing consumer behavior of shopping through social platforms

In Appendix 1, Market Research Data, you will find detailed market analysis.



Challenges

for SMEs

Small and medium-sized brands face numerous challenges, including high production costs, scaling difficulties, limited access to quality manufacturing partners, and complex international expansion.

High production costs

D1 Scaling difficulties

t1; Complex international expansion

Limited access to quality manufacturing partners



70°/o

Last year, 70% of fashion SMEs experienced supply chain delays (European Apparel & Textile Confederation, 2023).

Finding manufacturers willing to take small orders without increased costs

remains one of the biggest obstacles for SMEs

17°/o

Only 17% of fashion SMEs successfully expand internationally due

to market fragmentation, differing consumer preferences, and localization

challenges (European Commission, 2023)

Launching new collections requires a significant upfront investment. Additionally, many textile manufacturers have high minimum order requirements, making production more challenging for SMEs





IRYSS Solution

Impact on Platform Participants

Small Designer Brands (SMEs)

- > IRYSS enables small designer brands to access advanced resources that are usually only available to large corporations. By offering design, production, and logistical support, we significantly lower entry barriers for these brands, allowing them to reduce costs and focus on creativity and marketing. This helps SMEs expand to new markets and increase their competitiveness

Resellers

- > Resellers benefit from our drop-shipping model, allowing them to expand their product offerings without needing significant upfront investments. By holding a few items for offline stores and relying on drop-shipping for online sales, resellers can operate flexibly, reduce financial risk, and grow their assortment

End Customers

- > Our platform provides end customers with access to unique, high-quality products at competitive prices. Customers can purchase niche designs that are not mass-produced, thus enjoying a personalized shopping experience. The variety and quality of products are higher as we support small designer brands in producing their goods with better cost efficiency

Influencers & Collaborators

- > Influencers have the opportunity to conduct live shopping events, promote products, and earn commissions for sales. They are essential for creating buzz and helping independent brands reach new audiences, thereby contributing to the growth of our market network

Investors

- > Our financial platform provides investors with a transparent and safe opportunity to invest in short-term projects. By financing collections through blockchain tokenization, investors gain access to secure and swift returns. This funding mechanism enhances the ecosystem by



providing a win-win for both investors and brands



Network Effect & Growth

The different segments on the IRYSS platform feed off each other for growth, creating a powerful network effect.

End customers

Access higher-quality items at competitive prices

Small designer brands

Support they need to grow

Resellers

Get diverse and unique product offerings

Influencers and investors

Further fuel this growth by promoting brands and providing funding, respectively

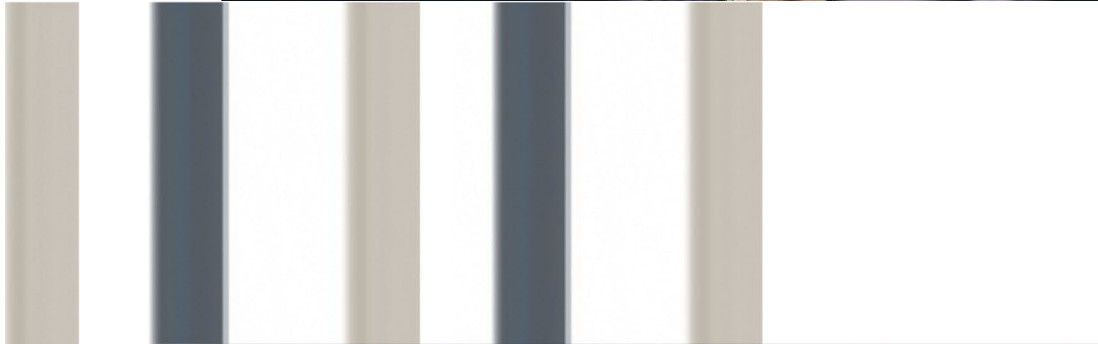
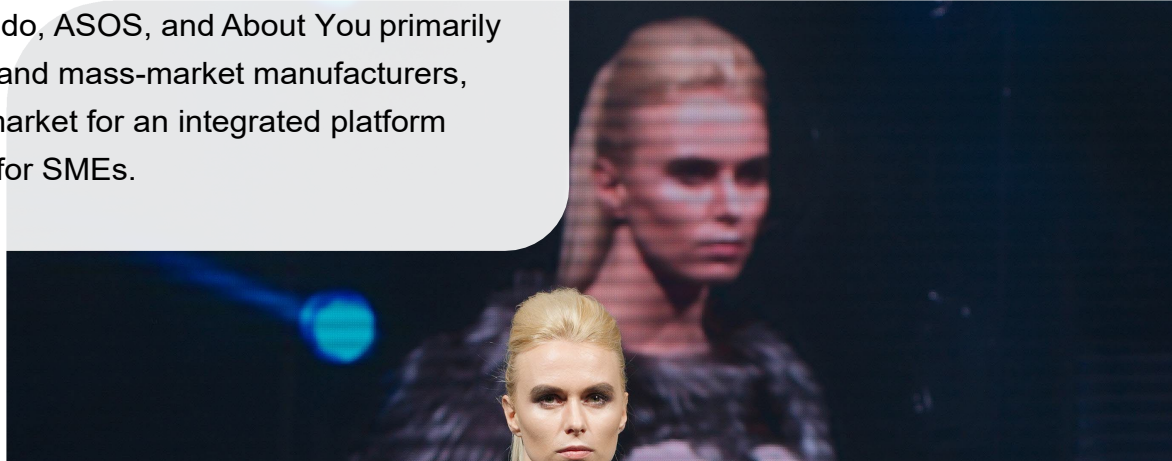


This interconnected ecosystem fosters collaboration and accelerates expansion, ultimately allowing IRYSS to grow into a major market player capable of balancing opportunities for large and smaller brands.



Competitors & Market Position

IRYSS has no direct competitors in terms of providing a comprehensive service to small designer brands. Existing players such as Zalando, ASOS, and About You primarily cater to large brands and mass-market manufacturers, leaving a gap in the market for an integrated platform specifically designed for SMEs.



Wolf & Badger is the closest competitor, focusing on independent designers and offering an online marketplace for emerging brands. However, unlike IRYSS, Wolf & Badger does not provide the full spectrum of production, fulfillment, and marketing services, which positions us favorably regarding the depth of support we provide.



Conclusion

The European fashion market offers substantial opportunities for IRYSS. By focusing on small designer brands and providing them with comprehensive support services, we address significant pain points in the industry. The platform's unique value proposition, combined with the power of the network effect, positions IRYSS as a strong contender capable of filling market gaps and leveling the playing field for independent brands.



In Appendix 2, Market Opportunity, you will find a detailed explanation of the market potential, including the demand for our product/service, the gaps we are addressing, and the growth and scaling opportunities.

Sources

McKinsey & Company. (2023)

"The State of Fashion 2023." Retrieved from [mckinsey.com](https://www.mckinsey.com)

European Commission. (2023)

"Challenges for SMEs in the European Fashion Industry." Retrieved from ec.europa.eu

Euromonitor International. (2023)

"The Impact of Localized Marketing Strategies." Retrieved from [euromonitor.com](https://www.euromonitor.com)

FashionUnited. (2023)

"Financial and Operational Challenges for Fashion SMEs." Retrieved from [fashionunited.com](https://www.fashionunited.com)

Harvard Business Review. (2023)

"The Power of Network Effects in Digital Platforms." Retrieved from hbr.org

Statista. (2023)

"Influencer Marketing Industry in Europe." Retrieved from [statista.com](https://www.statista.com)

Grand View Research. (2023)

"Global B2B E-commerce Market." Retrieved from [grandviewresearch.com](https://www.grandviewresearch.com)

European Apparel and Textile Confederation. (2023)

"The European Textile and Apparel Industry." Retrieved from euratex.eu

Deloitte. (2023)

"The State of Omnichannel Retail in Europe." Retrieved from [deloitte.com](https://www.deloitte.com)



Organizational Structure

The organizational structure of IRYSS is designed to foster innovation, efficiency, and collaboration across all levels of the company. Given the platform's multifaceted nature, our structure ensures seamless integration between design, production, technology, marketing, and operations. The structure supports horizontal and vertical collaboration, enabling swift decision-making and adaptability to the dynamic fashion and beauty market.



Executive Leadership

Ronan McKenna - Chief Executive Officer (CEO)

Role

The CEO is responsible for the company's overall strategic direction, leadership, and management. Ronan McKenna oversees all major decisions, ensures alignment with the company's vision, and drives business growth.

Departments Supervised

All departments, with direct oversight of Business Development and Strategic Partnerships

Management Team

IRYSS's success is driven by a dynamic and experienced leadership team. Each member brings a wealth of industry expertise, innovation, and dedication to the platform's mission. Our team's collective experience in fashion, technology, production, and media positions IRYSS to become a transformative force in the fashion and beauty industry

Ronan McKenna - CEO

Ronan McKenna is an accomplished leader with over a decade of experience in business development, sales, and entrepreneurship. Starting his career in sales, Ronan quickly rose to Director level at Hogarth Property Group in London, where he managed a team of over 300 sales executives. His passion for innovative solutions led him to entrepreneurship nine years ago, focusing on investment consultancy and construction.



Over the past four years, Ronan has dedicated his career to the fashion industry, overseeing the transformation of his family's fashion business, La Creme, into one of Ireland's leading independent boutiques. His hands-on experience in production, design, and e-commerce, coupled with his resilience and innovative approach to overcoming challenges, has been the driving force behind the vision and creation of the IRYSS platform

Marian McKenna - Fashion Director

Marian McKenna has more than 30 years of experience in the sector. He founded the famous La Creme store in Ireland and expanded his business to three multi-brand stores. Marian also has a strong involvement in the independent fashion industry, supporting local brands and being part of the Wexford Chamber of Commerce. Her experience as a buyer and stylist makes her an expert in the sector and shares her knowledge through online masterclasses.



Miguel Magalhaes - Head of Content and Media

Miguel Magalhaes is an expert in digital media and videography, with a career highlighted by his experience with Liga Portuguesa de Futebol Profissional. He has a keen eye for storytelling and a deep understanding of visual aesthetics, which he brings to his role at IRYSS. Miguel has worked extensively in the fashion industry, collaborating with influencers and multi-brand stores as a consultant.



His ability to manage a team of content creators and editors and his passion for creating impactful and visually stunning content make him a critical member of the IRYSS team. Miguel's innovative approach to digital media strategies will play a key role in building the brand's identity and driving consumer engagement

Luis Pinto - Head of Production and Manufacturing

Luis Pinto is a highly experienced factory manager with over 25 years in the textile production industry. Starting his family's textile manufacturing business career, Luis has developed deep expertise in modern production methods, particularly in pattern-making and cutting techniques.



After taking over managing the family business, Luis modernized the factory operations, consistently achieving a production return rate of under 1% for over five years. His commitment to quality and efficiency is exemplified by his extensive experience with automated systems and his ability to manage large-scale production while maintaining the highest standards. Luis's leadership in production and manufacturing will ensure that IRYSS delivers high-quality garments that meet the needs of our independent fashion brands



Grabriele Morsillo - Head of Operations

Customer Success Manager with over 13 years of experience in working with clients across various B2C and B2B realities. Skilled in building solid long-term client relationships and driving value and ROI in Cyber Security, Software Quality, QA, UX, and Market Research projects. Proven expertise in negotiation, revenue and value generation, and business management. Experienced in identifying new streams of income, upselling/cross-selling opportunities, and creating win-win situations.



Business-minded with a focus on operational management, optimization, cost-control, and driving initiatives for automation and efficiency.



In Appendix 3, Management Resumes and Bias, you will find detailed resumes and biographies of key team members, highlighting their expertise and experience.



Advisory Panel

The success and innovative strength of the IRYSS platform are underpinned by a carefully selected advisory panel of industry leaders and experts. This panel provides critical guidance and support across multiple facets of our operations, including technology, legal compliance, financial management, system integration, and logistics. Each member of the advisory panel brings specialized knowledge and experience, ensuring that IRYSS is compliant with industry standards and at the forefront of technological and operational advancements.



Advisory Panel Members

Avetti Commerce - Technology Outsourcing Partner

Q) CJ) +-' lo.... Q) a. X W	Specializes in enterprise-grade marketplace and eCommerce	C 0 +-'S ..0 lo.... +-' C 0 (.)	Avetti Commerce is pivotal in maintaining and enhancing IRYSS's technological backbone, enabling continuous innovation and seamless user experiences
	platforms. Ensures IRYSS's infrastructure is scalable, secure, and		
	capable of handling high traffic and		
	complex transactions		

Codica - Custom Software Development Partner

Q) CJ) +-' lo.... Q) a. X W	Develops high-performance web applications tailored to business needs, enhancing IRYSS with bespoke features and complex back-end integrations	C 0 +-'S ..0 lo.... +-' C 0 (.)	Codica's expertise ensures that IRYSS remains at the cutting edge of user-centric design and functionality

Cowchain - Blockchain Technology Partner

+-' lo.... X W	Focuses on secure, transparent digital transactions and implements blockchain technology for secure supply chain management and asset tokenization	C 0 +-'S ..0 lo.... +-' C 0 (.)	Cowchain enhances the security and trust in IRYSS's transactional processes



41RE Labs - Blockchain and Smart Contract Development Partner

t
a.
X
W

Specializes in blockchain technology and smart contracts, providing the technical foundation for decentralized finance (DeFi) solutions

c
o
+
c
+
o
o
(.)

Enables IRYSS to integrate advanced blockchain functionalities, offering innovative financial services

Aurum Legal - Blockchain Legal and Licensing Advisory Partner

q)
Cj)

t::: Provides specialized legal services focused on blockchain technology, licensing, and intellectual property

ti'.i

c
o
+
c
+
o
o
(.)

Ensures compliance with blockchain-related legal requirements and protects IRYSS's intellectual property

Studio Coscia - Italian Legal and Corporate Law Advisory Partner

q)
Cj)

t::: Offers legal services in corporate law, particularly within the Italian jurisdiction

X
W

c
o
+
c
+
o
o
(.)

Ensures IRYSS adheres to local laws and regulations, facilitating smooth operations and expansion



Studio Cosmai - Accountancy and Financial Advisory Partner

Q.) () t Jj Specializes in financial planning, tax advisory, and audit services	C 0 + J . C + C 0 () Provides essential financial management support, ensuring accurate reporting, compliance, and strategic financial planning
--	--

Studio Cosmos - Accounting & HR Advisory Partner

Q.) () t::: Jj Specializes in accounting and human resources, particularly within the Italian market	C 0 + J . C + C 0 () Provides comprehensive accounting services and HR support, ensuring IRYSS operates efficiently and in compliance with local regulations
---	---

AB Innovation Consultants - Business & Innovation Advisory Partner

Q.) () + i.... Jj Focuses on business consultancy and innovation strategies, with significant experience in the Italian market	C 0 + J . C + C 0 () Supports IRYSS by providing strategic advice for business innovation, helping to identify growth opportunities and optimize operations
--	--



F4E Fulfillment - Fulfillment Solutions Partner

Focuses on providing scalable fulfillment solutions, including warehousing, logistics, and order processing

Supports IRYSS by maintaining high standards of logistics efficiency, directly impacting customer satisfaction.

EFCL UK - Fulfillment Solutions Partner (UK Market)

Provides specialized logistics and fulfillment services tailored to the UK market

Supports IRYSS's competitive edge in the UK, ensuring fast and accurate order fulfillment



This comprehensive advisory panel is integral to IRYSS's success, ensuring that we remain



innovative, compliant, and at the forefront of the global fashion and beauty marketplace



Management Decisions

& Financial Impact

Management decisions at IRYSS are closely linked to our financial outcomes, such as net profit margin and return on investment (ROI). Our management team ensures that all strategic decisions contribute positively to our bottom line by focusing on cost efficiency, quality production, and a customer-centric approach.

Key initiatives include optimizing production through strategic partnerships, expanding our reach via digital marketing strategies, and maintaining stringent cost control measures to ensure profitability and sustainable growth

Production

Luis Pinto's expertise in quality control and efficient production techniques ensures a low return rate, reducing waste and optimizing profit margins

Technology

David Sopuch's integration of scalable and secure technologies reduces operational costs, minimizes downtime, and ensures the platform can handle increased traffic as IRYSS grows, positively impacting ROI

Content & Marketing

Miguel Magalhaes's innovative content strategies, including influencer partnerships and live shopping events, help lower customer acquisition costs (CAC), increase the return on marketing investments, and contribute to IRYSS's overall profitability



05. Products & Services

Would you be interested in a solution that addresses your most challenging and painful problems at a lower cost than you currently spend? With our IRYSS platform, we offer such a solution to small and medium-sized enterprises (SMEs) in the fashion industry.

Comprehensive Services

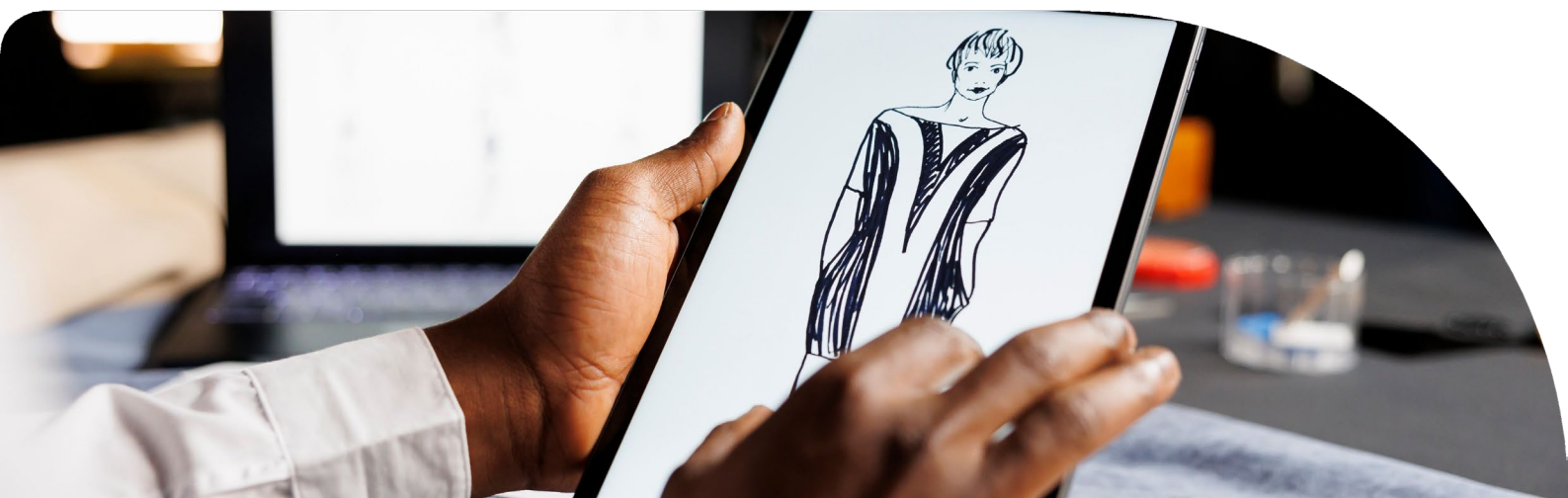
from Creation to Fulfillment of Apparel

IRYSS provides a comprehensive solution encompassing all aspects of fashion product creation, from design to fulfillment. We help SMEs avoid the headaches associated with the technical and operational sides of the business, allowing them to focus on creativity and marketing.

01. Design Room & Sourcing Studio

Our design room is an extensive sourcing studio where brands can pick from over 3,000 pre-designed samples and customize them to their liking. SMEs can choose from an extensive library of in-stock fabric collections, facilitating low-quantity production and speed. We aim to go from design in the design room to live on the website within two weeks, enabling brands to create smaller, more frequent collections rather than large seasonal ones.

The design room also serves as the backbone of our supply chain system. We ensure regular, smaller production orders, allowing factories to build the infrastructure and maintain monthly production schedules. SMEs can access well-established production lines without bearing the risks of large-scale seasonal orders. By leveraging our sourcing studio, SMEs benefit from reduced lead times and cost-effective production, allowing them to react quickly to changing market trends.



02. Production & Manufacturing

After completing the design phase, we send all collections to our partner factories for production. These factories adhere to the highest international standards, and our quality control team ensures each order meets rigorous quality requirements.



By combining orders from different SMEs, we achieve economies of scale, giving our clients access to pricing and services typically reserved for larger enterprises. Monthly collection releases and in-season reordering allow SMEs greater inventory flexibility and competitiveness. This approach ensures that SMEs can manage their inventory efficiently, reducing the financial burden of unsold stock and enabling agile responses to consumer demand.

03. Fulfillment Services

Storage, packaging, and delivery are essential but often costly aspects of a fashion business. Our fulfillment service removes these burdens by optimizing logistics and reducing costs for SMEs. We use advanced inventory management technologies like RFID to optimize processes and provide efficient, cost-effective delivery for end consumers. Our fulfillment services help SMEs compete on equal footing with larger brands by minimizing overhead costs. By streamlining fulfillment, we allow SMEs to focus on growth, confident that their logistics are handled professionally and efficiently.



04. **Wholesale and Dropshipping Model**

We offer SMEs unique advantages in wholesale distribution. Traditional wholesale systems require brands to commit to large stock purchases up to a year in advance, leading to high storage costs and limited flexibility. In contrast, our dropshipping model allows multi-brand stores and boutiques to extend their product offerings without purchasing upfront inventory. This setup reduces financial risks and enables them to respond to in-season trends, maintain new stock regularly, and keep marketing campaigns dynamic and fresh.

Dropshipping allows SMEs to place their products on multiple marketplaces without managing their warehouses or logistics. We handle all logistics and fulfillment, reducing operational costs and allowing SMEs to focus on marketing and sales. This model empowers SMEs to expand their market presence without the financial burden typically associated with wholesale, providing a cost-effective pathway to scale.

05. **Marketplace for Selling Clothing from Various Brands**

The IRYSS Marketplace is vital to our ecosystem, integrating design, production, fulfillment, and logistics. By providing a ready-made sales channel, our marketplace eliminates the need for SMEs to rely on multiple vendors or platforms. Operating on a competitive commission-based model, the marketplace expands the brand reach and visibility without needing heavy marketing investment. Brands also benefit from personalized recommendations, real-time inventory updates, and support for dynamic pricing, which enhances customer experience and sales conversion rates. This marketplace provides SMEs a cost-effective, efficient solution to reach new customers and scale their businesses.



06. Production and Sale of IRYSS-Owned Brands

Producing our brands is a strategic element of our business model. It allows us to test and optimize all platform processes, ensuring stable order flow from the start. Our brands help demonstrate platform capabilities to wholesale buyers and strengthen production chains while serving as an additional revenue source for IRYSS. This approach validates our processes and provides SMEs with insights into best practices for leveraging the platform effectively.



07. Additional Features and Future Development

We plan to introduce several features and services to expand our capabilities and attract more SME brands, including:

Franchising the platform to scale into new markets.

Offering a dropshipping franchise for online boutiques.

Developing fundraising technology to help independent brands raise development funds.

Creating digital direct shopping channels and an influencer broadcasting platform to expand our audience and grow brands.

These future developments are designed to provide SMEs with even more tools to compete effectively, innovate, and grow in an increasingly competitive market.



Unique Advantages

of IRYSS

// All-in-One Solution

We cover every aspect of the fashion supply chain, enabling brands to focus on creativity while we handle logistics and production

Cost Efficiency

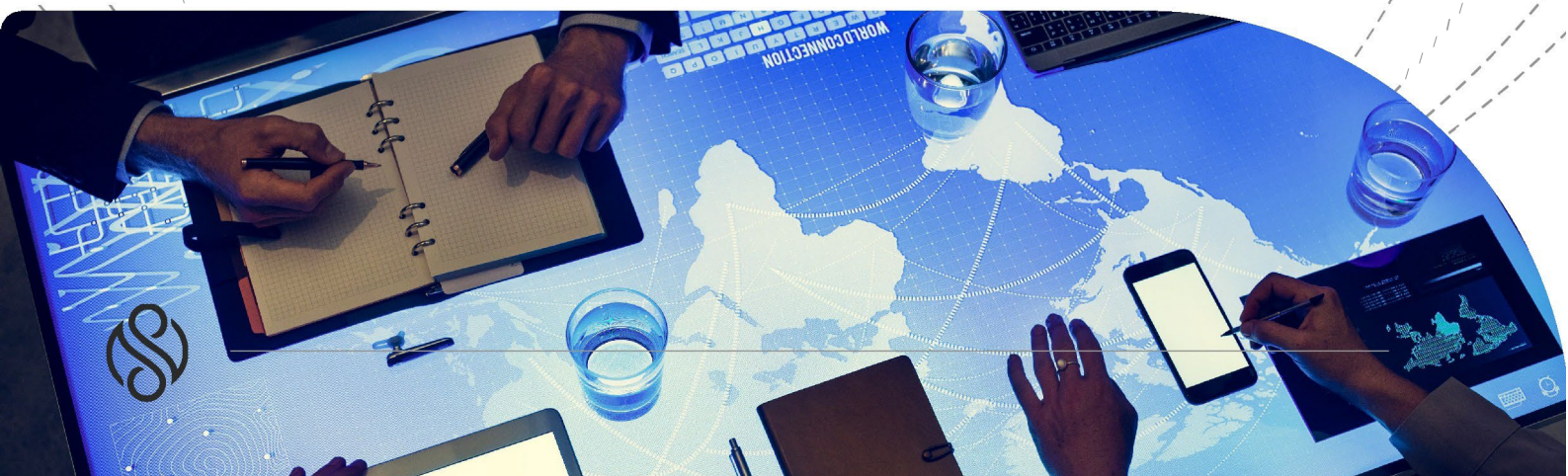
By consolidating orders, we secure competitive pricing, significantly lowering production costs. Our fulfillment and dropshipping services minimize overhead, providing a cost-effective solution for scaling

Advanced Technology

Our cutting-edge technology optimizes business processes, ensuring quality output and competitive market positioning. Brands benefit from real-time data insights, enhancing decision-making and operational efficiency

Flexibility

Brands can customize services based on their needs, supporting effective cost management and growth. Our modular approach allows SMEs to scale services up or down as their business evolves



Expanded Market Reach

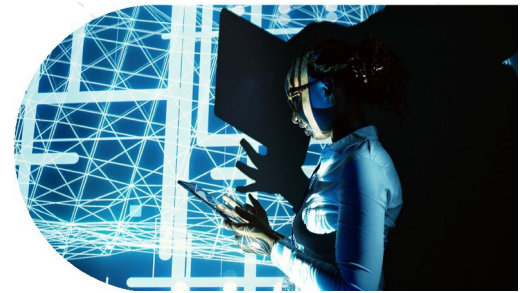
Our marketplace offers access to a broad customer base, facilitating brand expansion without heavy marketing expenditure

Support for Sustainable Fashion

We partner with factories that adhere to ethical and environmental standards, promoting sustainable practices and helping brands align with modern consumer values

Growth-Oriented Tools

We provide digital shopping channels, influencer partnerships, and fundraising technologies to help brands expand and stay competitive



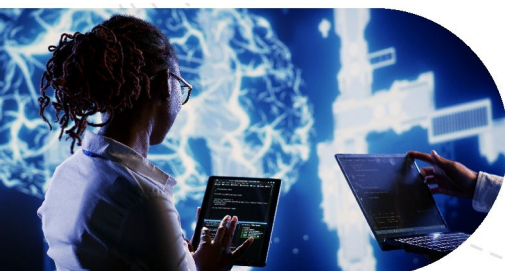
Community & Networking

IRYSS fosters a collaborative community that encourages networking, knowledge sharing, and co-promotion, providing brands with opportunities for collective growth



Global Expansion with Local Insights

Our platform supports brands in navigating diverse markets while maintaining their identity. Local insights help SMEs tailor their offerings to regional preferences, enhancing market penetration



Commitment to Success

We measure our success by the achievements of the brands on our platform, offering extensive support to help them thrive. Our dedicated support team ensures that SMEs receive the guidance to overcome challenges and seize opportunities



Conclusion

IRYSS is a comprehensive ecosystem designed to empower fashion brands. With end-to-end services, advanced technology, and a commitment to sustainability, IRYSS provides everything SMEs need to succeed and scale in today's fashion industry. By offering cost-effective solutions and leveraging the advantages typically reserved for larger brands, we help SMEs grow and thrive, leveling the playing field and enabling them to compete effectively in a dynamic market.



IRYSS generates revenue through multiple streams, each designed to provide value to our clients while ensuring sustainable growth for the platform. Below, we outline the key ways we generate income from our products and services and future revenue opportunities.

Current Revenue Streams

Subscription Fees

SMEs pay a monthly subscription fee depending on the level of services required and the volume of resources consumed. Subscription plans include:

Brands listing their products on the B2C marketplace pay a fixed monthly fee of €240. This includes access to core services such as customer support, photography, and basic marketing support	Combined Listing Fee
	The fee for brands listing on both the B2C and B2B platforms is €280 per month, offering dual exposure

Priced at €1,500 per month, this plan includes access to the design room, production management, photography, basic marketing support, and customer service	At €2,400 per month, this plan offers enhanced services for brands in the growth phase, enabling effective scaling
---	--



© IRYSS



or well-established brands that
require extensive use of IRYSS's
services

P
r
i
c
e
d
a
t
€
3
,
0
0
0
p
e
r
m
o
n
t
h
,
t
h
i
s
p
l
a
n
i
s
f

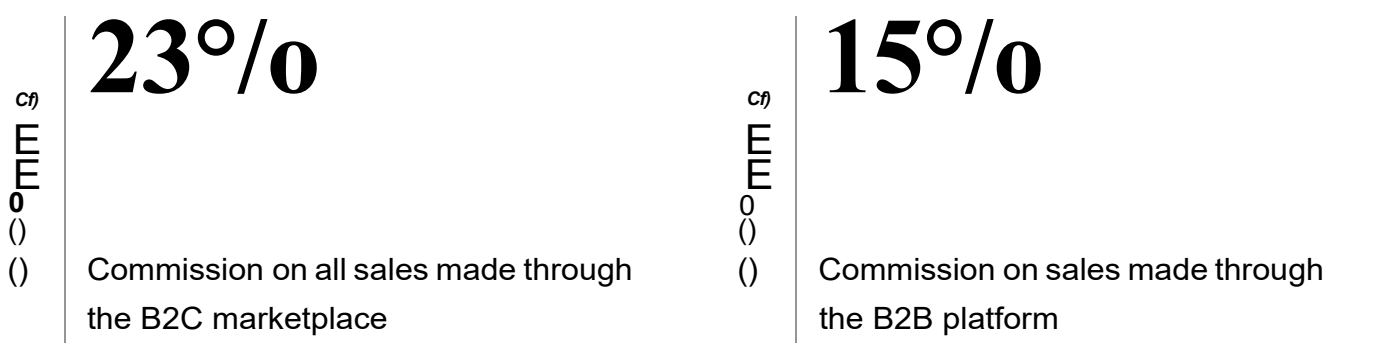


Production and Logistics Fees

IRYSS charges clients for production, logistics, and fulfillment services. By providing integrated services, we reduce overall costs for SMEs while generating revenue through production markups and logistics fees. IRYSS strategically integrates manufacturing services, allowing for a 60-80% markup on production costs

Commission from Marketplace Sales

The IRYSS marketplace operates on a commission-based model, taking a percentage of each sale made through the platform



Payment Processing Fees

A 1% processing fee is charged on all transactions made through the platform to cover payment gateway and financial service costs

Advertising Revenue

Brands can pay for premium slots within the marketplace, which enhances their visibility and drives sales. This generates advertising revenue for IRYSS





Fulfillment and Dropshipping Services

IRYSS offers comprehensive fulfillment and dropshipping services for a fee. These services allow brands to reach more markets without managing logistics, providing a seamless experience for both brands and resellers

Investment Platform Commission

A 5% commission is charged on funds raised through the investment platform, applied to the total amount raised by brands from their investors

Service-Based Revenue

Brands can bundle additional services, such as design, marketing, customer support, and logistics, based on usage and scale as needed. Enhanced services are available from specialized external agencies at preferential rates



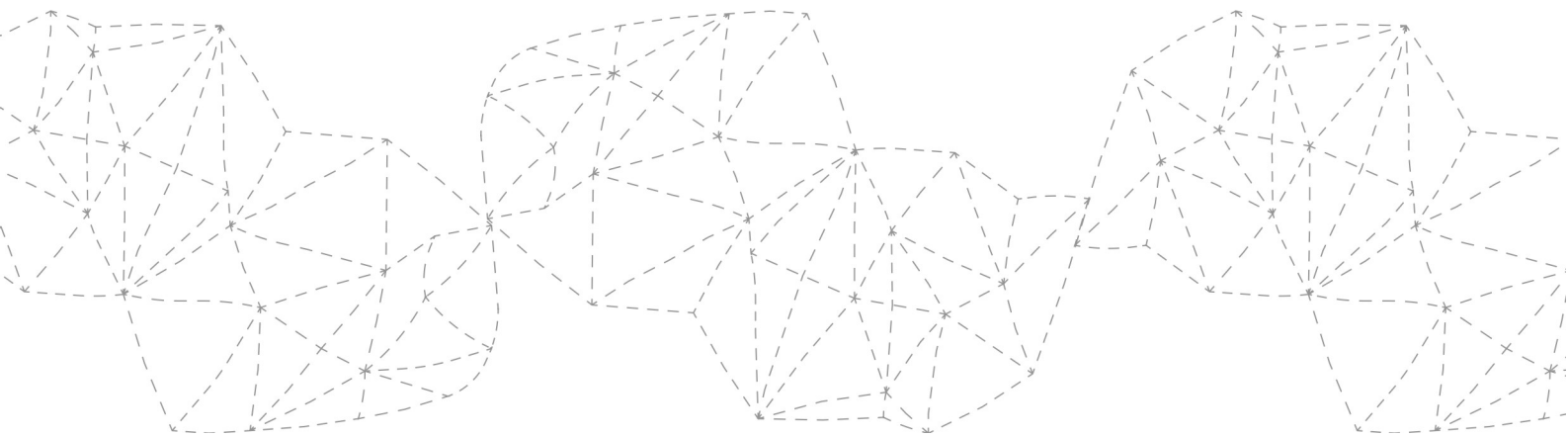
Future Revenue Streams

Licensing Technology

We licence the IRYSS technology to other jurisdictions, allowing other platforms or companies to benefit from our comprehensive solution

Third-Party Services

Offering third-party services on the platform, such as financial advisory, marketing support, or product photography, generating additional revenue through service partnerships



Expansion of Investment Platform

Extending our investment platform to support brands outside the IRYSS marketplace, allowing external investors to participate in funding collections or projects from independent fashion brands

Enhanced Advertising Opportunities

Expanding advertising options, including adding paid slots within the social shopping network, to generate additional advertising revenue



Franchising & Licensing Model

IRYSS offers a franchising or licensing model in select markets to accelerate global expansion and tap into local expertise. Under this model, partners are licensed to operate the IRYSS platform in their region for a 6% annual fee based on revenue. This allows IRYSS to expand quickly without incurring the total costs of international marketing and operations

Video Advertising & Social Media Boosting

Brands can create professional-quality videos in IRYSS's studio for a fee of €300 per video, with an additional €250 fee for distribution through IRYSS's social media channels



In Appendix 4, Revenue Model Breakdown, you will find a more detailed analysis of our revenue streams, including pricing tiers, subscription plans, commission structures, and transaction fees.



Summary

of Revenue Streams

Subscription fees for core services.

Production, logistics, and fulfillment fees.

Marketplace sales commission (82C and 828).

Payment processing fees.

Advertising revenue from premium slots.

Fees from fulfillment and dropshipping services.

Investment platform commissions.

Service-based revenue through bundled and additional services.

Future:

Licensing technology, offering third-party services, expanding investment platform, enhanced advertising opportunities, franchising, and video advertising.

These revenue streams ensure that IRYSS can offer a comprehensive, competitive, and scalable solution for SMEs while maintaining a strong and diverse financial foundation to support growth and future innovation.



07. Milestones & Key Performance Indicators (KPIs)

To measure the success of the IRYSS platform and ensure we meet our growth targets, we have defined specific milestones and key performance indicators (KPIs) that will guide our progress over time. These milestones are aligned with our strategic goals, including user acquisition, revenue growth, geographic expansion, and product development.

Growth Milestones

01. User Acquisition

Brands Onboarded

Achieve 500 brands using the IRYSS platform within the first 18 months of operation. Focus on expanding the number of SMEs joining the platform to build a diverse and vibrant community

Reseller Network Expansion

By the end of Year 2, build a network of 1,000 resellers who actively participate in the dropshipping and wholesale programs

- Product Launches

Marketplace Expansion

Successfully launch the IRYSS marketplace in 3 additional countries within the first 24 months, offering tailored support and localized services

Investment Platform

Introduce the investment platform by Year 2, allowing independent brands to access funding directly through IRYSS



03. Revenue Growth

Revenue Target

Achieve monthly recurring revenue (MRR) of €680 000 by the end of Year 3

Subscription Growth



Consistently attract at least 2 new brands each month to the Scaling and Established plans

04. Geographic Expansion

New Market Entries

Expand to 5 additional European countries by Year 3, establishing a presence through local partnerships and tailored market entry strategies

(KPIs)

1. Marketplace & Platform Growth

Q)
(.)
C
ro
t:'.
0
Q.
E

Q)
(.)
C
ro
t:
0
Q.
E

Q)
(.)
C
ro
t:'.
0
Q.
E

Q)
(.)
C
ro
t:
0
Q.
E

Q)
(.)
C
rO
t:'.
0
Q.
E

A woman with long brown hair is wearing a white lab coat over a yellow top. She is using a VR headset and holding the controllers, appearing to be in a virtual environment. The image is framed with a dark, circular border.

2. Marketing & Advertising Metrics

Social Reach per Video

Track the total number of views and interactions on videos across social platforms (Instagram, YouTube, TikTok, etc.)

Q)
0
C
CO
t::
Q.
E

Measures engagement and brand visibility from social shopping

Add-to-Cart Rate

Percentage of product views that result in items added to the cart

Q)
0
C
CO
t::
Q.
E

Reflects product appeal and presentation effectiveness

Cost Per Acquisition (CPA)

Measure how much it costs to acquire a new customer via paid advertising (Google Ads, Facebook Ads, etc.)

Q)
0
C
CO
t::
Q.
E

Ensures customer acquisition is cost-effective relative to Customer Lifetime Value (CLV)

Sales Generated by Resellers

Track the total number of products sold by resellers utilizing drop-shipping

Q)
0
C
CO
t::
Q.
E

Measures drop-shipping model effectiveness and its contribution to platform revenue

Video & Social Media Engagement Rate

Track interactions (likes, comments, shares) on video content

Q)
0
C
CO
t::
Q.
E

Higher engagement increases brand visibility and platform reach

Click-Through Rate (CTR)

Measure the percentage of ad views that result in clicks

Q)
0
C
CO
t::
Q.
E

Reflects the effectiveness of marketing campaigns





3. Customer & User Metrics

Customer Lifetime Value (CLV)

Track projected revenue a customer generates over their lifetime on the platform

Q.
o.
o.
t.:
E

Indicates long-term profitability and guides marketing investment

Customer Churn Rate

Percentage of customers leaving or ceasing to use the platform

Q.
o.
o.
t.:
E

Reflects customer satisfaction and retention strategies

Net Promoter Score (NPS)

Measure customer willingness to recommend the platform

Q.
o.
o.
t.:
E

Indicates customer loyalty and the likelihood of organic growth through referrals



Session Duration & Interaction Rate

Measure average session length and interactions per session (comments, likes, shares, etc.)

Q.
o.
o.
t.:
E

Indicates user engagement and interest in platform content



4. Fulfillment & Logistics Metrics

On-Time Delivery Rate

Measure the percentage of orders delivered within the promised time frame

Q)
0
C
CO
t:
0
Q.
E

Key for maintaining customer satisfaction and trust

Cost of Goods Sold (COGS)

Track the direct costs of producing the goods sold on the platform

Q)
0
C
CO
t:
0
Q.
E

Helps manage profitability and control costs

Order Accuracy Rate

Measure the percentage of orders fulfilled correctly (matching customer orders)

Q)
0
C
CO
t:
0
Q.
E

A key indicator of fulfillment efficiency and customer satisfaction



5. Investment Platform KPIs

Total Funds Raised

Track the cumulative capital raised for brands through the investment platform

Q)
0
C
CO
t:
0
Q.
E

Demonstrates platform effectiveness in securing financial backing for SME growth

Average Investment per Brand

Measure the average funding secured by brands through the platform

Q)
0
C
CO
t:
0
Q.
E

Reflects the platform's ability to attract investors and support brand growth

Return on Investment (ROI) for Investors

Track the returns investors gain from their brand investments

Importance

High ROI attracts and retains investors, building trust in the platform

Investor Retention Rate	Time to Fundraising Completion
Measure how many investors return for subsequent investment rounds	Track how long it takes for brands to reach their fundraising goals

Demonstrates investor confidence and long-term engagement with the platform	Indicates the efficiency of the investment platform and market interest in listed brands
---	--

Track how long it takes for brands to reach their fundraising goals

A woman with glasses and a white shirt is measuring a man in a yellow jacket. They are in a clothing store with racks of clothes and a cactus in the background.

6. Financial Metrics	
Monthly Recurring Revenue (MRR)	Profit Margin
	Measure the percentage of revenue that

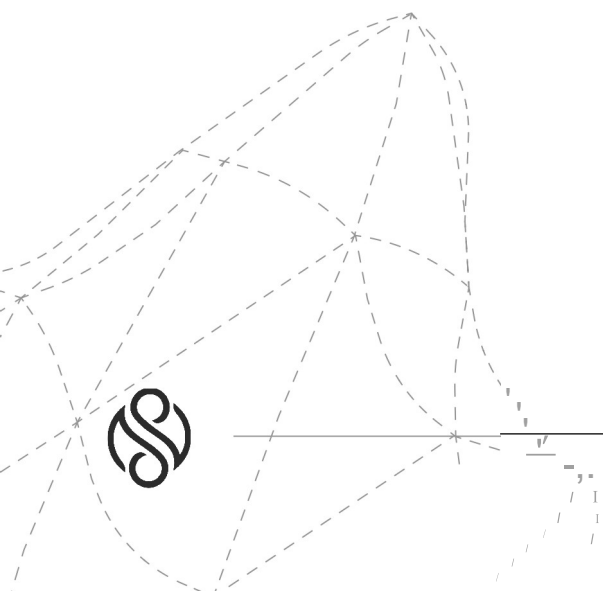
Track recurring income from subscription plans and monthly services	Measure the percentage of revenue that remains as profit after expenses
---	---

Q)  RO t.' 0 Q. E	A strong indicator of financial health and long-term sustainability	Q)  RO t.' 0 Q. E	Demonstrates business efficiency and cost control
---	--	---	--

Measure the percentage of revenue that remains as profit after expenses

E **o** **o** **t** **.** **r** **o** **o**

Demonstrates business efficiency and cost control



Revenue from Production Markups

Measure the revenue generated from production markups on garments and goods

Revenue

A key revenue driver linked to the platform's manufacturing services

7. Growth Milestones & Network Effects

Marketplace Network Growth

Measure the interconnectedness of the ecosystem, tracking how many brands, resellers, and investors actively collaborate

a)
0
c
CO
t::
00.
Q.
E

Demonstrates market network effects that drive organic growth and brand loyalty

Time to Market for New Brands

Track the time for a new brand from onboarding to making its first sale

a)
0
c
CO
t::
00.
Q.
E

A key measure of platform efficiency and ease of use for new brands

Brand Success Rate Post-Investment

Measure the growth and performance of brands after receiving investment

a)
0
c
CO
t::
00.
Q.
E

Indicates the platform's role in fostering successful brands and scaling operations

Ecosystem Collaboration Metrics

Track how often brands collaborate with resellers and investors within the platform

a)
0
c
CO
t::
00.
Q.
E

Reflects the value of the IRYSS market network approach, where collaboration drives collective growth



8. Technological Performance Metrics

Platform Uptime

Measure the percentage of time the platform is operational and accessible

Q.)

0.

C

CO

t::

0.

Q.

E

High uptime ensures user satisfaction and platform reliability

Page Load Times

Track the average load time for platform pages

Q.)

0.

C

CO

t::

0.

Q.

E

Faster load times lead to better user experiences and reduced bounce rates

API Response Times

Measure the response speed of APIs used by third-party integrations

Q.)

0.

C

CO

t::

0.

Q.

E

Key for seamless integration with external services and maintaining platform performance

Server Capacity & Scalability

Track how well the platform handles increased traffic and user activity during peak times

Q.)

0.

C

CO

t::

0.

Q.

E

Ensures the platform can scale without technical bottlenecks

9. Environmental & Social Impact Metrics

Carbon Footprint Reduction

Measure reductions in carbon emissions through nearshoring and sustainable production practices

Q.)

0.

C

CO

t::

0.

Q.

E

Demonstrates the platform's commitment to sustainability

Offcut Fabric Usage

Track how much fabric offcuts are reused for additional products or accessories

Q.)

0.

C

CO

t::

0.

Q.

E

Reflects the platform's efforts to minimize waste and adopt circular economy principles

These milestones and KPIs will be revisited and refined as the business grows to ensure alignment with our strategic goals and market conditions. Our primary objective is to create a



scalable, efficient platform that supports the success of small and medium-sized fashion brands while driving consistent and sustainable revenue growth for IRYSS.



08. Marketing and Sales Strategy

The IRYSS market" involves a multi-faceted approach. It starts with a comprehensive understanding of the market, considering the unique characteristics of our target segments, including small and medium-sized enterprises (SMEs) in various industries, wholesale buyers, and end consumers. Our strategy aims to create a robust ecosystem that supports all market participants, ensuring synergies and sustainable growth.

Key Objectives

of the Marketing Strategy

Position IRYSS as the leading platform for SMEs in the fashion industry.

Attract and retain brands on the platform.

Expand the network of wholesale buyers.

Increase brand awareness among end consumers.

Stimulate cross-selling and synergy between different services of the platform.



Our marketing strategy is based on a thorough SWOT analysis, which can be found in Appendix 5, Detailed SWOT Analysis, providing a comprehensive overview of the company's strengths, weaknesses, opportunities, and threats.



Unique Selling Proposition

(USP)



IRYSS - your comprehensive partner in the fashion world: from design to sales, we provide SMEs with the tools and resources to compete in the global market.

Go-to-Market Strategy

(GTM)

Executive Summary

Do

The IRYSS platform is strategically positioned to transform the fashion and beauty industry by offering an integrated marketplace that supports SME and independent brands with advanced technology, cost-efficient production, and a robust fulfillment network. This Go-To-Market strategy outlines our approach to launching and scaling IRYSS, highlighting our unique value propositions and targeted tactics to capture and expand our market share.



Key Elements of the GTM Strategy

Target Market Identification

Our primary market includes SMEs and independent fashion and beauty brands across Europe, while our secondary market includes resellers, influencers, and investors interested in ethical, sustainable brands

Brand Awareness Campaigns

Multi-channel campaigns will leverage social media, influencer partnerships, and digital advertising to build brand awareness and generate traction

Live Shopping & Presenters

IRYSS capitalizes on live shopping trends, building a network of professional presenters to drive engagement and sales through live events

Product Positioning & Messaging

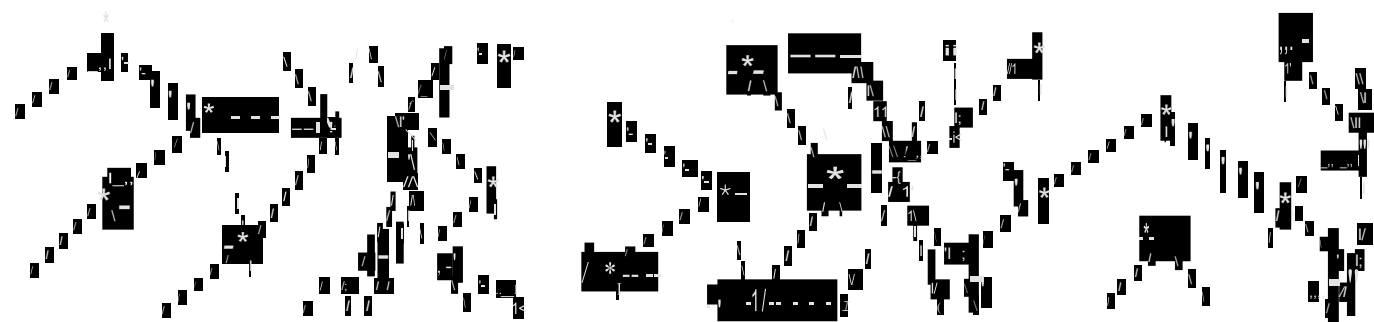
We position IRYSS as the platform that empowers brands to compete globally through world-class production, innovative technology, and sustainable practices

Sales & Distribution Strategy

A dedicated sales team will focus on onboarding brands across Europe, supported by strategic partnerships and a reseller/affiliate program to promote IRYSS within their networks

Collaborative Ecosystem

The market network-driven approach fosters collaboration and organic growth, emphasizing the collective efforts of brands, resellers, and investors



4P Analysis

1. Product

IRYSS offers SMEs a comprehensive platform, including design, production, and fulfillment services. Our product lineup includes B2B and B2C marketplaces, innovative financial tools for brands, and analytical and technological solutions to optimize business operations. By integrating these services, IRYSS provides a one-stop solution for brands to manage their entire production and sales cycle, reducing the need for multiple service providers and enhancing operational efficiency



2. Price

Our pricing model is flexible and tailored to different services:

Competitive commission rates on the marketplace: 20-25% for B2C transactions and 15% for B2B transactions. These rates are designed to attract small brands looking to scale and larger players seeking efficient market access

Bundled offers for comprehensive services, allowing brands to save by using multiple services on the platform. This provides cost savings and encourages brands to engage more deeply with the platform's ecosystem

Loyalty programs and volume discounts for active users, incentivizing repeat business and fostering long-term partnerships with brands

3. Place

The main channel for interaction is our online platform, supplemented by:

In key fashion hubs, physical showrooms for B2B clients allow brands to showcase their collections professionally to potential buyers

Partnerships with local retailers to expand our presence and facilitate brand entry into new markets, leveraging established retail networks to reach a broader audience

A mobile app for convenient access to services, ensuring that brands and buyers can manage their interactions with IRYSS anytime, anywhere

4. Promotion

Our promotional strategy includes:

Content marketing (blog, video content, podcasts) to build brand authority and educate potential customers about the benefits of using IRYSS

Targeted advertising on social media, leveraging platforms like Facebook, Instagram, and TikTok to reach specific demographics and drive traffic to the platform

Participation in industry exhibitions and fashion weeks to increase visibility and establish IRYSS as a key player in the fashion industry

Collaborations with influencers and fashion bloggers to tap into existing audiences and enhance brand credibility

PR and media outreach to build relationships with key industry publications and drive earned media coverage

Referral marketing programs that incentivize current users to bring new brands to the platform, leveraging word-of-mouth to grow the user base



Customer Acquisition

Channels

Digital Channels

We leverage several digital channels to attract customers:

01

SEO optimization for organic traffic, ensuring that IRYSS appears prominently in search engine results for relevant keywords

02

Contextual and display advertising (Google Ads, Bing Ads) to capture the attention of potential customers across the web

03

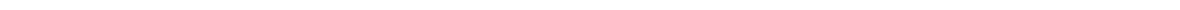
Targeted advertising on social networks (Facebook, Instagram, TikTok), using demographic and behavioral data to reach the most relevant audiences

04

Email marketing and newsletters to engage with potential and existing customers, providing updates, offers, and insights that keep IRYSS top-of-mind

05

Remarketing to bring visitors back to the platform, targeting users who have shown interest but have yet to convert



Partnership Channels

Our partnerships play a crucial role in our marketing strategy:

01

Collaborations with fashion schools and incubators, positioning IRYSS as a go-to platform for emerging designers and startups looking for support and resources

02

Partnerships with industry associations to access networks of established brands and industry professionals, facilitating introductions and opportunities for collaboration

03

We have affiliate programs with fashion bloggers and influencers who can promote IRYSS to their followers in exchange for a referral commission, expanding our reach and credibility



Offline Channels

To complement our digital efforts, we engage in offline marketing activities:

01

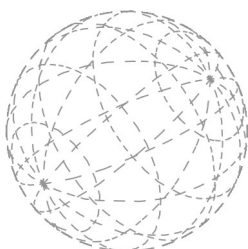
Participate in fashion exhibitions and trade shows, where we can showcase the platform, meet potential clients, and demonstrate the value of IRYSS in person

02

Organizing our events for brands and buyers, creating opportunities for networking, learning, and direct engagement with the platform

03

PR activities and work with specialized media to build a strong presence in industry publications and reach a wider audience through trusted channels



Customer Retention Strategy

To ensure long-term engagement, our customer retention strategy includes:

01

A loyalty program for brands and wholesale buyers that rewards continued platform use with discounts, early access to new features, and other perks

02

Regular training webinars and masterclasses to help brands maximize their use of IRYSS and stay up-to-date with industry trends and best practices

03

Personalized recommendations based on **AI** data analysis, helping brands identify growth opportunities and optimize their operations

04

A community for brands to share experiences and network, fostering a sense of belonging and mutual support among platform users

05

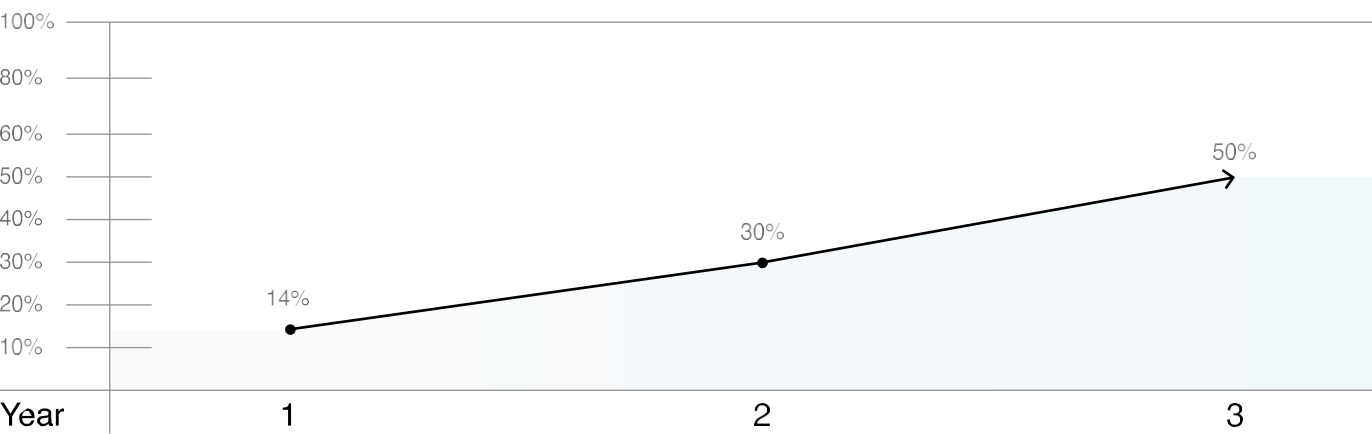
Regular platform updates with new features, ensuring that IRYSS remains a cutting-edge solution that evolves to meet the changing needs of the fashion industry



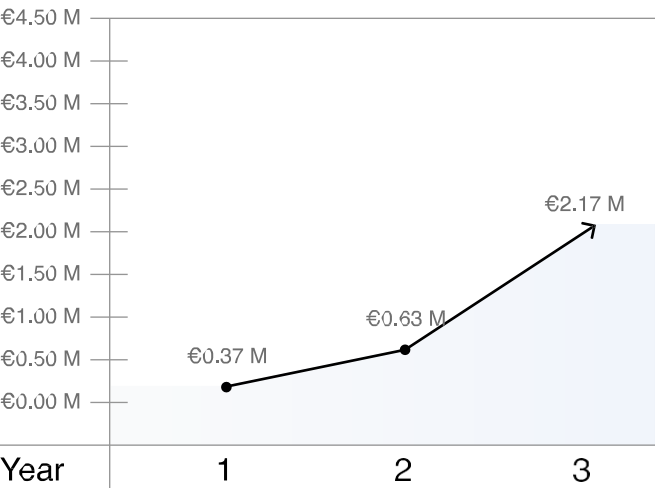
Sales Plan

Sales Goals for the First 3 Years

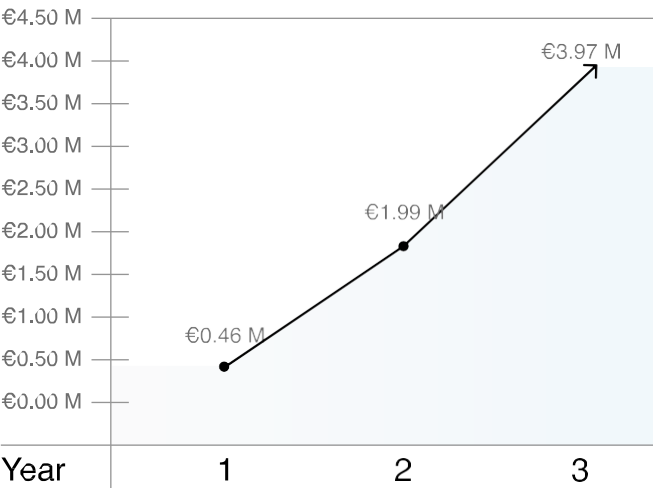
Number of Brands



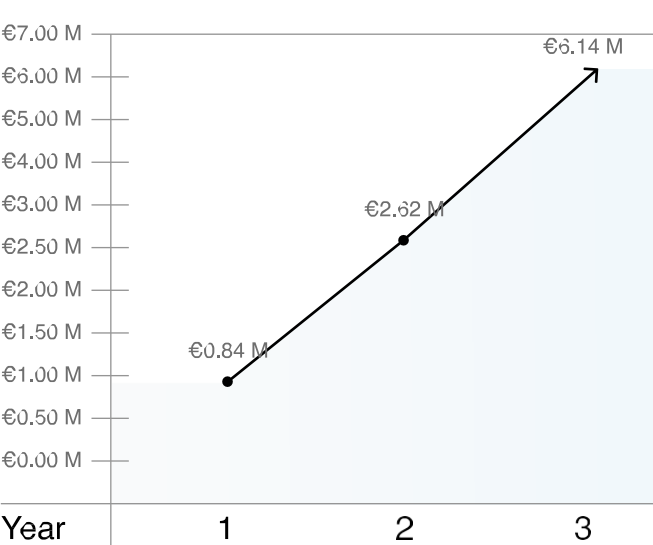
Sales revenue



Services revenue



Total IRYSS Revenue



Strategies to Achieve Sales Goals

Active Brand Acquisition:

Targeted outreach to potential clients through personalized emails, direct sales efforts, and digital marketing campaigns aimed at designers and fashion entrepreneurs. Special conditions for the first 10-20 brands on the platform, including discounted fees, marketing support, and exclusive access to new features.

Expanding the Wholesale Buyer Base:

Creating a specialized B2B portal that offers tailored features for wholesale buyers, including bulk ordering, exclusive previews, and special pricing.

Scaling the Marketplace:

Aggressive marketing campaigns to attract end consumers, utilizing social media, influencer partnerships, and digital advertising to drive market traffic.

Developing Additional Services:

Launching financial tools for brands in Year 2, including credit facilities, invoicing solutions, and payment management tools to help brands manage their finances more effectively.



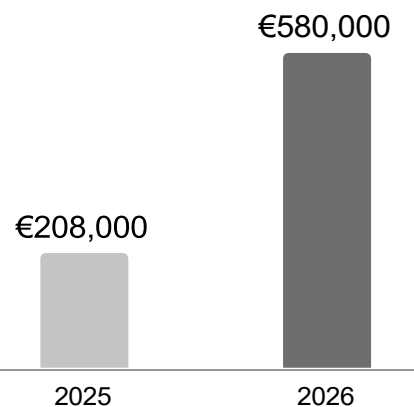
Marketing Budget

In the first year, we plan to allocate 25% of total revenue to marketing activities, focusing on digital channels and content marketing.

25%

Focusing on digital channels and content marketing

The financial plan contains €208,000 for 2025 and €580,000 for 2026 on advertising investments (calculated to ensure maximum visibility and growth impact). This will include investments in SEO, PPC, social media advertising, and influencer partnerships to build brand awareness and drive traffic to the platform.



- SEO
- PPC
- oO Social media advertising
- Co Influencer partnerships

- ITJ Shows
- 0 Organizing events
- ,('Q')_ Developing PR campaigns

As we grow, we will gradually increase the budget for brand marketing and offline activities, such as participation in trade shows, organizing events, and developing PR campaigns to strengthen our market presence.



Key Performance Indicators

(KPIs)

Brand Retention Rate

Our ability to keep brands engaged and active on the platform over time

Average Order Value

Indicating the effectiveness of our sales and marketing strategies in driving higher-value transactions

Conversion Rate for Different Acquisition Channels

Helps us understand which marketing efforts are most effective and where to focus our resources

Net Promoter Score (NPS) for Brands and Consumers

Measuring overall satisfaction and the likelihood of recommending IRYSS to others

Market Share in the Fashion-Tech Platform Segment

Tracking our competitive position relative to other players in the market

Customer Satisfaction Score

Gauging how well we are meeting the needs and expectations of our users

These KPIs will help us monitor the effectiveness of our marketing and sales strategies and our ability to grow and sustain engagement on the platform.



Competitive Advantage

IRYSS holds several competitive advantages that set us apart in the fashion and beauty marketplace:

Integrated Ecosystem

IRYSS provides a centralized infrastructure that streamlines all necessary services-design, production, marketing, and fulfillment - through a single platform, reducing operational overhead by up to 30%

(Deloitte, 2023)

Market Network-Driven Ecosystem

The platform leverages network effects, enhancing scalability and reducing customer acquisition costs. Platforms with strong network effects can grow up to 25% faster, a crucial advantage for **SMEs**

(Harvard Business Review, 2023)

Localized Marketplaces with Global Reach

IRYSS creates localized marketplaces within a global framework, helping brands target specific regional markets while benefiting from global exposure. This dual approach is essential for European markets, where localization is key

(European Commission, 2023)

Advanced Technological Infrastructure

IRYSS employs MACH architecture - microservices, API-first, Cloud-native, and Headless - providing unparalleled scalability and adaptability. This enables rapid deployment of new features and seamless integration across digital channels. Additionally, AI-driven personalization helps tailor customer experiences, enhancing satisfaction and conversion rates. AI integration is shown to improve operational efficiency by up to 15%

(Forrester Research, 2023)



Blockchain & Real-World Asset (RWA) Tokenization

LC

IRYSS provides a secure, transparent method for brands to raise capital by utilizing blockchain technology and RWA tokenization. This democratizes access to funding and integrates advanced financial tools into the fashion and beauty sectors, enhancing the financial stability of SMEs

Cost-Effective Scaling

By leveraging our comprehensive infrastructure and localized support, the IRYSS model allows brands to expand into new markets without significant upfront investment. This approach addresses one of the biggest challenges for SMEs - scaling sustainably and strategically

Sustainability & Consumer Trends

With 67% of European consumers prioritizing sustainability in their purchasing decisions, IRYSS aligns perfectly with this trend by focusing on sustainable production practices and supporting eco-friendly brands

(Statista, 2023)



References

Bain & Company. (2023)

"Diversified Revenue Streams and Business Growth."
Retrieved from [bain.com](https://www.bain.com)

McKinsey & Company. (2023)

"The State of Fashion 2023."
Retrieved from [mckinsey.com](https://www.mckinsey.com)

Deloitte. (2023)

"AI-Driven Personalization and Revenue Growth."
Retrieved from [deloitte.com](https://www.deloitte.com)

Forrester Research. (2023)

"Real-Time Data Analytics in Fashion."
Retrieved from [forrester.com](https://www.forrester.com)

Harvard Business Review. (2023)

"Network Effects in Digital Platforms."
Retrieved from hbr.org

Euromonitor International. (2023)

"Global E-commerce Market Growth."
Retrieved from [euromonitor.com](https://www.euromonitor.com)

Accenture. (2023)

"The Power of Ecosystems in Business Transformation."
Retrieved from [accenture.com](https://www.accenture.com)

Gartner. (2023)

"Top Strategic Technology Trends in 2023."
Retrieved from [gartner.com](https://www.gartner.com)

Statista. (2023)

"Consumer Preferences in Sustainable Fashion in Europe."
Retrieved from [statista.com](https://www.statista.com)

PWC. (2023)

"The Future of Retail: The Importance of Personalization and Technology."
Retrieved from [pwc.com](https://www.pwc.com)

The European Apparel and Textile Confederation (EURATEX). (2023)

"Challenges and Opportunities for SMEs in the European Fashion Industry."
Retrieved from [euratex.eu](https://www.euratex.eu)

KPMG. (2023)

"The Evolution of B2B Marketplaces: Trends and Opportunities."
Retrieved from [kpmg.com](https://www.kpmg.com)



The background of the slide features a series of vertical stripes in various shades of brown, tan, and black. A white rectangular box with rounded corners is positioned on the left side, containing the main text. The overall aesthetic is modern and professional.

The IRYSS platform is designed to leverage network effects and a distinctive scaling model, creating a self-sustaining cycle of growth and value for all ecosystem participants. This section explores how our market network effect, technology, and strategic collaborations enable IRYSS to grow organically and scale in a way that differentiates us from other platforms.

Market Network Effect

The value of the IRYSS platform increases as more users, brands, and resellers join, creating a collaborative environment where every action drives further engagement and growth across the ecosystem. The IRYSS market network effect is built on several key pillars:

1. User Engagement Growth

> As more brands, resellers, and investors join the platform, each **participant's value** multiplies. **Brands** benefit from the increased exposure to a larger audience of resellers and investors, while **resellers** gain access to a diverse portfolio of high-quality brands. **Investors** can explore opportunities across a growing number of brands. This interconnected growth results in a cycle of social proof and increased collaboration that drives deeper **user engagement**

> The **network effect** also means that when one brand successfully uses IRYSS, it serves as proof to others, encouraging more SMEs to join. Resellers who see competitors joining are incentivized to participate, **fostering organic network expansion**

2. Viral Growth & Crowdsourcing Opportunities

> Viral growth is embedded into **IRYSS's core design**. Resellers, well-known in their local markets, actively push content produced by brands through their social media channels

> By **crowdsourcing opportunities** for various stakeholders - whether brands, resellers, or individual creatives - IRYSS allows many parties to participate and contribute. **This openness** attracts a diverse user base, driving organic growth as more users bring in their networks and expertise, leading to greater collaborative opportunities

> This helps boost **both brand and platform** awareness without incurring additional marketing costs, creating a viral effect that expands **the network organically**



3. Economies of Scale & Collective Value

) As users and participants grow, IRYSS gains **economies** of scale in multiple facets, including production, logistics, and platform management. Shared manufacturing facilities and logistical services **reduce brands' costs**, creating **cost efficiencies** that attract new participants. More brands lead to higher utilization of the production infrastructure, which drives **down the per-unit cost** and increases the platform's **value proposition**

) The collective **value of the IRYSS ecosystem** grows with each new addition-as new brands join, resellers have more products to offer, and brands benefit from greater distribution opportunities. This **interconnected scaling** ensures that each user derives increasing value from the platform as it grows



Unique Scaling Model

IRYSS's scaling model is distinct in the way it leverages advanced technology, strategic partnerships, and a dynamic approach to market expansion:

01. Technology-Driven Scalability

The IRYSS platform is **built on MACH** (Microservices, API-first, Cloud-native, Headless) architecture, ensuring that the platform can handle **increasing users, products, and transactions** with minimal incremental cost. This scalable infrastructure allows rapid expansion without compromising performance or user experience

The integration of AI and data analytics enables IRYSS to **automatically** optimize personalization, inventory management, and marketing efforts. This technological foundation also allows for seamless onboarding of new brands and resellers, supporting **efficient scaling without manual intervention**

02. Partnership & Collaboration Growth

Partnerships are at the core of the IRYSS expansion strategy. Collaborating with the top resellers in each market segment creates a competitive advantage - once key resellers join, others follow to remain competitive. This domino effect helps IRYSS rapidly establish a presence in new regions, as competitors of onboarded resellers are likely to join to keep up with market trends

Partnerships with industry associations, influencers, and creative agencies further **accelerate IRYSS's reach**. Each partnership brings new users and contributes to the network effect, **expanding IRYSS's influence** and attracting **additional brands** and stakeholders

03. Geographic & Market Expansion Strategy

IRYSS's **geographic expansion** strategy leverages network effects to **accelerate growth**. By focusing on onboarding influential resellers in specific regions across Europe, IRYSS creates a ripple effect that draws in **additional brands and resellers**, making the

platform increasingly valuable for all participants



The localized marketplace approach also means that each new region benefits from **tailored support** and **regional expertise**, ensuring that brands can effectively engage with consumers while benefiting from global reach. This localized yet globally integrated approach allows **IRYSS to scale effectively across diverse market segments**



Driving Organic Growth through Network Synergies

Every action within the IRYSS platform drives other actions - resellers promoting social media products increase visibility, attract new consumers, and motivate additional brands to join.

Increase visibility

- > Attract new consumers
- Additional brands to join

This self-reinforcing cycle is a key point of differentiation for IRYSS compared to traditional marketplaces.

By providing opportunities for diverse participants - brands, resellers, creatives, and investors - to engage and collaborate, IRYSS harnesses the power of crowdsourcing and collective action, creating an ecosystem that grows organically and thrives on the contributions of all its members.



10. Operational Plan

IRYSS is an **innovative platform** that connects small and medium-sized enterprises (SMEs) in the fashion industry with wholesale buyers and end consumers.

Our operational plan outlines how we will **implement our business model in practice**, ensuring the efficient operation of all platform components, including launching our brands the marketplace, and developing partnerships with multi-brand stores. The operational plan is designed to **leverage economies of scale** and **create a comprehensive ecosystem** that benefits all participants.



Development Stages

Launching Our Brands & the Marketplace

Launching 5 to 6 of Our Brands

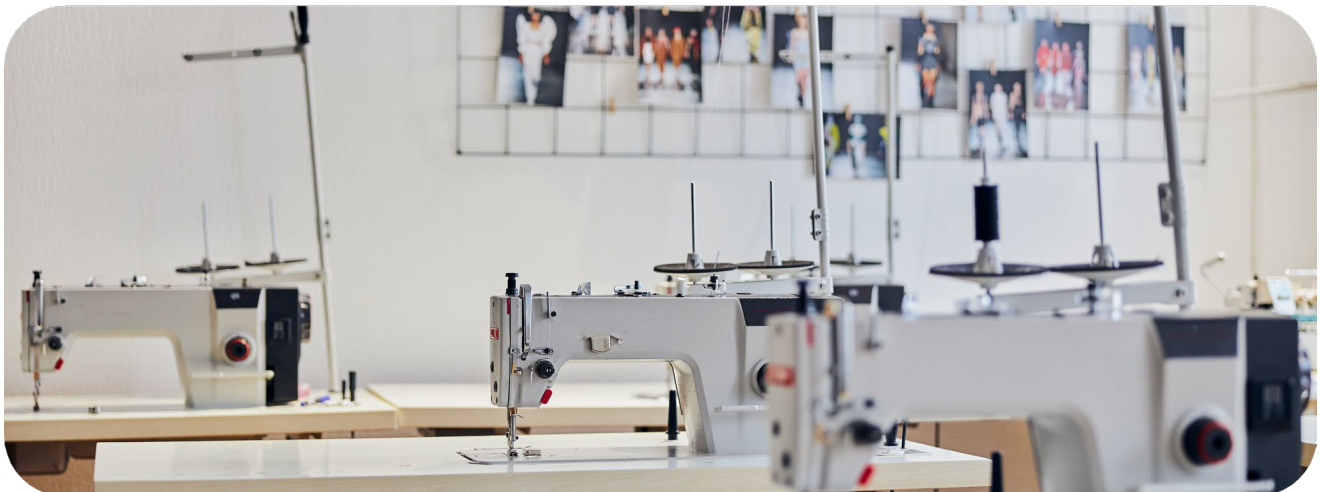
Will provide a stable production volume and continuous inventory updates. Our brands will also serve as a testing ground for all operational processes on the platform, from design to delivery

Development and Launch of the Marketplace:

Simultaneously with the launch of our brands, the IRYSS marketplace will be developed and launched. The marketplace will serve as the primary platform for interaction between brands, wholesale buyers, and end consumers

Status:

Three brands are already in progress, contractors for marketplace development have been selected, a functionality plan and development sequence have been formed, and the technical specifications are ready



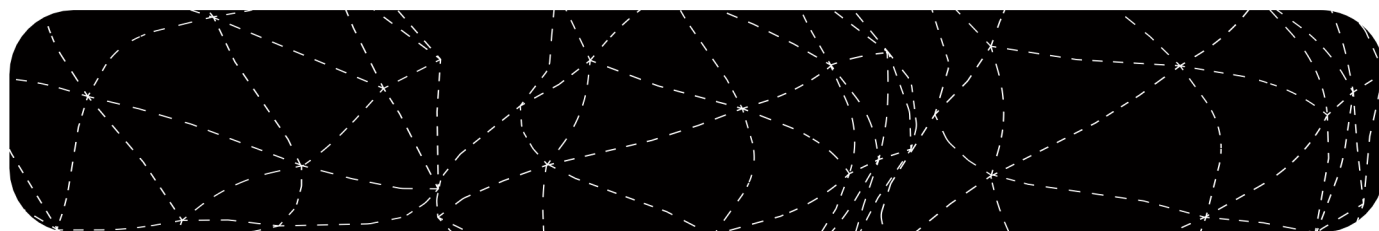
Working with a Limited Number of Brands & Partnerships with Multi-Brand Stores

Working with a Limited Number of Brands:

At this stage, we will focus on working with verified brands to provide them with tangible value through exclusive tools and innovative strategies. This includes developing a hybrid model with collective management and stimulating marketing network effects

Building Partnerships with Multi-Brand Stores:

Simultaneously, we will actively collaborate with multi-brand stores in Europe and the USA, offering them wholesale purchasing opportunities through the marketplace and developing exclusive collections. This will help attract more brands and buyers to the platform



Scaling Up

Rapid Increase in the Number of Brands on the Platform:

Following the successful launch and initial operation with a limited number of brands, we will begin scaling the platform by attracting more brands and buyers

Expansion of Functionality and Services:

New services, such as an investment platform, will be introduced, and the marketplace's technological capabilities will be expanded to improve user experience and operational efficiency



Key Operational Blocks

Design

1. Creation of a Design Room with a Library of 3,000 Clothing Samples - Already in Progress:

| This will allow brands to create collections quickly based on existing patterns and materials

2. Collaboration with 12 Textile Factories - Agreements in Place:

| To provide a wide range of fabrics and materials in the design room

3. Use of 3D Technologies and Digital Patterns:

| This will allow for quick design adjustments and reduce the time needed to create new collections

4. Team:

| Hiring a designer with 3D and pattern creation skills in the Milan region to manage the design process

Production

1. Established Production System and Supply Chain:

| This includes the capacity to handle orders from the smallest to significant volumes

2. Capacity:

| We can produce up to 1 million units of clothing per year, effectively serving both our own brands and third-party brands

3. Quality Control:

| Implementation of the AOL 2.5 standard to ensure high product quality. Regular audits and production oversight will ensure that quality standards are consistently met



Inventory Management & Logistics

1. Warehouse for 20-30 Thousand Units of Clothing:

| This will ensure the necessary inventory level for quick delivery and order fulfillment

2. Partnerships with Fulfillment Centers:

| Include locations in the UK and Poland to optimize logistics and reduce delivery time

3. Warehouse Under Customs Control in Portugal:

| This will allow the storage of goods without paying taxes until the point of sale

4. Implementation of the Dropshipping Model:

| This reduces financial risks for brands and multi-brand stores by allowing them to list products without holding inventory

5. Centralized Inventory Management System:

| Integrated with suppliers to provide real-time visibility of inventory levels, enabling efficient management and reducing costs through economies of scale. This system allows IRYSS to achieve consistent garment quality and quick response to market changes, which is essential for SMEs and larger players. The centralized system also optimizes cash flow by reducing stockouts and minimizing overstock situations

Marketing & Brand Support

1. Basic Consulting Services:

| These services are part of a comprehensive brand support plan

2. Partnerships with Agencies:

| To offer additional marketing services to brands upon request

3. Support for Brands in Developing New Markets:

| Providing strategic support and resources for scaling. The IRYSS model allows brands to leverage a centralized infrastructure that reduces operational costs and maximizes efficiency, similar to what larger players in the industry achieve. This approach is essential for SMEs to compete effectively by gaining access to resources and services that would otherwise be beyond their reach



Technological Infrastructure

1. MACH Architecture (Microservices, API-first, Cloud-native, Headless)

This architecture ensures the platform's modularity and scalability, allowing IRYSS to handle a growing number of users, transactions, and products without significant incremental costs. This infrastructure also facilitates modular expansion and integration of new features without disrupting existing services, which is critical for continuous platform improvement and rapid scalability

2. User Interface (UI/UX) Development:

Focused on user convenience, adaptability, and intuitiveness. Regular updates based on user feedback and data analytics will help maintain high engagement and satisfaction

3. Continuous Innovation:

Integration of new technologies such as AI for personalized shopping, predictive analytics for inventory management, and blockchain for secure transactions. This technological foundation allows for seamless onboarding and efficient scaling of new brands and resellers. AI-driven predictive analytics help anticipate demand, optimize inventory, and reduce waste, contributing to overall cost efficiency. Additionally, blockchain technology will provide secure transactions and transparency across the supply chain

4. Outsourced Development:

Specialized agencies with experience developing marketplaces and integrating with popular e-commerce platforms like Shopify and WooCommerce



Onboarding & Working with Brands

1. Strict Brand Selection Process:

Focusing on the quality and sustainability of products to create a unique market. This helps maintain consistent garment fits and high-quality standards across all brands on the platform. Consistency in garment quality is a critical factor influencing customer satisfaction and brand loyalty, which are essential for long-term success

2. Comprehensive Training to Help New Brands Quickly Grow:

New brands will receive training on using the platform and optimizing their presence on it

3. Ongoing Support:

A dedicated supplier success team will provide support to maximize brands' potential on the platform and ensure they can benefit from the collaborative ecosystem. By working together as part of the IRYSS ecosystem, brands can access shared resources, achieve operational efficiencies, and build a stronger presence in the market

Financial Operations

1. Flexible Commission Mechanism:

We will adopt a highly flexible approach to forming commissions based on the prospects of mutual growth

2. Assistance with Payment Processing:

We will handle payment processing for a reasonable commission, helping brands to scale their sales quickly and easily



Risk Management

1. Identification of Potential Risks:

Includes risks associated with the launch of new brands, platform scaling, and ensuring service quality

2. Risk Minimization Strategies:

Include financial reserves, establishing relationships with reliable partners, and using advanced technologies

3. Regular Monitoring:

Continuous evaluation of risk management effectiveness and adaptation of the strategy if necessary. The "Risks" section will discuss detailed risks and risk mitigation strategies



Success Metrics

1. Number of new brands on the platform
2. Sales volume (of own brands and partners)
3. Customer satisfaction level (of brands and end consumers)
4. Efficiency of logistics processes (delivery speed, number of returns)
5. Growth of organic traffic on the platform



Development & Scaling Plans

1. Geographic Expansion:

It will be used in markets in the UK and the USA through local design offices and fulfillment centers. This expansion strategy will utilize the network effect to attract more participants, enhancing the platform's user value

2. Implementation of New Technological Solutions:

This includes developing innovative platform features and an investment platform

3. Development of Additional Services:

For example, an investment platform to attract brand financing will be implemented in the second year



In Appendix 6, Future Development Roadmap, you will find a document outlining upcoming innovative development projects, providing a glimpse of our future direction and the further innovations we anticipate that could impact growth.



Conclusion

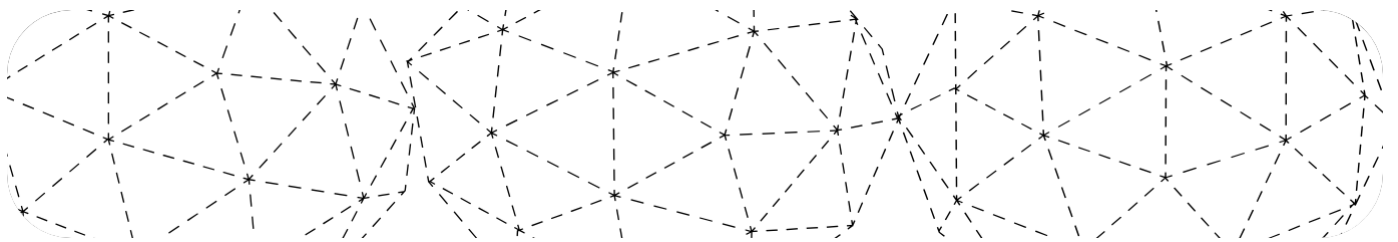
The IRYSS operational plan is designed to ensure the effective implementation of our innovative business model.

Phased approach to development

Integration of advanced technologies

Focus on the needs of SMEs in the fashion industry

Will allow us to create a robust ecosystem that transforms the industry, ensuring steady growth and competitiveness in the global market



By functioning as a collaborative ecosystem rather than just a marketplace, IRYSS allows SMEs:

To take advantage of economies of scale

Access high-quality infrastructure

Achieve consistent garment standards

enhancing their ability
to compete globally

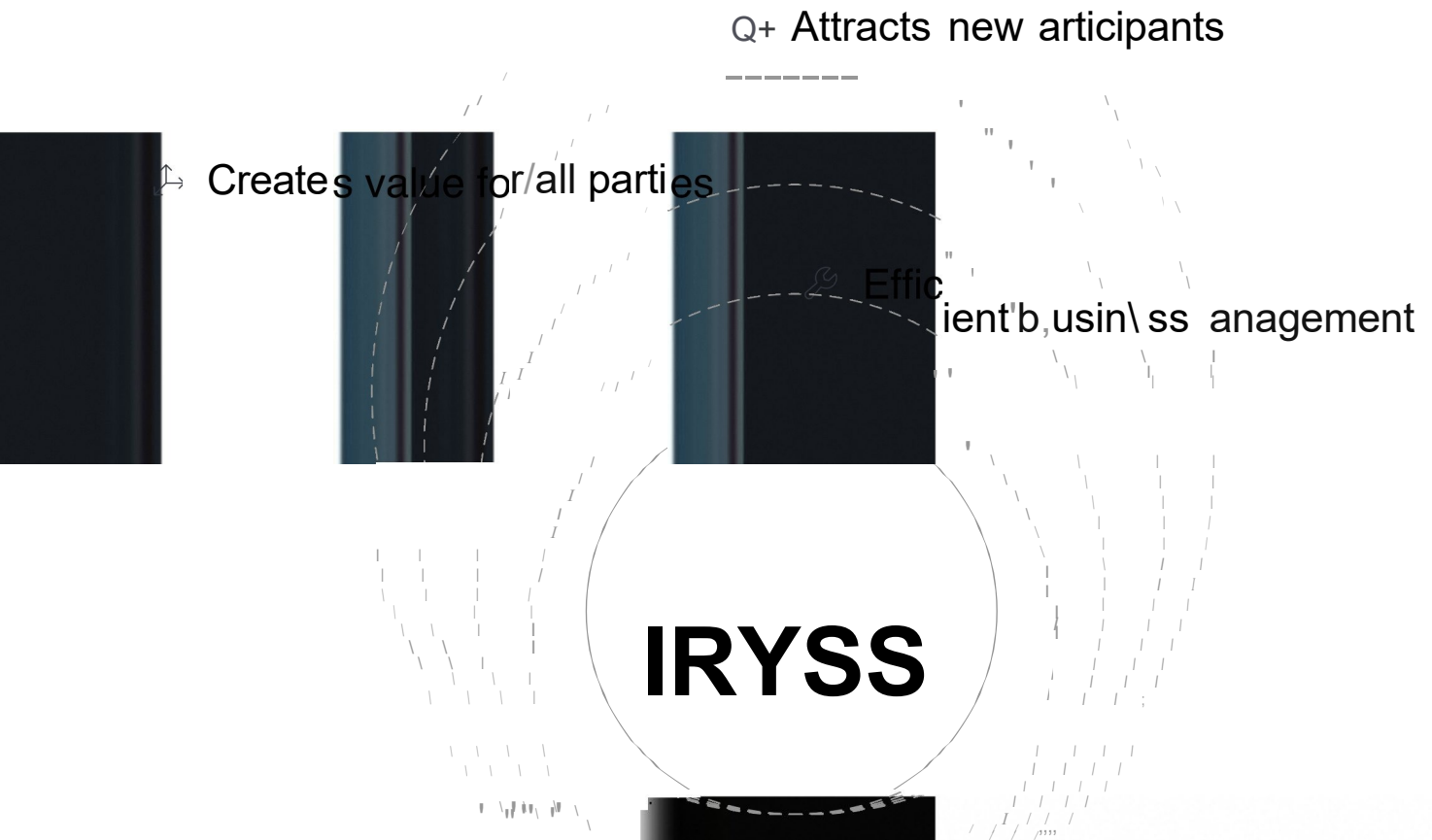
These elements are crucial because they provide a level playing field for smaller brands, allowing them to benefit from shared resources, collective growth, and operational efficiencies, all backed by data-driven strategies and industry research.



11. Technology & Innovation

IRYSS is built on an innovative business model, representing a comprehensive platform that achieves network effects by integrating all key elements into a single ecosystem.

This model allows for efficient business management, attracts new participants, and creates value for all parties.



Through this approach, we ensure scalability and create a competitive advantage.

Below, we explore innovations at two levels:

1. The innovation of the business model
2. The deeper technological level in each vital component.

Innovation in the IRYSS Business Model

The IRYSS business model is based on integrating various functions into a single platform, creating network effects that enhance the value of the entire ecosystem. By integrating components such as

Investment platform

B2B marketplace

B2C marketplace

Drop shipping

Production

————— > we create synergy among ecosystem participants

This approach allows brands to quickly scale their operations

Users

Investors

————— > to receive better service

————— > to find new growth opportunities

Our innovative offering for independent brands enables us to attract high-quality service proposals, making these services accessible to brands. This eliminates the need to create in-house teams to provide these services, significantly reducing business costs and allowing for greater investment in marketing and traffic acquisition for the platform.



Technology & Innovation in Each Component

Investment Platform

The IRYSS investment platform allows for attracting funding for brand development. The platform uses blockchain to ensure transaction transparency and smart contracts to automate investment processes. Investors can receive detailed information about each project's growth prospects and profitability, increasing trust in the platform.

Investors

>

receive detailed information about each project's growth prospects and profitability

We also implement analytical tools for risk assessment, helping investors make informed decisions.

Our innovative collection-based funding model uses blockchain and tokenization, significantly accelerating the funding process and providing investors with a secure investment with quick capital returns and potential growth in investment value. This model also allows brand supporters to participate in financing, creating a network of stakeholders who help promote and sell collections.



Dropshipping & Logistics Solutions

The dropshipping feature allows brands to avoid significant investments in building their own logistics infrastructure.

We use technologies for automating order processing, supplier integration, and real-time shipment tracking. This reduces order fulfillment time and minimizes operational costs.



Fulfillment time



Operational costs

Our approach also includes using delivery route optimization algorithms, increasing the efficiency of logistics processes.

The innovative transformation of the wholesale fashion market is achieved through the use of a web builder and direct connection to existing website platforms. This allows marketplace brands to list and sell their products to international resellers and multi-brand stores without needing to pre-purchase goods. Stores that want to physically stock items have the option of minimal orders, but most orders are made under a return policy for unsold items.

This innovation encourages resellers to offer more products from our brands and provides a mutually beneficial solution for both parties

828 Marketplace

IRYSS offers a B2B marketplace that provides significant advantages to resellers through integration with the dropshipping function. Resellers can add brand products to their online and physical stores without needing to purchase them beforehand.

This allows them:

reduce risks associated with unsold inventory

offer a wider product range

Dropshipping also:

ensures fast order fulfillment

reduces logistics costs

As products are delivered directly from the manufacturer to the customer.



>



Thus, the B2B segment can scale its assortment and expand geographic coverage without significant investment in warehousing infrastructure

Dropshipping also allows brands to enter new markets more quickly by reducing logistics barriers. Our B2B marketplace is integrated with inventory management systems, allowing resellers to receive real-time information on product availability and quickly respond to changes in demand.



B2C Marketplace

For the B2C segment, IRYSS creates a platform that combines e-commerce functionality with social interaction.

Social shopping allows users to share reviews and experiences, creating greater engagement and personalized recommendations through artificial intelligence.

Users can:

Interact with brands

Even participate in content creation

Leave reviews

increasing their engagement and loyalty

Using big data analytics, we can personalize the shopping experience and improve brand interactions on the platform.

Design & Production

We implement automation and digital manufacturing technologies such as 3D printing and robotic systems in production processes. This significantly reduces the time required for product development and manufacturing, lowers costs, and increases flexibility in producing limited product batches.

The Internet of Things (IoT) allows us to monitor equipment status and optimize production processes in real time, ensuring seamless operation and high product quality.



Video & Social Shopping Channel

The IRYSS platform integrates cutting-edge video and social shopping features into our B2C and B2B marketplace, transforming consumer engagement in the fashion and beauty sectors. By leveraging live streaming and social commerce, we empower brands and influencers to connect with audiences in real-time, offering immersive shopping experiences that facilitate instant product interactions and purchases.

Our unique capabilities:

Restreaming across multiple social media platforms

AI-driven sales tracking

Enhance brand visibility

Streamline commission management

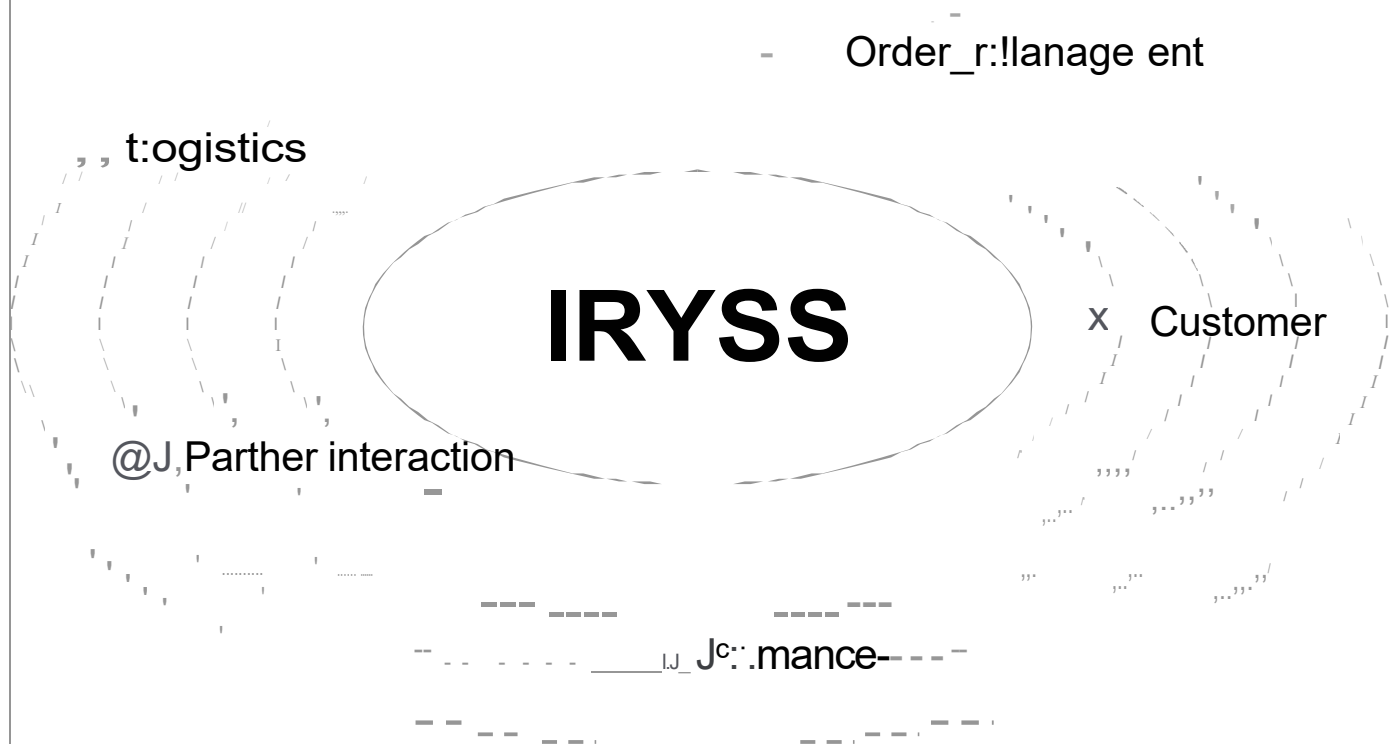
Making it easier for small and medium brands to thrive

With user-friendly tools for website creation and on-demand video content, IRYSS not only responds to the growing demand for interactive shopping experiences but also positions itself as a leader in the evolving landscape of e-commerce, tapping into the projected \$423 billion global live commerce market by 2027.



Ecosystem Management Platform

Our proprietary software platform integrates all key processes into a single system:



The use of cloud technologies ensures flexibility and scalability of the infrastructure, allowing for quick adaptation to growing business needs. Additionally, we emphasize cybersecurity, using multi-level authentication, data encryption, and intrusion detection systems to ensure platform security.

Our approach to driving traffic to the IRYSS platform allows us to unite local brands for international representation, creating support at the micro-local level.

The marketplace is designed to connect:

Brands

Resellers

Promoters

Consumers

> fostering interactivity and creating a content-driven marketplace for scaling purposes

Thus, our approach to technology and innovation is based on two levels: comprehensive integration that creates network effects and the use of advanced technologies in each key component.

This ensures high operational efficiency, a competitive advantage, and sustainable business growth



In Appendix 7, Expanded Technology Description, you will find a detailed explanation of the technology driving the business, including platforms, software, and any proprietary tools or innovations that provide a competitive edge.



12. Financial Plan

A financial model of the project has been developed using figures and metrics that allow for obtaining and forecasting results, as well as assessing the financial state in the future. It is flexible in management due to the possibility of adjusting key performance indicators within the context of sensitivity analysis.

The key parameters of the model:

Formation of a forecast vision regarding future revenues and expenses for the project

1'
-1,

Justification of the capital needed for its implementation



Evaluation of results and efficiency



In Appendix 8, Detailed Financial Projections, you will find expanded financial models, including



cash flow statements, profit and loss statements, and balance sheets.



The current model is based on assumptions regarding the company's revenue generation plan in the following areas:

01. **Subscription fees from clients for listing their products on marketplaces and a corporate-level e-commerce platform**

The revenue growth from this source is based on the increasing number of clients and the subscription fees for the service packages they receive:

82C listing fee:

Brands listing their products on the B2C marketplace pay a fixed monthly fee of €240. This includes access to core services like customer support, photography, and basic marketing support

Established Brands Plan:

Priced at €3000 per month for brands requiring extensive use of IRYSS services

Starter Plan:

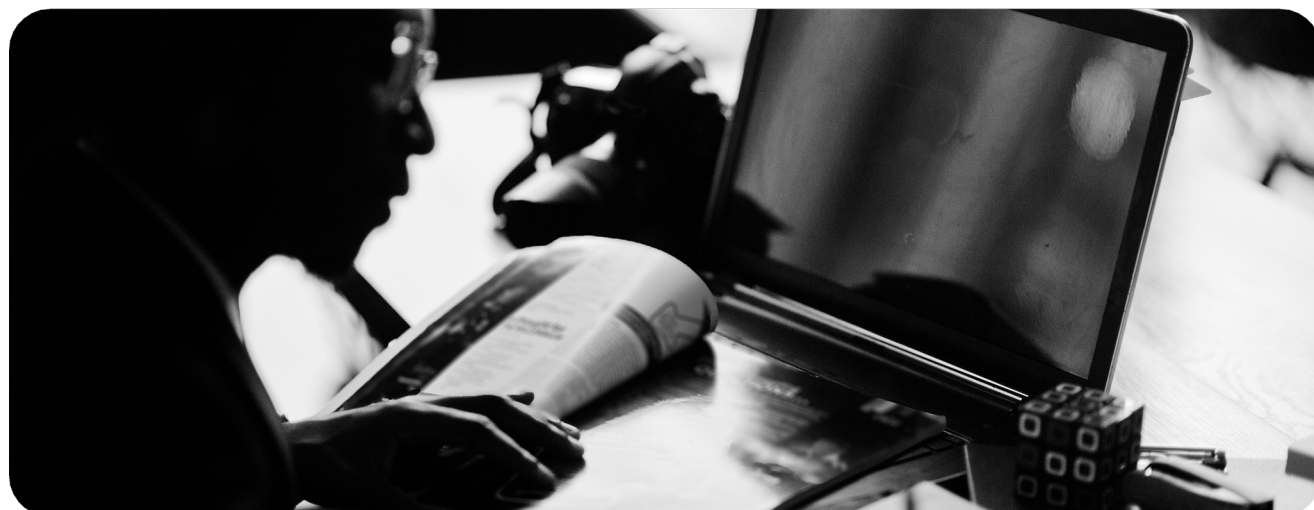
Priced at €1500 per month, this includes access to design studio services, production management, photography, basic marketing support, and customer service

Scaling Plan:

For €2400 per month, this plan offers advanced services for growing brands, ensuring efficient scaling

Combined 828 and 82C listing fee:

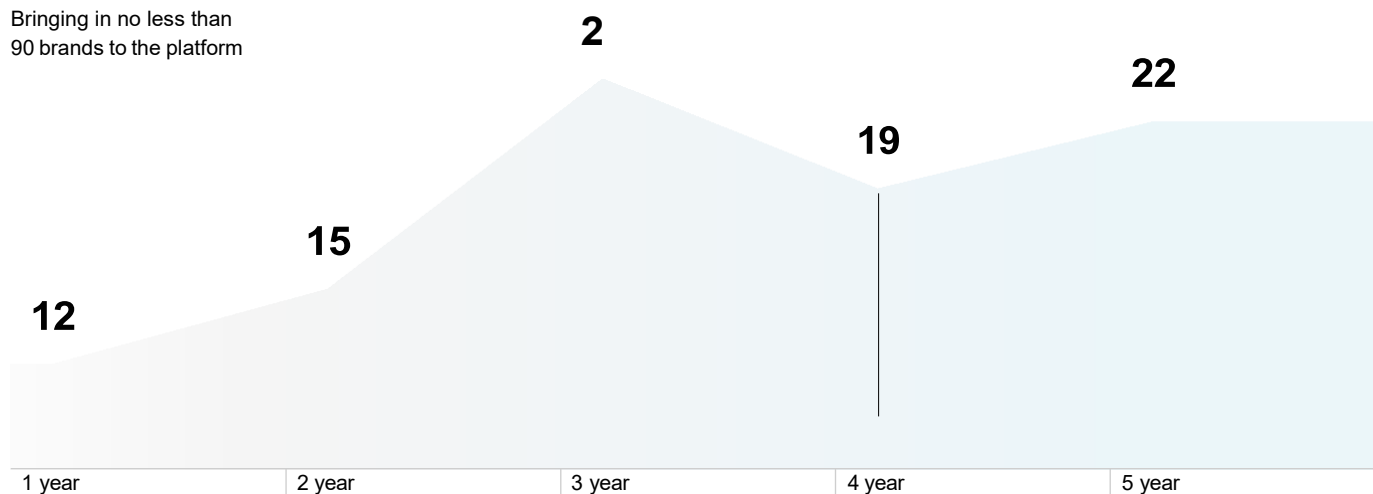
For brands listing products on both platforms, the fee is €280 per month, providing dual market access



02. Fees for production and logistics

The revenue growth from this source is supported by a developed client acquisition program:

Bringing in no less than
90 brands to the platform



The revenue is also influenced by the factors of growth in the number and value of products sold by clients through our platform.

o³. Marketplace sales commissions

The IRYSS marketplace operates on a commission model, receiving a percentage from every sale made through the platform:

Commission on all sales made through the B2C marketplace

Commission on sales made through
the B2B platform



04. **Payment processing fees**

A 1% fee is charged on all transactions made through the platform to cover payment gateway and financial service costs

05. **Wholesale commission**

For products sold through the wholesale channel, IRYSS charges a transaction commission. The dropshipping model allows SMEs to expand their product range without inventory risks, benefiting both brands and IRYSS

06. **Advertising**

Brands can pay for premium slots on the marketplace, ensuring enhanced visibility and boosting sales, which generates advertising revenue for IRYSS

07. **Fulfillment & dropshipping services**

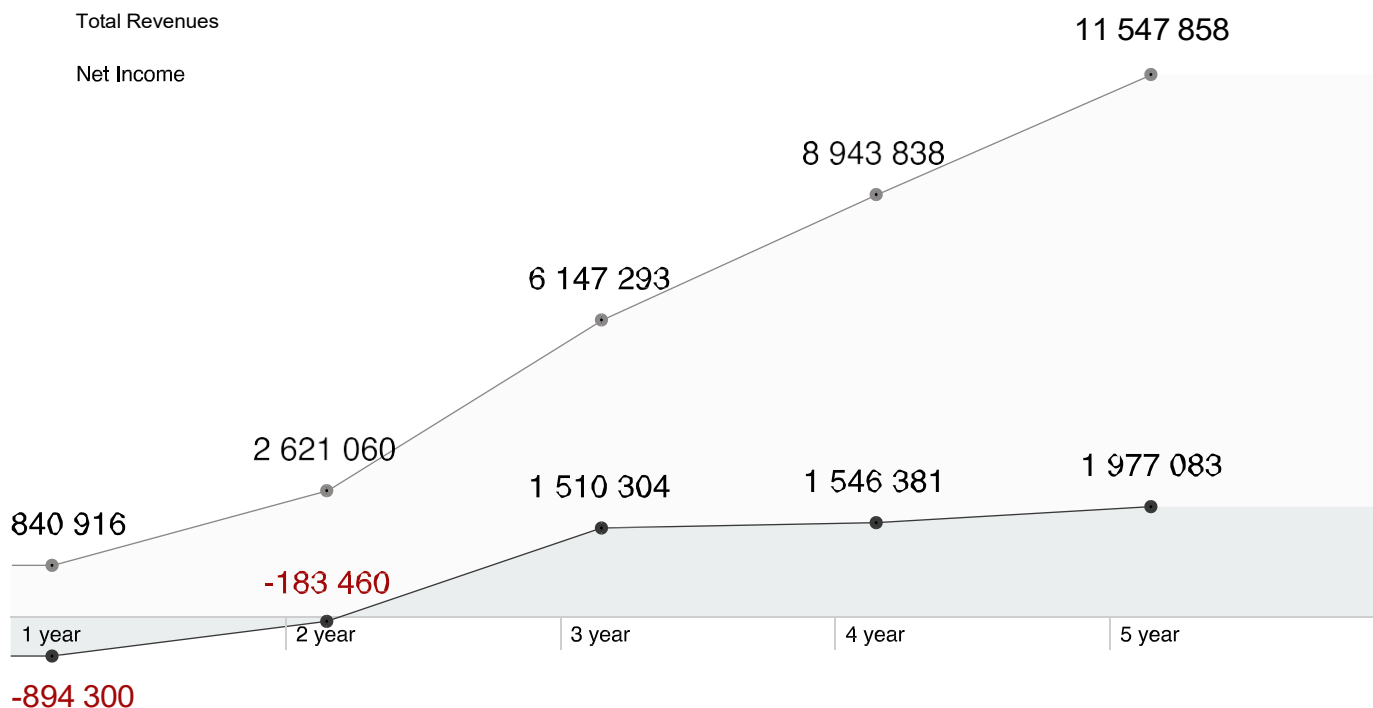
IRYSS offers comprehensive fulfillment and dropshipping services for a fee. These services allow brands to enter new markets without managing their logistics, ensuring smooth operations for both brands and resellers

08. **Investment platform commission**

A 5% commission is charged on funds raised through the investment platform, applied to the total amount brands receive from their investors



The modeled results forecast the project's revenue growth to reach €11 million by the end of the 5th year.



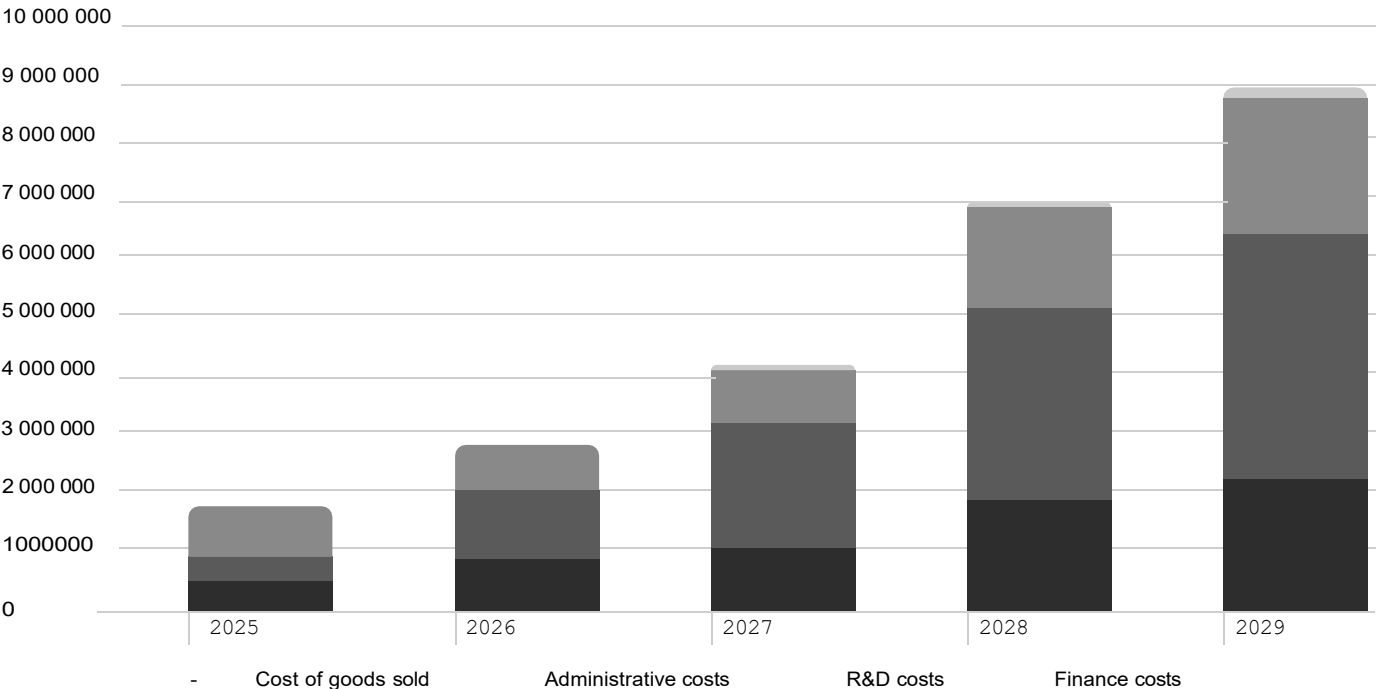
To generate the expected revenue forecast, the company requires financing from both equity and debt capital sources. The calculations presented in the model justify the need for financing in the amount of €11 547 858, of which €250,000 is provided by internal resources.

Funding needs sources of coverage	Pre-launch	Year1
Total pre-launch preparation costs (see sheet start up costs)	454 000	
Own investments already made	50 000	200 000
Size of received loan		1 200 000
Confidi loan		1 000 000
PROFIT/LOSS before taxes after servicing loans		-894 300
Pre-launch costs left to cover	-404 000	
Needed financing operational losses	-1 069 707	
Total financing need until break-even	-1 473 707	



The project implementation phase and the first year of operations require significant expenses for both funding operational activities and investing in the development of the investment platform, marketplace platform, and the formation of tangible and intangible assets.

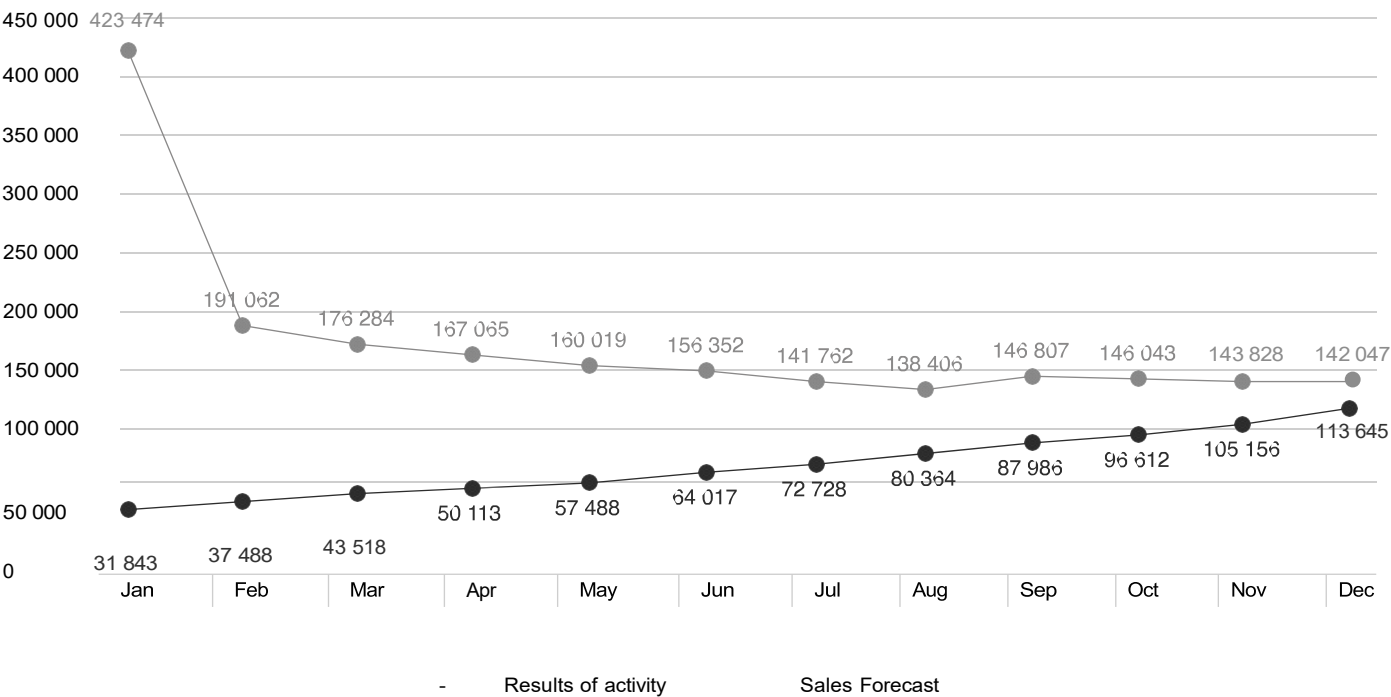
Based on the justified level of expenses for the project's implementation and execution, the projected levels of operational, administrative, and R&D costs have been forecasted.



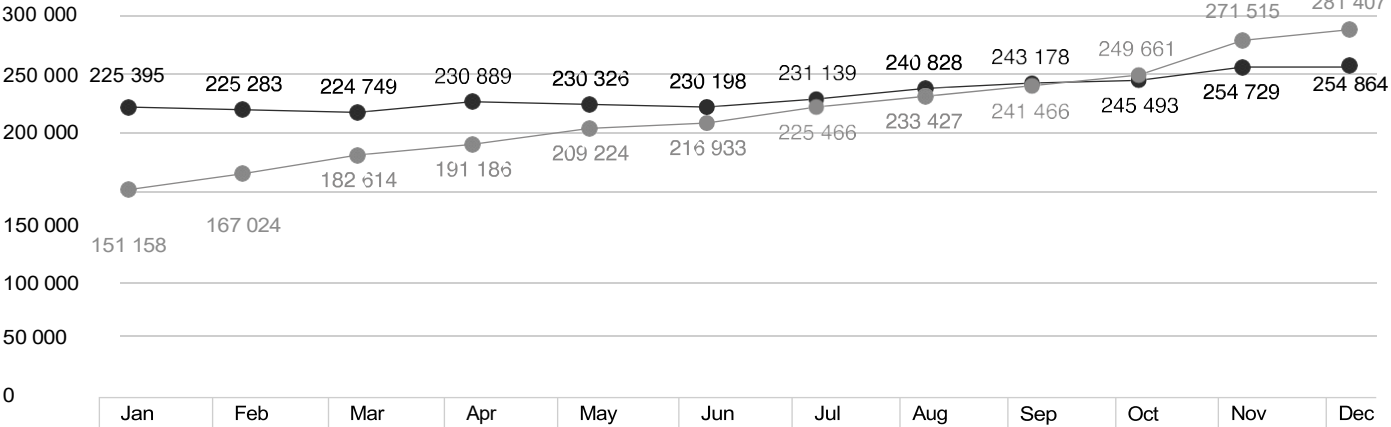
Given the specifics of the project's field, which is largely focused on providing intermediary services through an e-commerce platform that requires investments in development, growth, and support, R&D expenses account for nearly 50% at the start of the project and no less than 30% throughout its implementation.

The first-year expenses significantly exceed the revenue for the reporting period, resulting in a working capital deficit of €894,300. However, with the necessary financing and revenue growth from attracting brands, the project reaches break-even in April of the second year. These forecasts reflect the results of the project's break-even point analysis. In subsequent periods, no further working capital shortages for funding operations are anticipated.

Break-Even Point Analysis for 2025



Break-Even Point Analysis for 2026



- Break-even point Sales Forecast



According to the forecast for the five-year project lifecycle, we have achieved positive cash flow and project profitability.

Cash Flow

For the Year Ending	2025	2026	2027	2028	2029	2030
Cash at Beginning of Year, €	-1 473 707	31 993	814 558	1812576	2 488 541	3 946 403
Cash at End of Year, €	1 505 700	-183 460	998 018	1030679	1 457 862	
Operations	2025	2026	2027	2028	2029	
Cash receipts from						
Own brand sales, €	236 754	582 790	886 808	910 800	910 800	
B2B sales 15%, €	77 281	285 468	1024882	1696934	2 318 555	
B2C commissions 23%, €	53 377	237 196	751 753	1 168 288	1 575 756	
Manufacturing + transport - for production and samples, €	136 312	498 165	1288514	2 102 960	2 881 200	
Subscription Fees and Commissions, €	337 192	1017441	2 195 335	3 064 856	3 861 546	
Cash paid for						
Inventory purchases, €	-260 916	-492 920	-608 689	-954 368	-924 540	
General operating and administrative expenses, €	-595 400	-1 082 200	-1610800	-2 537 780	-3 368 045	
Wage expenses, €	-698 900	-1229400	-1885600	-3 364 800	-4 597 632	
Interest 0%, €	0	0	0	0	0	
Income taxes,€	0	0	-503 435	-515 460	-659 028	
Net Cash Flow from Operations, €	-714 300	-183 460	1538769	1 571 430	1998613	
Investing Activities						
Cash receipts from						
Sale of property and equipment, €	0	0	0	0	0	
Cash paid for						
Initial costs for technological platform development, €	-60 000	0	0	0	0	
Costs for launching and maintaining the investment platform, €	-120 000	0	0	0	0	
Net Cash Flow from Financing Activities, €	-180 000	0	0	0	0	
Financing Activities						
Cash receipts from						
Own investments already made, €	200 000	0	0	0	0	
Size of received loan (Smart and Atart Italia), €	1200000	0	0	0	0	
Confidi loan,€	100000	0	0	0	0	
Cash paid for						
Repayment of loans, €	0	0	-399 996	-399 996	-399 996	
Repayment Confidi of loans, €		0	-112 291	-115 706	-119 225	
Loan interest, €		0	-28 464	-25 049	-21 530	
Net Cash Flow from Financing Activities TBC, €	2 400 000	0	-540 751	-540 751	-540 751	
Net Cash Flow, €	1 505 700	-183 460	998 018	1 030 679	1 457 862	



Income Statement

Revenue	2025	2026	2027	2028	2029
Sales revenue, €	373 066	632 290	2 175 322	1 010 000	1 059 600
Service revenue, €	467 850	1 988 770	3 971 970	7 933 838	10 488 258
Other revenue, €	0	0	0	0	0
Total Revenues, €	840 916	2 621 060	6 147 293	8 943 838	11 547 858
Expenses					
Cost of goods sold, €	476 916	841 920	1 064 689	1 829 888	2 237 820
Administrative costs, €	433 400	1 196 200	2 052 400	3 301 940	4 198 637
Rent, €	100 000	108 000	120 000	192 000	288 000
Office supplies, €	6 000	12 000	24 000	38 400	57 600
Advertising, €	208 000	580 000	970 000	1 512 500	1 830 125
Salaries and wages, €	48 000	318 000	621 600	1 052 160	1 262 592
Utilities, €	6 000	9 000	15 000	24 000	36 000
Other, €	65 400	169 200	301 800	482 880	724 320
R&D costs, €	824 900	766 400	988 000	1 725 120	2 453 760
Research and development, €	180 000	0	0	0	0
Software, €	210 000	204 000	180 000	288 000	432 000
Salaries and wages, €	434 900	562 400	808 000	1 437 120	2 021 760
Finance costs, €			28 464	25 049	21 530
Loan interest, €			28 464	25 049	21 530
Total Expenses, €	1 735 216	2 804 520	4 133 553	6 881 997	8 911 747
Net Income Before Taxes, €	-894 300	-183 460	2 013 739	2 061 841	2 636 111
Income tax expense 25%, €	0	0	503 435	515 460	659 028
Net Income, €	-894 300	-183 460	1 510 304	1 546 381	1 977 083



Through investment analysis based on the project's forecasted results, the feasibility and efficiency of its implementation have been proven.

Investment analysis

For the Year Ending	Pre-launch	2025	2026	2027	2028	2029
Initial investment	-404 000	-1 069 707	0	0	0	0
Input CashFlow	0	-894 300	-183 460	998 018	1 030 679	1 457 862
Discount ratio	7,00%					

MPV,€	9 741 549, 97
PI	7,9
OPP, years	3,2
IRR	77%
ROI	794%

The net present value (NPV) of the project is positive, indicating its profitability at a rate of no less than 8 percentage points (project revenues exceed initial investments by 6 times). The payback period for the project is set at approximately 3.5 years. In the absence of credit risk and insolvency risk, the project's ability to ensure a high level of efficiency under the influence of external financial and economic changes is rated highly.

Period	Pre-launch	2025	2026	2027	2028	2029
Initial investment	-404 000	-1 069 707	0	0	0	0
Input CashFlow	0	-658029,4104	191787,4767	1516748,637	5329566,03	8820259,695
Discount factor	1,000	0,935	0,873	0,816	0,763	0,713
Discounted initial investment	-404 000	-999726,2385				
Discounted Input CashFlow	0	-614980,7574	167514,6097	1238118,692	4065900,407	6288723,262
Cumulative cash flow		-2018706,996	-1851192,386	-613073,694	3452826,713	9741549,975
CashFlow	-404 000	-1 727 736	191 787	1516749	5 329 566	8 820 260

The internal rate of return (IRR) exceeds the discount rate by nearly 10 times. Additionally, the return on investment (ROI) indicator is also positive.

In Appendix 9, Sensitivity Analysis, you will find best-case and worst-case scenario projections and their impact on the financials.



13. Risk Analysis

Risk management is a critical component of our strategic planning at IRYSS.

We recognize that navigating the dynamic landscape of the fashion industry requires a comprehensive understanding of potential risks and robust strategies to mitigate them. Below, we outline the primary risks associated with our business model and the steps we plan to take to minimize these risks. This approach ensures we remain vigilant and proactive in safeguarding our business and stakeholders.



This section summarises the risks identified throughout the business plan, consolidating them into a single reference point. Each risk is segmented by the relevant area of the business and the specific mitigation strategies we have developed. By centralizing this analysis, we allow the preceding sections to focus solely on their core content without delving into risk assessment. This also positions the risk analysis as a conclusion to the plan, tying all elements together.



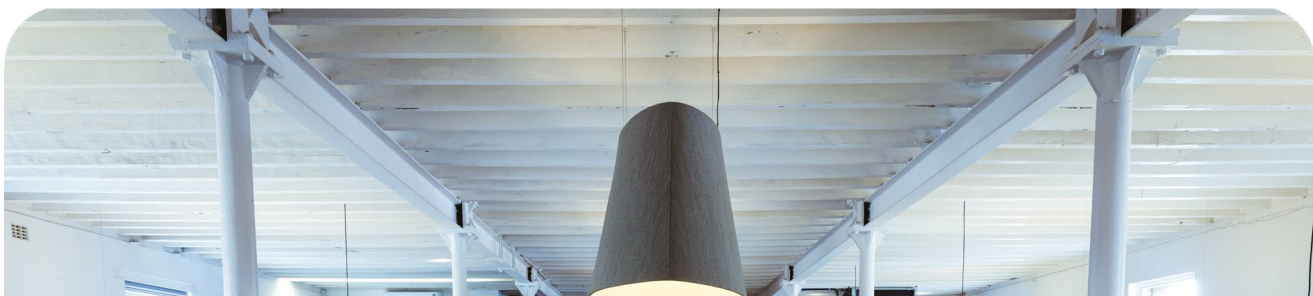
Implementation & Operational Risk

0 c a	IRYSS requires the creation of a complex ecosystem involving production, logistics, order fulfillment, digital services, and marketing. Integrating these diverse elements increases the likelihood of implementation errors and delays	0 c a	Delays in platform development, low-quality products and services, reduced reputation, and loss of customer trust
0 c a	> Conduct thorough project planning with clear implementation phases and timelines > Hire experienced professionals with relevant expertise across the necessary industries > Regularly perform internal audits and monitor processes to ensure quality control > Implement a comprehensive risk management system and contingency plans for unforeseen circumstances	0 c a	

Financial Risk

0 c a	Initial investments in production, platform development, personnel, and marketing may exceed projected revenues in the first few years	0 c a	Cash flow shortages, inability to cover operating expenses, potential insolvency
0 c a	> Implement strict financial controls and monthly expense monitoring to ensure financial discipline > Develop multiple funding scenarios considering pessimistic forecasts to prepare for financial downturns > Actively seek investments and strategic partnerships to secure additional funding > Prepare cost-cutting strategies in case of cash flow shortages, ensuring the ability to sustain operations	0 c a	





Market & Marketing Risk

There is a risk that IRYSS may not attract a sufficient number of clients (small brands and end consumers) to the platform or that demand for services may not meet expectations

Low sales volumes, dissatisfied clients, and reduced profitability

- > Conduct extensive market research and product testing before launching to understand consumer needs better
- > Develop a robust marketing strategy focused on the platform's unique value propositions
- > Leverage partnerships with influencers and media to attract clients and build brand awareness
- > Implement a customer loyalty program to retain clients and encourage repeat business

Management & Human Factor Risk

Inadequate qualifications or insufficient experience of key team members could lead to ineffective business management

Poor decision-making, inability to achieve strategic goals,
business losses

- > Recruit experienced professionals with the necessary skills and knowledge for each role
- > Regularly provide training and professional development opportunities to enhance team capabilities
- > Implement a quality management system and key performance indicators (KPIs) to ensure accountability and continuous improvement
- > Implement a stock option plan to incentivize employees, helping minimize management and personnel risks and ensuring stability.



Technological Risk

0 c a: a:	Platform malfunctions, cybersecurity issues, and rapid technological obsolescence pose significant risks	0 c a: a:	Platform downtime, data breaches, loss of customer trust, and additional expenses for maintenance and upgrades
--------------------	--	--------------------	--

0 c a: a:	> Implement advanced cybersecurity measures and regularly test the system for vulnerabilities to protect data > Utilize modern technologies and adopt a flexible architecture (e.g., MACH) for easy updates and scalability > Perform regular software and hardware updates to maintain system performance and security > Establish data backup protocols and disaster recovery plans to ensure business continuity
--------------------	---

Competitive Risk

0 c a: a:	Competitors may quickly adapt and offer similar or better products and services, reducing IRYSS's market share	0 c a: a:	Decreased sales, loss of clients, reduced profitability
--------------------	--	--------------------	---

0 c a: a:	> Continuously monitor competitors and market trends to stay informed of industry changes > Innovate constantly and introduce unique products/services to maintain a competitive edge. > Actively manage the brand and reputation to differentiate from competitors. > Develop long-term partnerships and exclusive agreements with suppliers to strengthen market positioning.
--------------------	---



Legal & Regulatory Risk

Additional legal expenses, fines, and the potential cessation of operations in some regions

- > Regularly monitor changes in legislation and regulatory requirements to ensure compliance
- > Engage experienced legal advisors to guide on regulatory issues
- > Implement policies and procedures that comply with all legal and regulatory standards to mitigate potential risks



Launching a platform with many integrated components may involve certain operational and technological risks. To mitigate these risks, we have implemented several measures:

Integration of Contingency Plans:

At each project stage, contingency mechanisms will be available in case of disruptions, including backup funding and support for key processes. We are creating financial reserves to cover unforeseen expenses and ensure business stability.

Quality Control and Audit:

Regular audits and internal quality controls will help identify and address potential early-stage issues. Involving experts in process monitoring will enable quick identification and minimization of risks.

Partnerships with Leading Experts:

We are collaborating with technology, finance, and production specialists to ensure the reliable functioning of each platform component. We also plan to use advanced technologies to automate processes and reduce dependency on human factors, which will enhance stability and productivity.

Flexibility of Platform Elements:

Each platform component complements the others but is not critical at the launch stage. This means that even if the deployment of one component is less successful, the platform can continue to operate effectively, maintaining core processes and ensuring stability. This flexibility helps to reduce operational risks and increase the overall resilience of the project.



Conclusion

The comprehensive risk analysis presented above is a critical foundation for IRYSS's strategic resilience and long-term success. Throughout this business plan, we have identified and analyzed key risks associated with our operations - from implementation and financial risks to competitive and regulatory challenges. By centralizing these risks in one section, we provide a clear and structured view of the potential obstacles that could impact our success while outlining robust mitigation strategies.

Our approach to risk management is proactive and dynamic, ensuring that we remain prepared for various scenarios, including best- and worst-case financial conditions. We understand that each risk is intricately tied to our business functions, and we have tailored our mitigation strategies to address specific challenges effectively.

This risk analysis not only underlines our commitment to foresight and preparedness but also acts as a unifying conclusion to our entire business plan.

Ultimately, by recognizing and addressing these risks, we reinforce our confidence in the viability and scalability of the IRYSS platform. Our diligent risk management approach will enable us to navigate uncertainties, create value for stakeholders, and achieve our strategic objectives. As we move forward, we focus on innovation, adaptability, and collaboration, ensuring that IRYSS is well-positioned for sustainable growth and leadership in the fashion industry.



In Appendix 10, Reasons to Invest, you will find an expanded section outlining key reasons for investors to consider the business, highlighting growth potential, competitive advantages, and financial projections.



Appendix

Market Research
Data

1

Market Research Data

Market Analysis: European Fashion Industry and the SME Segment

01 Introduction

The European fashion industry, valued at over €400 billion, is a cornerstone of the continent's **economy**. This sector is diverse, with a mix of global luxury brands and a vast number of small and medium-sized enterprises (SMEs) and independent brands. This analysis provides a detailed overview of the current landscape, focusing on the challenges and opportunities for SMEs and independent brands. The analysis also considers the role of digital transformation, B2B marketplaces, and the saturation of these platforms in shaping the future of fashion in Europe.

02 Industry Overview

The European fashion industry is a significant contributor to GDP and employment, with over **1.7 million people** employed across the EU as of 2023 (European Commission, 2023). The industry is characterized by its dynamism, driven by trends such as sustainability, digital transformation, and the growing demand for online shopping. By 2025, online sales are expected to account for nearly **30%** of all fashion sales in Europe, reflecting the increasing consumer shift toward e-commerce (Statista, 2023).

SMEs make up **99%** of businesses in the European fashion sector, underscoring their importance in driving innovation and diversity (European Commission, 2023). However, these smaller companies face significant challenges in a market increasingly dominated by large players.



03 Economic Landscape and Inflationary Pressures

The European economy has faced several challenges in recent years, with inflation being a significant concern. The Eurozone's inflation rate reached 5.1% in 2023, the highest in decades (European Central Bank, 2023). This inflationary environment has placed additional pressure on SMEs in the fashion sector, increasing the cost of raw materials, labor, and logistics. Unlike larger corporations, SMEs often lack the financial resilience to absorb these increased costs, resulting in tighter margins and greater financial strain.



04

Digital Transformation and the Shift to E-commerce

The rise of e-commerce has fundamentally altered the fashion industry. Online fashion sales in Europe are projected to reach **€120 billion** by 2025, driven by consumer preferences for online shopping (Euromonitor International, 2023). This shift presents both opportunities and challenges for SMEs.

The cost of digital advertising has surged, with the average cost-per-click (CPC) in the fashion sector increasing by over 20% year-on-year (McKinsey & Company, 2023). For SMEs with limited budgets, achieving online visibility is increasingly difficult. Furthermore, the adoption of advanced technologies such as artificial intelligence (AI) and data analytics requires significant investment, which is often beyond the reach of smaller brands. **According to Forrester Research (2023), over 60% of fashion SMEs feel unprepared to implement advanced digital strategies due to high costs and a lack of in-house expertise.**

05

Competitive Pressures and Market Saturation

The European fashion market is increasingly dominated by large players like Zalando, ASOS, and About You. These platforms provide vast reach but are heavily skewed toward larger brands. For instance, Zalando hosts over 2,500 brands, making it challenging for smaller brands to stand out in such a crowded space (Statista, 2023). **These platforms often prioritize their own brands or those of their largest suppliers, leaving limited opportunities for independent brands to compete.**

Additionally, the financial barriers for SMEs on these platforms are significant. Listing fees, promotional costs, and commission structures favor larger brands that can afford to invest heavily in visibility. As a result, smaller brands struggle to gain traction and visibility, limiting their growth potential.

06

B2B Market Growth: The Rise of Platforms Like Faire and Creolate

The B2B marketplace segment has experienced substantial growth, with platforms like Faire and Creolate leading the way. These platforms have rapidly expanded their networks, providing SMEs with access to a global market. Faire alone has grown its retailer network to over 450,000, demonstrating the demand for SME-focused marketplaces (Grand View Research, 2023).

However, the rapid growth and scale of these platforms have also led to significant challenges. The sheer volume of brands listing on these platforms- many of which are mass producers from Asia and the US- has led to oversaturation. **This saturation makes it difficult for truly unique, smaller brands to stand out.** Additionally, the dominance of mass-produced goods on these platforms dilutes the value proposition for brands seeking a curated, more exclusive marketplace.

Brands that aim to maintain their uniqueness and avoid being lost in a sea of similar products may find these large, saturated platforms less effective. **There is a growing demand for more curated B2B marketplaces that can offer a focused, high-quality selection of brands, allowing them to reach retailers without being overshadowed by larger, mass-produced competitors.**



07

Supply Chain Disruptions and Manufacturing Challenges

Supply chain disruptions have been a persistent issue for the fashion industry, particularly for SMEs. Global events such as the COVID-19 pandemic and ongoing geopolitical tensions have exacerbated these challenges. According to the European Commission (2023), 70% of fashion SMEs have experienced supply chain delays in the past year, leading to missed opportunities and lost revenue.

One of the most significant hurdles for fashion SMEs is finding manufacturing partners willing to produce small quantities. Over 50% of fashion SMEs report difficulties in securing local manufacturers who can accommodate low minimum order quantities (MOQs) without significantly inflating costs (European Apparel and Textile Confederation, 2023). Additionally, sourcing fabrics in small quantities is another major challenge, with many textile producers requiring bulk purchases that are beyond the reach of small brands. This limits SMEs' ability to manage inventory efficiently and maintain control over product quality.

08

Market Fragmentation and Expansion Challenges

Europe's fashion market is highly fragmented, with diverse languages, cultures, and regulatory environments. While this diversity is a strength, it also presents significant challenges for SMEs attempting to expand beyond their home markets. **Only 17% of fashion SMEs successfully expand into multiple international markets, largely due to the complexities of localization and varying consumer preferences (European Commission, 2023).**

The challenge of international expansion is compounded by the need for localized marketing strategies, compliance with different regulatory standards, and the necessity of adapting products to meet local tastes. This fragmentation limits the scalability of SMEs, which often lack the resources to navigate these challenges effectively.

However, the ability to create localized marketplaces within a broader ecosystem offers significant growth potential. **A platform that supports SMEs in navigating different regulatory environments and consumer preferences could unlock this potential, enabling small brands to scale more effectively across Europe.**

09

SME Adoption of Digital-First Strategies

The digital-first approach is increasingly essential for survival in the fashion industry. However, SMEs often struggle to adopt these strategies due to the associated costs and complexities. Maintaining an omnichannel presence—integrating online and offline sales channels—can increase operational costs by up to 30% (Deloitte, 2023). Furthermore, the rapid pace of technological change, particularly with the rise of AI and machine learning, adds additional pressure on SMEs to stay competitive.

Despite these challenges, the adoption of digital-first strategies presents significant opportunities for SMEs. Digital platforms enable brands to reach a wider audience, personalize customer experiences, and streamline operations. **However, the successful implementation of these strategies requires significant investment in technology, training, and marketing.**



Resellers play a crucial role in the fashion ecosystem, particularly in the B2B segment. The number of independent resellers in Europe has grown significantly, driven by the increasing demand for unique, niche products. However, resellers face challenges in scaling their operations, particularly in competing with larger retailers that benefit from economies of scale.

Resellers can expand their product offerings and improve their competitive position by partnering with SMEs and leveraging platforms like Faire and Creolate. However, the oversaturation of these platforms with mass-produced goods from Asia and the US presents a challenge. **For resellers seeking high-quality, unique products, there is a growing need for curated marketplaces that prioritize exclusivity and quality over quantity.**

By expanding their product offerings through partnerships with unique SMEs, resellers can capture a larger share of their local markets and compete more effectively with larger retailers. **A curated B2B marketplace that focuses on quality and uniqueness rather than sheer volume could provide significant value to resellers looking to differentiate themselves.**

€400 billion:

The value of the European fashion industry in 2023

(Statista, 2023).

99%

of all fashion businesses in Europe are SMEs

(European Commission, 2023).

60%

of new fashion SMEs fail within the first three years

(FashionUnited, 2023).

5.1%

The Eurozone's inflation rate in 2023, significantly impacting SME profitability

(European Central Bank, 2023).

20%

Year-on-year increase in the average cost-per-click (CPC) in fashion digital advertising

(McKinsey & Company, 2023).

450,000

retailers connected through the 828 platform Faire, illustrating the potential for SME-focused marketplaces

(Grand View Research, 2023).

17%

Success rate of fashion SMEs expanding into multiple international markets

(European Commission, 2023).

70%

of fashion SMEs experienced supply chain delays in the past year

(European Apparel and Textile Confederation, 2023).

50%

of fashion SMEs struggle to find manufacturers willing to take on small orders without inflating costs

(European Apparel and Textile Confederation, 2023).

30%

Increase in operational costs associated with maintaining an omnichannel presence

(Deloitte, 2023).

80%

Share of 28 platforms like Faire and Creolate dominated by mass-produced goods from Asia and the US, leading to oversaturation and challenges for smaller, unique brands to stand out

(Grand View Research, 2023).



Sustainability and Ethical Consumption

Growing Consumer Demand:

Statistic:

According to a 2023 study by McKinsey, 67% of European consumers consider the use of sustainable materials an important purchasing factor.

Relevance:

The increasing consumer demand for sustainable and ethically produced fashion presents a significant opportunity for SMEs that prioritize these values. In Europe, where environmental and social awareness is particularly high, brands that focus on sustainability can differentiate themselves from larger competitors and attract a loyal customer base. **The market for sustainable fashion is projected to grow by 9.7% annually, reaching €8 billion in Europe by 2027.**



Direct-to-Consumer (DTC) Models

Rise of DTC Models:

Statistic:

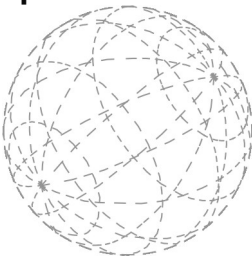
The global DTC market is expected to reach €750 billion by 2027, with Europe contributing a substantial share.

Relevance:

The shift towards DTC models allows SMEs and independent brands to build direct relationships with consumers, bypassing traditional retail channels. This model provides brands with greater control over pricing, branding, and customer experience. For SMEs, this trend offers a pathway to increase profit margins by eliminating intermediaries, making it easier to compete with larger brands.

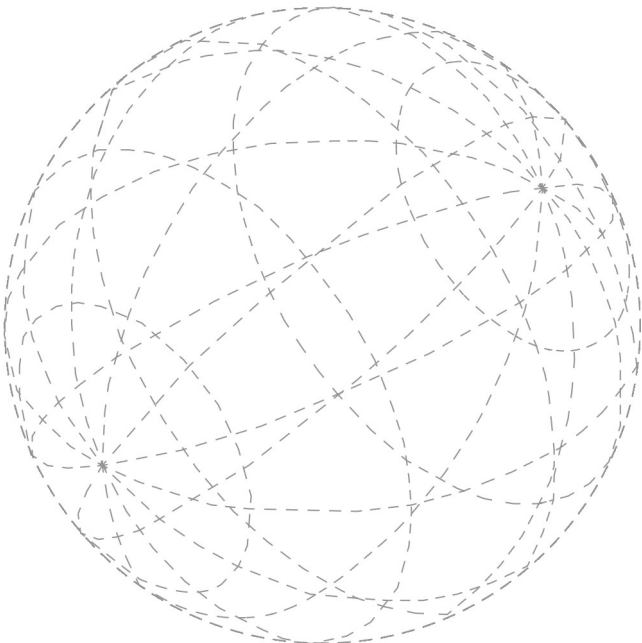
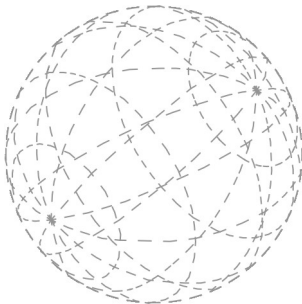


Barriers to AI and Automation Adoption



Challenges in Adoption:

Statistic:	A 2023 report from the European Commission found that only 15% of SMEs in Europe have integrated AI or automation technologies, compared to 50% of large enterprises.
Relevance:	The slow adoption of AI and automation places SMEs at a significant competitive disadvantage. These technologies are critical for personalized marketing, efficient inventory management, and enhanced customer service. Overcoming these barriers will be essential for SMEs to remain competitive in a digital-first world.



E-commerce Platform Diversity

Diverse Platform Landscape:

Statistic:	Europe hosts over 50 specialized e-commerce platforms catering to various niches, such as sustainable fashion and luxury second-hand goods.
Relevance:	SMEs can leverage these niche platforms to reach more targeted audiences, bypassing the saturation found in broader platforms like Amazon or Zalando. These specialized platforms often provide better visibility for SMEs, allowing them to connect with consumers who are specifically looking for the unique products they offer.



Influencer Marketing

Impact of Influencers:

Statistic:	The influencer marketing industry in Europe was valued at €1.2 billion in 2023, with fashion and beauty brands accounting for 30% of this spend.
Relevance:	SMEs can leverage influencer partnerships to enhance brand visibility and credibility, particularly by collaborating with micro-influencers who often have highly engaged, niche audiences. This strategy allows SMEs to reach broader audiences without the need for large advertising budgets.



Social Commerce

Growth of Social Commerce:

Statistic:	Social commerce sales in Europe are expected to reach €110 billion by 2025.
Relevance:	Social commerce is transforming consumer behavior by integrating shopping directly into social media platforms like Instagram and TikTok. This trend offers SMEs new opportunities to engage with consumers in a more interactive and personalized way, turning social media followers into customers.



Resilience Strategies

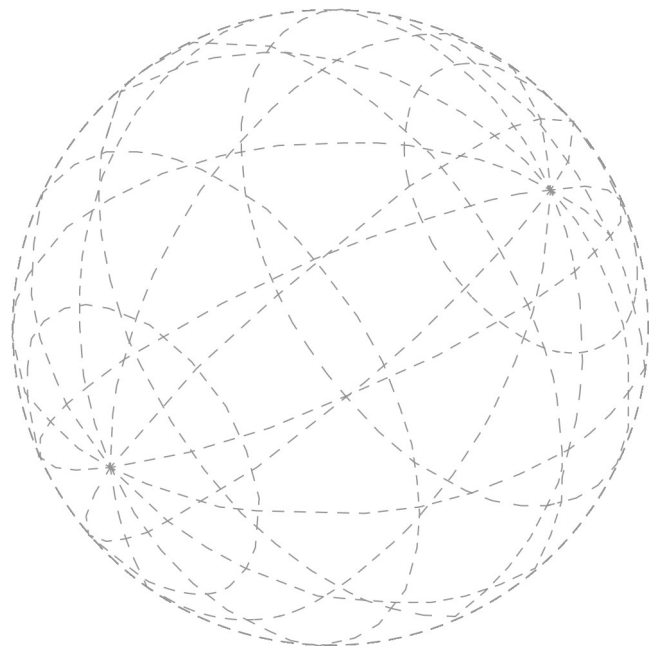
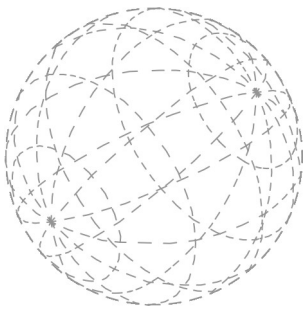
Strategies for Survival:

Statistic:

SMEs that diversified their revenue streams during the 2020 economic downturn were 30% more likely to survive.

Relevance:

SMEs that adopt strategies such as diversifying revenue streams, focusing on niche markets, or implementing flexible manufacturing processes can better navigate economic downturns. These strategies can help SMEs maintain financial stability and continue growing even in challenging economic conditions.



Localization as a Strategy

Importance of Localization:

Statistic:

A Euromonitor International report found that 70% of European consumers prefer buying products from local brands.

Relevance:

SMEs can leverage localization to better cater to regional markets by tailoring their products and marketing strategies to local tastes and preferences. This approach can enhance customer loyalty and drive growth, particularly in markets where consumers have a strong preference

for locally produced goods.



Brexit Impact

Brexit Challenges:

Statistic:	Post-Brexit, 40% of UK-based fashion SMEs reported difficulties in exporting to the EU due to increased regulatory and logistical barriers.
Relevance:	Brexit has created new challenges for cross-border trade within Europe, particularly for UK-based SMEs. Navigating these complexities requires a deep understanding of new regulations and potential changes in consumer demand. However, it also presents opportunities for SMEs to rethink their strategies and explore new markets within the EU.



Cross-Border E-commerce Regulations

Regulatory Complexities:

Statistic:	Compliance with cross-border e-commerce regulations in the EU can increase operational costs for SMEs by up to 20%.
Relevance:	SMEs looking to expand across European borders must navigate a complex regulatory landscape, which can be costly and time-consuming. However, successfully managing these regulations can open up significant new markets, providing growth opportunities for SMEs willing to invest in compliance and localization.



Niche Market Opportunities

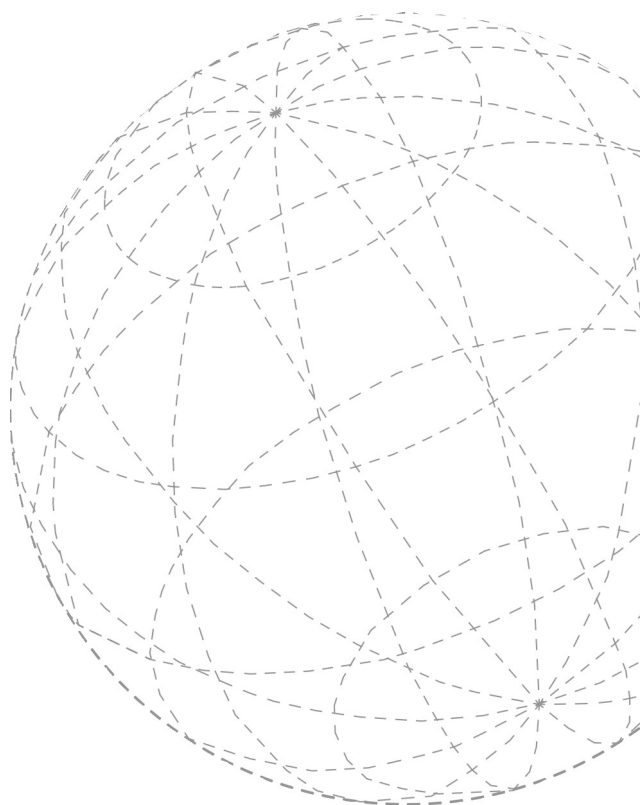
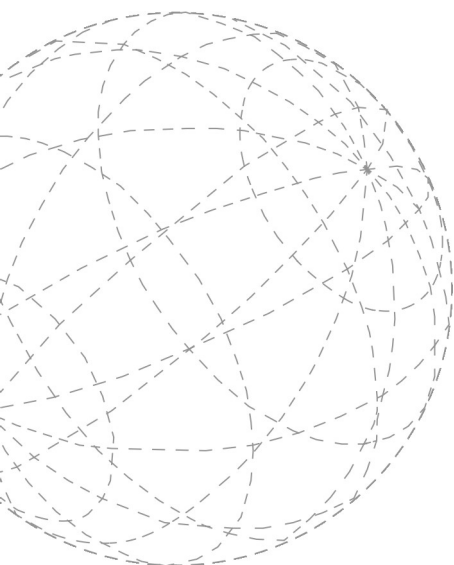
Growth in Niche Markets:

Statistic:

The adaptive clothing market in Europe is expected to grow by 7.5% annually, reaching €500 million by 2025.

Relevance:

SMEs that focus on niche markets, such as adaptive clothing, tech-integrated wearables, or plus-size fashion, can capitalize on less saturated segments of the fashion industry. These niches often have loyal customer bases and less direct competition from large corporations, providing SMEs with a unique opportunity to differentiate and grow.



Sub-Sectors Analysis

Sub-Sector Opportunities:

Statistic:

The European footwear market is projected to reach €98 billion by 2027, with SMEs accounting for 45% of the sector's growth.

Relevance:

Sub-sectors like footwear, accessories, or athleisure offer specific opportunities for SMEs to grow, particularly if they can differentiate through quality, design, or sustainability. These sub-sectors also provide avenues for SMEs to target specific consumer groups with tailored products.



Country-Specific Insights

Market Dynamics by Country:

Statistic:

The fashion market in France is expected to grow by 4.1% annually, reaching €73 billion by 2025, driven by high consumer spending on luxury goods.

Relevance:

Understanding the dynamics of different European markets is crucial for SMEs planning to expand. For example, luxury brands may find more opportunities in France, while more budget-friendly brands might target markets like Eastern Europe, where consumers are more price-sensitive but increasingly interested in fashion.



References

McKinsey & Company. (2023)

"The State of Fashion 2023." Retrieved from mckinsey.com

European Commission. (2023)

"Challenges for SMEs in the European Fashion Industry." Retrieved from ec.europa.eu

Euromonitor International. (2023)

"The Impact of Localized Marketing Strategies." Retrieved from euromonitor.com

FashionUnited. (2023)

"Financial and Operational Challenges for Fashion SMEs." Retrieved from fashionunited.com

Harvard Business Review. (2023)

"The Power of Network Effects in Digital Platforms." Retrieved from hbr.org

Statista. (2023)

"Influencer Marketing Industry in Europe." Retrieved from statista.com

Grand View Research. (2023)

"Global B2B E-commerce Market." Retrieved from grandviewresearch.com

European Central Bank. (2023)

"Inflation in the Eurozone." Retrieved from ecb.europa.eu

Deloitte. (2023)

"The State of Omnichannel Retail in Europe." Retrieved from deloitte.com

Forrester Research. (2023)

"Digital Transformation in Fashion SMEs." Retrieved from forrester.com

European Apparel and Textile Confederation. (2023)

"The European Textile and Apparel Industry." Retrieved from euratex.eu

Euromonitor International. (2023)

"European Footwear Market Analysis." Retrieved from euromonitor.com



Opportunity

Appendix

2

Market Opportunity Analysis: Unlocking the Potential of SMEs and Independent Brands in the European Fashion Industry

Introduction

The European fashion industry is one of the most dynamic and influential markets globally, contributing significantly to the region's economy. However, this market is also one of the most challenging for small and medium-sized enterprises (SMEs) and independent brands, which face significant barriers to growth and scaling. Despite these challenges, there is a substantial and largely untapped market opportunity for SMEs and independent brands, driven by changing consumer preferences, the rise of e-commerce, and the demand for unique, localized products. This section provides an in-depth analysis of the market opportunity within the European fashion industry, focusing on the potential for SMEs and independent brands to capitalize on these trends.



The European Fashion Market: A Broad and Diverse Landscape

Market Size and Growth Potential

The European fashion market is a powerhouse within the global fashion industry, valued at over **€400 billion in 2023** and expected to reach **€500 billion by 2027** (Statista, 2023). This market is characterized by a wide range of consumer segments, from luxury fashion to fast fashion, each with distinct trends and demands. The growth of e-commerce has been a significant driver of this market, with online fashion sales expected to account for over **25%** of total fashion sales in Europe by 2025.

SMEs in the Fashion Industry

SMEs play a crucial role in the European fashion market, representing approximately **90%** of all fashion businesses in the region (European Commission, 2023). These businesses are often the **incubators of innovation**, bringing unique designs, sustainable practices, and localized products to market. However, SMEs face significant challenges, including high operational costs, limited access to capital, and difficulties in scaling their businesses.

Consumer Preferences Shifting Towards Independent Brands

Recent trends indicate a growing consumer **preference for independent brands**, particularly those offering sustainable, ethically produced, and unique products. A survey by McKinsey & Company (2022) found that 70% of European consumers prefer to buy from independent brands that align with their values, such as sustainability and local production. This shift presents a significant opportunity for SMEs and independent brands to capture market share by catering to these evolving consumer demands.



Key Market Drivers and Trends

1. Rise of E-commerce and Digital Transformation

The digital transformation of the fashion industry has accelerated in recent years, with e-commerce becoming a dominant sales channel. The European fashion e-commerce market is expected to grow at a compound annual growth rate (CAGR) of 7.3% from 2023 to 2028, driven by increasing internet penetration, mobile commerce, and the convenience of online shopping (Mordor Intelligence, 2023). **This shift to digital presents a significant opportunity for SMEs and independent brands, which can leverage online platforms to reach broader audiences without the need for extensive physical retail networks.**

2. Demand for Sustainable and Ethical Fashion

Sustainability has become a critical factor in consumer purchasing decisions, particularly in Europe, where environmental consciousness is high. **According to a report by Euromonitor International (2023), 68% of European consumers consider the sustainability of a product before making a purchase.** SMEs and independent brands, often positioned as more agile and mission-driven than larger corporations, are well-placed to meet this demand by offering sustainable and ethically produced products.

3. Localization and Customization

Localization and customization are emerging as key trends in the European fashion market. Consumers are increasingly seeking products that reflect local cultures and identities, as well as personalized items that cater to their individual tastes. This trend is particularly strong in Europe, where cultural diversity and regional identities play a significant role in consumer behavior. SMEs and independent brands, which often operate on a smaller scale, can more easily adapt to these localized demands, offering unique and customized products that resonate with specific consumer segments.

4. Challenges of Market Saturation and Competition

While the opportunities are significant, SMEs and independent brands also face considerable challenges in competing with large, established players. Marketplaces like Zalando and About You, for example, offer vast product ranges dominated by corporate-owned and in-house brands, making it difficult for smaller brands to stand out. Zalando, for instance, lists over 400,000 fashion items, creating a highly saturated environment where smaller brands struggle for visibility (Statista, 2023).

5. The Untapped Potential of International Scaling

Despite these challenges, the opportunity for SMEs and independent brands to scale internationally is immense. **Europe's fragmented market, with its diverse consumer bases and varying market conditions, presents an opportunity for brands to expand across borders.** A localized approach, supported by a strong digital presence, can enable brands to tap into different European markets, each with its own unique demands. According to the European Commission (2023), only 25% of European SMEs currently engage in cross-border trade, highlighting a significant growth opportunity for those that can navigate the complexities of international expansion.



The Competitive Landscape

Marketplaces and Their Limitations

Large online marketplaces such as Zalando, About You, and Asos have been instrumental in shaping the **online fashion landscape in Europe**. However, these platforms primarily serve larger brands, often prioritizing their own in-house labels or those with significant marketing budgets. As a result, smaller brands are left with limited opportunities for growth, facing **high competition** and **little support**.

Challenges of Traditional Marketplaces:

Overcrowded Marketplaces:

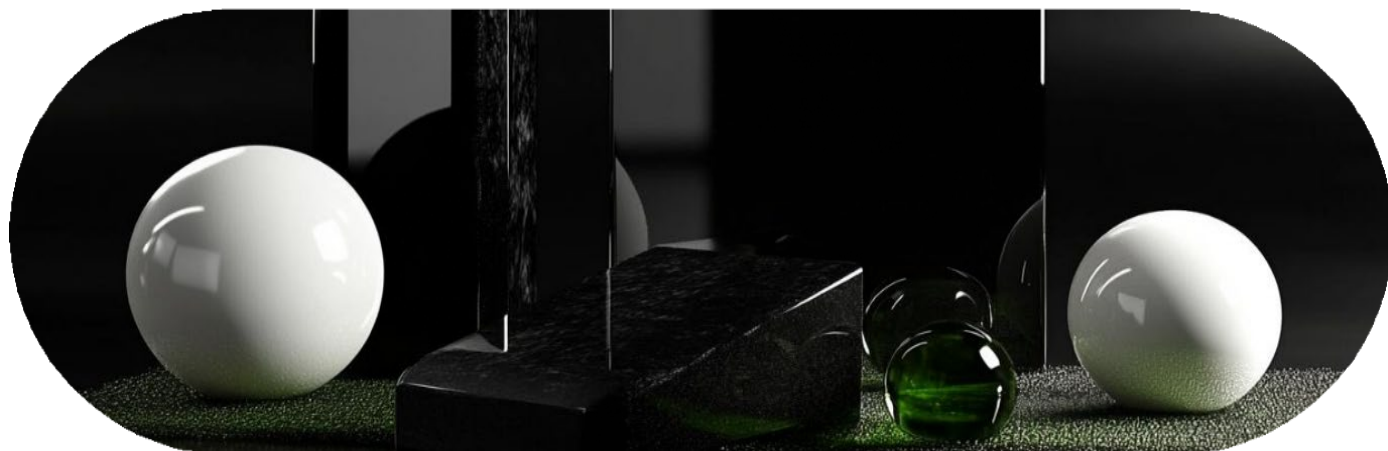
Platforms like Zalando and About You list thousands of brands, making it difficult for any single brand to gain visibility and attract customers without significant marketing spend.

In-House Brand Dominance:

Many large marketplaces prioritize their own brands or those from parent companies, reducing the visibility and competitiveness of independent brands.

Limited Support for SMEs:

These platforms typically offer limited resources or support for smaller brands, focusing instead on transactional relationships rather than long-term brand development.



Niche Marketplaces and Emerging Opportunities

While large marketplaces **dominate the online fashion landscape**, niche platforms that focus on independent brands have begun to emerge. Platforms like Wolf & Badger, for example, offer a space for independent brands to reach a targeted audience, but they often lack the comprehensive support services needed to scale effectively. These niche platforms represent an opportunity for further innovation in supporting SMEs and independent brands.

Potential for Disruption:

The growing dissatisfaction among SMEs and independent brands with traditional marketplaces presents an opportunity for disruption. **Brands are seeking platforms** that not only offer visibility but also provide the tools, support, and infrastructure needed to scale effectively. The opportunity to **create a platform** that addresses these needs, particularly one that leverages digital transformation and innovative business models, is substantial.



Market Opportunity for SMEs and Independent Brands

01

Scaling Through Digital Ecosystems

The opportunity for SMEs and independent brands lies in the ability to leverage digital ecosystems that provide more than just a marketplace. By integrating services such as logistics, marketing, and financing, these ecosystems can support brands in scaling more efficiently and effectively. The rise of e-commerce has lowered the barriers to entry for smaller brands, allowing them to reach broader audiences without the need for extensive physical infrastructure.

02

Consumer Demand for Diversity and Localization

The European market's diversity presents a unique opportunity for SMEs and independent brands. Consumers are increasingly drawn to products that reflect their local culture, values, and tastes. This demand for diversity and localization is particularly strong in Europe, where regional identities are deeply ingrained. Brands that can cater to these localized demands, offering products that resonate with specific consumer segments, have a significant opportunity to capture market share.

03

The Role of Sustainability in Brand Differentiation

Sustainability is no longer a niche concern but a mainstream demand among European consumers. Brands that can demonstrate a commitment to sustainable practices are more likely to attract and retain customers. This trend presents a significant opportunity for SMEs and independent brands, which are often more agile and able to implement sustainable practices more quickly than larger competitors.

04

Leveraging Technology for Competitive Advantage

Technology plays a critical role in enabling SMEs and independent brands to compete with larger players. By adopting advanced technologies such as AI-driven personalization, supply chain management systems, and digital marketing tools, smaller brands can enhance their efficiency, reduce costs, and improve customer engagement. The ability to leverage technology effectively will be a key differentiator for brands looking to scale in the European market.



Conclusion:

A Transformative Market Opportunity

The European fashion market presents a significant opportunity for SMEs and independent brands to thrive, driven by shifting consumer preferences, the rise of e-commerce, and the demand for unique, localized products. However, realizing this opportunity requires overcoming significant challenges, including market saturation, competition from larger players, and the complexities of scaling across borders.

The potential for disruption is clear. Brands that can leverage digital ecosystems, adopt sustainable practices, and cater to localized demands are well-positioned to capture a growing share of the European market. The opportunity to create a platform that supports these brands, providing the tools, infrastructure, and community they need to succeed, is immense.

The time to act is now. As consumer preferences continue to evolve, and the demand for independent, sustainable, and localized brands grows, the market is ripe for innovation. **By capitalizing on these trends, SMEs and independent brands can not only survive but thrive in the competitive European fashion market.**



References

Statista. (2023)

"European E-commerce Market Growth Projections."
Retrieved from [statista.com](https://www.statista.com).

McKinsey & Company. (2022)

"Global Fashion Industry Insights."
Retrieved from [mckinsey.com](https://www.mckinsey.com).

European Commission. (2023)

"SME Growth Potential in Europe."
Retrieved from ec.europa.eu.

Euromonitor International. (2023).

"Challenges Facing SMEs in the Fashion Industry." Retrieved from [euromonitor.com](https://www.euromonitor.com).

Mordor Intelligence. (2023)

"Global Fashion SME Market Growth." Retrieved from [mordorintelligence.com](https://www.mordorintelligence.com).

Harvard Business Review. (2023)

"Network Effects in Digital Platforms." Retrieved from hbr.org.



Key Data and Statistics on Fashion SMEs in the EU

1. Number of Fashion SMEs in the EU:

Data

There are over 160,000 SMEs in the fashion and textile sector across the European Union.

Relevance

This represents a significant portion of the overall fashion industry, highlighting the potential for targeted support and growth within this segment.

2. Contribution to Employment:

Data

Fashion and textile SMEs employ approximately 1.7 million people in the EU.

Relevance

This indicates the critical role that SMEs play in job creation and economic stability within the fashion sector, underlining the importance of supporting these businesses.

3. Growth of E-commerce for Fashion SMEs:

Data

E-commerce sales in the fashion sector are growing at a rate of 8% annually in the EU, with SMEs increasingly shifting towards online sales channels.

Relevance

The growth of e-commerce provides a significant opportunity for SMEs to reach wider markets and increase their sales without the need for extensive physical retail networks.

4. Consumer Preference for Independent Brands:

Data

70% of European consumers express a preference for purchasing from independent brands that offer sustainable and ethically produced products.

Relevance

This trend highlights the potential for SMEs, which often focus on sustainability and ethical production, to capture a larger market share.

5. Market Fragmentation:

Data

The European fashion market is highly

D

fragmented, with no single brand holding more than 10% of the market share.



Relevance

This fragmentation presents opportunities for SMEs to find and exploit niche markets within the broader fashion industry.



6. Barriers to International Expansion:

>|

Data

Only 25% of EU fashion SMEs engage in cross-border trade, primarily due to challenges related to regulatory differences, logistics, and market entry costs.

Relevance

Addressing these barriers could unlock significant growth potential for SMEs by enabling them to expand into new markets across Europe.

7. Investment in Sustainable Fashion:

Data

The sustainable fashion market in Europe is expected to grow by 9.1% annually, with increasing demand for eco-friendly products.

Relevance

SMEs that prioritize sustainability are well-positioned to benefit from this growing market, attracting consumers who prioritize ethical and environmentally friendly products.

8. Failure Rates of Fashion SMEs:

„11

Data

Approximately 60% of fashion SMEs in Europe fail within the first five years, primarily due to high operational costs and difficulties in scaling.

Relevance

This high failure rate underscores the need for support systems that can help SMEs overcome these challenges and achieve sustainable growth.

9. Digital Transformation and Technology Adoption:

Data

Only 30% of fashion SMEs in the EU have adopted advanced digital technologies such as AI, big data analytics, and automation.

Relevance

There is a significant opportunity for growth through the adoption of digital technologies that can enhance efficiency, reduce costs, and improve customer engagement.

10. Consumer Spending on Fashion in the EU:

Data

European consumers spend an average of €900 per year on fashion, with a growing portion of this expenditure shifting towards online purchases.

Relevance

The steady consumer spending on fashion indicates a robust market, where SMEs can compete effectively if they leverage online sales channels and align with consumer trends.



Summary

The above data illustrates the significant potential for fashion SMEs in the European Union. With growing consumer demand for sustainable and unique products, the expansion of e-commerce, and the opportunity to adopt advanced technologies, there is a strong case for investing in and supporting SMEs within the fashion industry. Addressing the challenges related to scaling, international expansion, and technology adoption can further unlock this potential, allowing SMEs to thrive in a competitive and fragmented market.



Key Data and Statistics on Fashion Resellers in the EU

1. Number of Fashion Resellers in the EU:

Data

There are over 250,000 fashion resellers across Europe, including independent boutiques, online stores, and multi-brand retailers.

Relevance

This significant number highlights the large ecosystem of resellers who play a crucial role in the distribution and accessibility of fashion products, particularly in local markets.

2. Growth of Online Fashion Resellers:

Data

The number of online fashion resellers in Europe has grown by 12% annually over the past five years.

Relevance

The shift towards online reselling presents substantial growth opportunities for existing and new resellers, allowing them to reach wider audiences beyond their immediate geographic locations.

3. Consumer Trust in Local Resellers:

Data

68% of European consumers express a preference for purchasing from local resellers whom they trust and who offer personalized service.

Relevance

This trust in local resellers underscores the potential for these businesses to grow their market share by focusing on customer service, local knowledge, and unique product offerings.

4. Reseller Contribution to Local Economies:

Data

Fashion resellers contribute over €35 billion annually to local economies across Europe.

Relevance

Resellers are not just intermediaries; they are vital to the economic fabric of local communities, supporting jobs, and fostering local business ecosystems.

5. Reseller Challenges in Product Sourcing:

Data

45% of resellers report difficulty in sourcing unique and diverse products, which limits their ability to differentiate themselves from larger, more established competitors.

Relevance

Access to a broader range of products through platforms like IRYSS could help resellers overcome this challenge, enabling them to offer more unique and curated selections that attract and retain customers.



6. Potential for Market Share Growth:

>|

Data

Independent resellers have the potential to increase their market share by 15-20% if they can expand their product offerings and improve their online presence.

Relevance

With the right tools and access to a wider range of products, resellers can significantly boost their competitiveness and capture a larger share of the market, particularly in niche and local segments.

7. Importance of Multi-Brand Retailing:

Data

60% of resellers who offer multiple brands report higher customer retention and increased average transaction values.

Relevance

Multi-brand retailing allows resellers to cater to a broader customer base, offering more choice and flexibility, which can drive growth and enhance customer loyalty.

8. Digital Transformation Among Resellers:

Data

Only 35% of fashion resellers have fully integrated e-commerce solutions, despite the growing importance of online sales.

Relevance

There is significant room for growth through digital transformation, enabling resellers to compete more effectively in an increasingly digital marketplace and expand their reach beyond local boundaries.

9. Impact of Drop-Shipping on Reseller Growth:

Data

Resellers using drop-shipping models report a 25-30% increase in product offerings without the associated risks and costs of holding inventory.

Relevance

The adoption of drop-shipping allows resellers to expand their catalogs and offer a wider range of products, enhancing their competitiveness and ability to scale.

10. Consumer Preference for Diverse Product Offerings:

Data

72% of consumers prefer shopping at resellers that offer a diverse range of products, including exclusive and

hard-to-find items.



Relevance

By expanding their product offerings, resellers can attract more customers and increase sales, especially by providing products that are not readily available through larger, mainstream retailers.



Summary

The data indicates that fashion resellers in the EU have significant growth potential, particularly through the expansion of product offerings and the adoption of digital and drop-shipping models. With a strong consumer preference for personalized service, local knowledge, and diverse product ranges, resellers are well-positioned to increase their market share in local markets. **By leveraging platforms that provide access to a broader selection of products and supporting their digital transformation, resellers can enhance their competitiveness, drive sales, and contribute even more significantly to local economies**



References

1. Statista:

- "Number of Fashion Retailers in Europe 2023." Statista.
- "Growth of Online Fashion Retail in Europe." Statista.
<https://www.statista.com>

2. Euromonitor International:

- "European Fashion Market Report 2023." Euromonitor International.
- "Consumer Trust in Local Retailers in Europe." Euromonitor International.
<https://www.euromonitor.com>

3. McKinsey & Company:

- "The State of Fashion 2023." McKinsey & Company.
- "The Rise of Multi-Brand Retailing." McKinsey & Company.
<https://www.mckinsey.com>

4. Grand View Research:

- "Global Fashion Reseller Market Size and Forecast." Grand View Research.
<https://www.grandviewresearch.com>

5. Deloitte:

- "Digital Transformation in Fashion Retail 2023." Deloitte Insights.
- "Impact of Drop-Shipping on Retail Growth." Deloitte Insights.
<https://www.deloitte.com/de/de.html>

6. Harvard Business Review:

- "Consumer Behavior and Local Retailing." Harvard Business Review.
<https://hbr.org>

7. European Commission:

- "Economic Impact of Retailers on Local Economies." European Commission Report 2023.
https://commission.europa.eu/index_en

8. Forrester Research:

- "E-commerce Trends in Europe." Forrester Research.
<https://www.forrester.com/bold>



TAM STUDY

1. TAM (Total Addressable Market)

Definition:	TAM represents the total market demand for a product or service, assuming no competition and full market penetration.
Objective:	To quantify the potential revenue opportunity for the IRYSS platform by identifying the size of the market for SME brands, resellers, and customers within the European fashion industry.

2. SME Brands TAM Analysis

2.1 Market Size of SME Fashion Brands in Europe

Market Value:	The European fashion market was valued at approximately €410 billion in 2023 (Statista). SMEs represent a significant portion of this, estimated at around 30%, equating to approximately €123 billion.
Number of SMEs:	Europe hosts over 1.7 million SMEs within the fashion sector, contributing to 60% of the industry's employment and 45% of its revenue (European Commission, 2023).

2.2 Growth Projections for SME Fashion Brands

CAGR:	The SME segment in the fashion industry is expected to grow at a CAGR of 6% from 2023 to 2028, driven by increasing consumer demand for niche, sustainable, and locally produced fashion (Euromonitor, 2023).
Market Opportunity:	By 2028, the SME fashion segment is projected to reach €164 billion, highlighting significant growth potential.

2.3 Factors Driving SME Growth

Digital Transformation:	Increasing adoption of e-commerce and digital marketing tools among SMEs is expected to drive growth, with over 70% of SMEs investing in digital transformation by 2025 (Deloitte, 2023).
Consumer Trends:	Shifts towards sustainability, ethical fashion, and personalized products are key drivers that favor SMEs, as these brands are more agile and responsive to these trends (McKinsey & Company, 2023).



3. Resellers TAM Analysis

3.1 Market Size of Fashion Resellers in Europe

Market Value:	The European reseller market, encompassing physical stores and online platforms, was valued at €50 billion in 2023 (Statista). Resellers account for around 15% of the overall fashion market.
Number of Resellers:	Europe has an estimated 650,000 fashion resellers, ranging from small independent stores to larger online platforms (Euromonitor International, 2023).

3.2 Growth Projections for Resellers

CAGR:	The reseller market is expected to grow at a CAGR of 5% from 2023 to 2028, driven by the rise of online platforms and the increasing popularity of drop-shipping models (Forrester Research, 2023).
Market Opportunity:	By 2028, the reseller market is projected to reach €64 billion.

3.3 Factors Driving Reseller Growth

E-commerce Expansion:	The expansion of e-commerce platforms like Shopify and WooCommerce enables resellers to reach a broader audience, driving growth (Deloitte, 2023).
Drop-shipping Models:	The increasing adoption of drop-shipping among resellers reduces the need for inventory, lowering operational costs and enabling scalability (Grand View Research, 2023).



4. Customer TAM Analysis

4.1 Market Size of Fashion Consumers in Europe

Consumer Spending:	European consumers spent approximately €370 billion on fashion in 2023 (Statista), with a significant portion attributed to purchases from SMEs and resellers.
Online Shopping:	Over 60% of fashion purchases were made online in 2023, highlighting the shift towards e-commerce (Euromonitor, 2023).

4.2 Growth Projections for Fashion Consumers

CAGR:	The fashion consumer market is expected to grow at a CAGR of 4.5% from 2023 to 2028, with online sales expected to represent 75% of total fashion sales by 2028 (Forrester Research, 2023).
Market Opportunity:	By 2028, consumer spending on fashion is projected to reach €462 billion.

4.3 Factors Driving Consumer Market Growth

Shift to Online Shopping:	The increasing convenience and variety offered by online shopping are significant growth drivers, with over 80% of consumers preferring online shopping due to better prices and variety (McKinsey & Company, 2023).
Demand for Unique Products:	There is a growing demand for unique, personalized, and sustainable products, which SMEs and resellers are better positioned to offer compared to large corporations (Harvard Business Review, 2023).



5. Combined TAM for SME Brands, Resellers, and Customers

5.1 Aggregate Market Size

Total Market Value:	When combining the market sizes of SME brands, resellers, and consumers, the total addressable market for the IRYSS platform in Europe is approximately €540 billion in 2023.
----------------------------	---

5.2 Growth Projections

Overall CAGR:	The combined market is expected to grow at a CAGR of 5% from 2023 to 2028, driven by digital transformation, the rise of e-commerce, and consumer demand for unique products.
----------------------	---

Projected Market Value:	By 2028, the total addressable market is projected to reach €690 billion, indicating substantial growth potential.
--------------------------------	--

6. Conclusion

Significant Opportunity:	The European fashion market presents a significant opportunity for platforms like IRYSS to capitalize on the growing demand for SME brands and resellers. With the market projected to grow substantially, the IRYSS platform is well-positioned to capture a large share of this expanding market.
---------------------------------	---

Strategic Positioning:	By targeting the underserved SME and reseller segments, IRYSS can leverage its unique value proposition to create a dominant presence in the European fashion market.
-------------------------------	---



7. References

1. Statista:

- "European Fashion Market Overview 2023." Statista. Link
- "Growth Projections for Online Fashion Retail in Europe." Statista.
<https://www.statista.com>

2. Euromonitor International:

- "SME Fashion Market in Europe." Euromonitor International. Link
- "European Fashion Reseller Market Report 2023." Euromonitor International.
<https://www.euromonitor.com>

3. McKinsey & Company:

- "The State of Fashion 2023." McKinsey & Company. Link
- "Consumer Trends in the European Fashion Market." McKinsey & Company.
<https://www.mckinsey.com>

4. Deloitte:

- "Digital Transformation in European SMEs." Deloitte Insights.
- "The Impact of E-commerce on Fashion Resellers." Deloitte Insights.
<https://www.deloitte.com/de/de.html>

5. Grand View Research:

- "Global Drop-shipping Market Analysis." Grand View Research. Link
<https://www.grandviewresearch.com>

6. Forrester Research:

- "E-commerce Growth in Europe." Forrester Research.
<https://www.forrester.com/bold>

7. Harvard Business Review:

- "Consumer Preferences for Sustainable Fashion." Harvard Business Review.
<https://hbr.org>

8. European Commission:

- "SMEs in the European Fashion Industry." European Commission Report 2023.
https://commission.europa.eu/index_en

This report provides a comprehensive view of the TAM for SME brands, resellers, and consumers in the European fashion industry, backed by relevant data and statistics.



Appendix

Management
Resumes & Bios

3

Grabriele Morsillo

Head of Operations

+ (39) 329 9891457

gabriele.morsillo@gmail.com

PROFILE

Customer Success Manager with over 13 years of experience in working with clients across various B2C and B2B realities. Skilled in building solid long-term client relationships and driving value and ROI in Cyber Security, Software Quality, QA, UX, and Market Research projects. Proven expertise in negotiation, revenue and value generation, and business management. Experienced in identifying new streams of income, upselling/cross-selling opportunities, and creating win-win situations. Business-minded with a focus on operational management, optimization, cost-control, and driving initiatives for automation and efficiency.

EDUCATION

MBA

University of Roehampton | 2020-2021

- Master of Business Administration achieved with distinction (max grade available)

Master in Strategic Management and Leadership

CMI | 2020-2021

BAHons in Business and Marketing Management

University of Wolverhampton | 2019-2020

- After completion of first year, I was given two offers for a MBA (University of Sussex with 5k scholarship and University of Roehampton, the chosen one).

AWARDS

- ISC2 Certified in Cyber Security
- Network Security Fundamentals
- UX Research Certificate
- Global Leadership Program
- CMI member
- Ingenuity Program Mentor

EXPERIENCE

Customer Success Manager

UNGUESS Sri/ 2023 - Present

Responsible for a portfolio of large accounts above 1M€, covering cyber security (penetration test, red team activities, bug bounty programs, VDPs), software quality testing (bug hunting testing automation, no-regression test and more), UX testing (usability, focus groups, moderated test, and more) and market research (surveys, interviews and more) units. Proven record of growing accounts up to 100% of YoY growth and of winning new business deals. Proven track record of upselling and cross selling deals, including case studies, renewals, etc. Great level of adaptation to different context and industry and able to communicate with efficacy and efficiency with several types of stakeholders, from managers to C-level+ executives.

Country Manager

MIS Group Sri/ 2021 - 2023

Managed the development and growth of a new branch in Portugal of an existing French company. Covering all aspects of business growth including but not limited to: business development, sales, after sales and delivery, financial forecast, HR management, compliance and regulations, accounting and community management. Panel capability growth of over 120%. Generated RFP above 1.8M€ in a small industry. Close to reaching BEP in year 1. Consolidated results for 2023.



SKILLS

- Customer Success Management
- Cyber Security
- Software Quality Assurance (QA)
- User Experience (UX) Testing
- Market Research
- Negotiation
- Revenue Generation
- Business Management
- New Business Development
- Upselling/Cross-selling
- Operational Management
- Cost Control
- Strategic Growth

EXPERTIZE

- Account Management
- B2B and B2C Business Strategies
- Relationship Building
- Financial Forecasting
- Go-to-Market Strategies
- Compliance and Regulations
- Team Leadership
- Project Management
- Data Analysis
- Client Communication
- Sales Strategies
- Performance Optimization

EXPERIENCE

Business Strategy Consultant

Freelance/2021 - Present

Dealing with newly built startups or small scale ups in terms of strategic growth in the early stages. Activity includes: go to market strategies, business plan writing, financial and sales forecasts, investors pitch decks, identifying public funding opportunities and driving revenue. Dealt with over 20 small businesses, with most of them still operating and becoming profitable.

Senior Sales Consultant

Cloud Care Sri / 2020 - 2021

I owned and operated The Railway Telegraph, a public house and bistro located in South London, in partnership with Enterprise Pubs. During this period, I revitalized the business, significantly increasing its market presence before successfully selling it in 2019.

Managing Director

EGM Printing/2018 - 2020

Responsible for the launch and growth of my own business. Managing all aspects of operations and business development, as well as marketing activities, financial management, hiring and grow of a team of three. Strike-off with Covid-19.

Policy Admin

Assurant INC/2018

Analytics and after sales for the Italian, Spanish and French market.

Business Development Manager

Arolita UAB/2017-2018

Business development activities for a Lithuanian business in Portugal and UK. Managing a full sales cycle through cold prospecting, face to face meetings and traveling across regions. Overall business of 2.8M€.

Sales Consultant

Enel Spa/2010 - 2016

Front Office Sales and Customer service; Best seller award (personal) 2012; Best seller award (team) 2013; Vice Team Leader, responsible for a team of 15.



LUIS Pinto

Head of Production and Sourcing

+ (351) 914946229

clotherolda@gmail.com

PROFILE

As an accomplished Director of Production and Manufacturing with over 25 years of experience in the textile industry, I have honed my skills in textile production cutting and pattern making. My journey began at Six Tekstil, where I excelled as Head of Production and Cutting, leading initiatives that enhanced operational efficiency and product quality. I possess a deep understanding of fabric selection and garment construction methods, allowing me to oversee the production of high-quality clothing that meets the demands of leading brands. My leadership style fosters collaboration and innovation, empowering teams to achieve excellence in every project. I am passionate about implementing sustainable practices in textile manufacturing and continuously strive to elevate production standards in a rapidly evolving industry.

EDUCATION

Industrial Styling and Modeling School of Industrial Styling and Modeling | 2002

- Basic styling principles
- Transformation and scaling techniques
- Industrial design practices

Production Management Institute for Innovation in Training | 2002

- Production planning and control
- Resource allocation strategies
- Quality management systems

Business English CEAC (Professional Distance Education) | 2002

- Business communication skills
- Professional terminology
- Writing and presentation skills

Computer-Aided Design Investrónica Sistemas | May 28, 2001 - May 31, 2001

- CAD/CAM modeling techniques
- Computer modeling principles
- Software application in textile design

Computer Skills Level II AEPF (Business Association of Pagos de Ferreira) | 2000

- Advanced computer operations
- Software proficiency (office applications, etc.)
- Basic programming concepts

Professional Training in Textiles

- Textile production processes
- Pattern making techniques
- Cutting methods

EXPERIENCE

Head of Production and Sourcing IRYSS / 2024 - Present

As the Head of Production and Sourcing at IRYSS, I oversee all production and sourcing activities, ensuring the highest standards of quality and efficiency are maintained. My responsibilities include managing supplier relationships, optimizing material sourcing, and ensuring a streamlined supply chain. I collaborate closely with cross-functional teams to ensure smooth operations, timely deliveries, and cost-effective solutions. With a focus on sustainability and innovation, I drive initiatives that enhance our competitive positioning in the fashion industry, while maintaining IRYSS's commitment to excellence in production.

Head of Production and Design Clothero Lda / 2020 - Present

In my current role as Head of Production and Design, I lead a dynamic team responsible for both the creative and operational sides of garment production. I manage the full spectrum of production, from initial design concepts through to finished products, ensuring a seamless transition between creative vision and manufacturing execution. I collaborate closely with fashion designers to translate their ideas into market-ready garments, overseeing pattern development, fabric selection, and the cutting process. A key focus of my role is on sustainability, and I have implemented eco-friendly practices throughout the production line to reduce the environmental impact. I am also responsible for project management, ensuring that all aspects of production run smoothly, from budgeting and resource allocation to meeting delivery schedules. My leadership has positioned Clothero Lda as a competitive player in the global fashion industry, with a strong reputation for quality and innovation.



SKILLS

- CAD/CAM Textile Design
- Cutting and Pattern Making
- Team Leadership
- Quality Control
- Project Management
- IT Proficiency in Production Tools
- English (Commercial Focus)
- Production Management
- Strategic Planning
- Design Collaboration
- Sustainable Practices

EXPERTIZE

- 25+ Years in Textile Production
- End-to-End Production Management
- Pattern Development
- Scaling Production Projects
- Fashion Design Execution
- Textile Production Cutting
- Garment Construction
- Market Expansion
- Process Optimization
- Cross-Functional Collaboration

EXPERIENCE

Director

Sixexport / 2015-2020

As Director of Sixexport, I assumed full responsibility for the company's production operations, focusing on strategic growth and market expansion. I led cross-functional teams to optimize manufacturing processes, streamline workflow, and improve overall production capacity. A significant part of my role was developing and implementing production strategies that aligned with the company's long-term goals. I worked closely with clients, suppliers, and internal stakeholders to ensure that products met their specific requirements while adhering to strict timelines and quality standards. My efforts in refining production techniques and integrating modern technology into the workflow led to enhanced operational efficiency, a reduction in lead times, and a notable improvement in customer satisfaction. Under my leadership, Sixexport expanded its production capacity by 30% and successfully entered new international markets.

Head of Production and Cutting

Six Tekstil /1996-2015

In this pivotal role, I managed and optimized the entire production and cutting operations at Six Tekstil, a major player in the textile industry. Overseeing a team of 50+ professionals, I was responsible for planning and executing production schedules, ensuring efficiency in fabric cutting techniques, and maintaining rigorous quality control measures. I implemented cutting-edge CAD/CAM systems to streamline pattern-making and cutting processes, significantly reducing material waste and improving production speed. My work included collaborating with designers and engineers to bring their concepts to life while ensuring cost-effective production and adhering to high-quality standards. I also played a key role in training staff on cutting techniques and production best practices, fostering a culture of continuous improvement. My leadership contributed to a 20% increase in productivity and a 15% reduction in production costs during my tenure.



Miguel Magalhaes

Head of Creative Content

+ (351) 961393449

miguel@iryss.com

PROFILE

I am Miguel Magalhaes, with a vast professional experience that began with the VNC Group, which includes Tiffosi, Tiffosi Kids, and Vilanova, where I started as a web designer. Seeking a more ambitious path, I moved to Liga Portugal, where I developed skills in videography, working on television content, social media projects, and improving digital presence. After two years, I took on a new challenge at SISOLEI, a fashion brand, where I applied my videography and marketing skills to develop new fashion concepts and approach the industry in a fresh way. Later, as the company shifted direction, I joined IRYSS Platform, where I embraced a leadership role, helping SMEs thrive in the competitive fashion market and expanding the company internationally.

EDUCATION

Master Degree: Multimedia

University of Porto FEUP | 2016 - on going

- Multimedia Lab
- Multimedia Communication Technologies
- Multimedia Seminar
- Research Methodologies
- History and Trends in Multimedia
- Project Management Lab
- Multimedia Education

Bachelor Degree: Graphic and Multimedia

Design Institute Polytechnic of Leiria/
2013-2016

- Communication Design Project
- Typography
- Drawing
- Introduction to Project Thinking
- Digital Tools
- Design Theory and History
- Introduction to Photography
- Multimedia Design Project
- Digital Prototyping
- Art Studies
- Video Technologies
- Sound for Interactive Objects
- Multimedia and Information Systems
- Web Accessibility and Usability
- Project Management
- Professional Practice and Ethics
- Media Theory
- Interaction Design
- Spatial Design
- Project Lab

EXPERIENCE

Head of Creative Content

IRYSS SRL (Fashion Marketplace)/ 2024 - Present

In my current role at IRYSS, I lead the content creation and digital strategy for the platform, playing a crucial part in its growth and international expansion. My responsibilities include overseeing the creation of multimedia content, developing innovative marketing campaigns, and leading a talented team to execute the company's vision. I have also been heavily involved in supporting SMEs (Small and Medium Enterprises) by creating tailored content that helps them thrive in today's competitive fashion market. My leadership and strategic insight have contributed to positioning IRYSS as a key player in the fashion industry, helping to bridge the gap between brands and their global audience.

Videographer & Marketing Specialist

SISOLEI/ 2022 - 2024

At SISOLEI, a dynamic fashion brand, I embraced a multifaceted role in both videography and marketing. My primary focus was to develop and implement creative marketing strategies through visual content. I introduced new fashion concepts, crafting campaigns that redefined the brand's image and message. My work included fashion shoots, promotional videos, and social media content that highlighted SISOLEI's unique offerings, positioning the brand as a modern and trendsetting player in the fashion industry. This experience helped me understand the fashion world from a new perspective, combining creativity and strategy.



SKILLS

- Adobe Creative Cloud
- Davinci Resolve
- Capture One
- Shopify

EXPERTIZE

- Web Design & UX/UI
- Videography & Editing
- Content Strategy
- Project Management
- Social Media Campaigns
- Brand Development
- Leadership & Team Management

EXPERIENCE

Videographer & Content Creator

Liga Portugal /2019-2022

At Liga Portugal, I contributed significantly to the league's digital media initiatives by producing and editing video content for television and social media platforms. I played a key role in developing and executing content strategies that increased brand visibility and audience engagement. My work included managing live broadcasts, leading social media campaigns, and crafting dynamic visual content that enhanced the league's online presence.

Web Designer

VNC Group (Tiffosi, Tiffosi Kids, Vilanova) /2016-2019

I started my career at VNC Group as a web designer, responsible for the digital identity of the brands Tiffosi, Tiffosi Kids, and Vilanova. My role involved designing and optimizing their websites to improve user experience and online engagement. I worked closely with the marketing team to ensure that the digital platforms reflected the brand's aesthetic and strategic goals, increasing traffic and enhancing the customer journey across all three brands.



Ronan McKenna

CEO

+ (44) 7593 325879

ronan@iryss.com

PROFILE

I am a results-driven leader with over a decade of experience in business development, sales, and entrepreneurship. My expertise lies in managing large teams to achieve key performance indicators (KPIs) and driving operational efficiency across diverse objectives. With a solid foundation in investment consultancy and financial management, I have a proven ability to develop and execute turnaround strategies that enhance profitability. Currently, as the CEO of IRYSS, a fashion marketplace, I specialize in fashion production management, overseeing all aspects of operations to ensure quality and compliance with industry standards. I excel in optimizing supply chain processes and implementing effective e-commerce strategies that drive revenue growth. My leadership is characterized by a commitment to collaboration, advanced technology integration, and a customer-centric approach, positioning me to deliver exceptional value in the competitive fashion industry.

EDUCATION

BSC (HONS) Real estate and Finance Wrexham University | 2006-2008

- **Real Estate Fundamentals:**

Property markets, real estate economics, real estate law.

- **Real Estate Finance:**

Investment and appraisal, mortgage markets, risk management.

- **Property Development and Management:**

Real estate development, property management, sustainability.

- **Financial Analysis and Investment:**

Corporate finance, portfolio management, asset management.

- **Financial Markets and Instruments:**

Capital markets, securitization, real estate funds.

- **Quantitative and Analytical Skills:**

Financial modeling, quantitative methods, valuation techniques.

- **Taxation and Accounting:**

Real estate taxation, property tax, accounting principles.

DIP in auctioneering, Real estate and valuation | 2004-2006

- **Property Valuation:**

Appraisal techniques for residential, commercial, and agricultural properties.

- **Auctioneering:**

Auction process, bidding strategies, and legal requirements.

- **Estate Agency Practice:**

Property sales, client management, and marketing strategies.

EXPERIENCE

CEO

As the CEO of Iryss fashion marketplace for sme brands, I am responsible for setting the overall strategic vision and ensuring its execution across all facets of the business. This includes steering company growth, profitability, and market positioning through effective leadership of operations, finance, and marketing. I collaborate closely with the executive team to optimize product development, streamline supply chain operations, and drive customer acquisition strategies. My role also involves overseeing key partnerships with brands, influencers, and stakeholders to expand market reach. Additionally, I ensure financial health through budget oversight, investor relations, and funding efforts while monitoring industry trends to guide long-term business strategy and innovation.

CEO & Owner

Clothero LOA/ 2020 - 2024

I managed Clothero LOA, a fashion production factory, transforming it from a distressed operation into a high-quality manufacturing facility. Under my leadership, the company handled the end-to-end production of men's, women's, and children's wear for prominent brands such as Disney, Origen, Decenio, and more. At its peak, the factory employed 70 workers and operated under AOL 1.5 and 2.5 quality standards, achieving significant improvements in operational efficiency and product quality.



- **Property Law:**

Legal aspects of property transactions and conveyancing.

- **Building Construction:**

Basics of construction, property conditions, and regulations.

- **Property Management:**

Leasing, maintenance, and tenant relations.

- **Marketing and Sales:**

Promotion and negotiation techniques for real estate.

- **Business and Finance:**

Property finance and understanding mortgages.

- **Ethics and Professional Practice:**

Professional standards and regulatory compliance.

DIP in professional legal studies | 2002-2004

- Civil Litigation
- Constitutional Law and Judicial Review
- Criminal Practice and Procedure
- Conveyancing
- Law of Contract
- Land Law
- Law of Torts
- Criminal Law
- Company Law

SKILLS

- Leadership and Team Management
- Strategic Planning and Execution
- Business Development
- Financial Management
- Project Management
- Ecommerce and Digital Strategy
- Negotiation and Deal Structuring
- Stakeholder Engagement
- Site Identification and Development
- Sales and Marketing

EXPERIENCE

Head of Ecommerce

MDRG Holdings /2020 - 2023

As the Head of Ecommerce at MDRG Holdings, a family-owned company, I led the growth of the ecommerce and production divisions. MDRG manages several brands, including La Creme Boutique and LC2. I successfully drove a 100% year- on-year increase in ecommerce revenue by expanding digital sales channels and strengthening in-house production capabilities.

Managing Director

Grampian Group/2018 - 2020

At Grampian Group, I managed all aspects of construction projects from site identification and tendering to business management. I led a team of 50 employees, ensuring the successful completion of international projects, meeting deadlines, and maintaining high standards in project delivery.

Development Director

Hogarth Property Group/ 2014 - 2018

I was responsible for overseeing the development of co-living and private rental schemes across London for Hogarth Property Group. My role included identifying development sites, securing financing, and managing the construction process from concept through to completion. I worked with a specialized team, subcontractors, and external stakeholders, including building regulators and local councils, to ensure seamless project execution.



EXPERTIZE

- Fashion Production and Manufacturing
- Real Estate Development and Management
- Ecommerce Growth and Optimization
- Corporate Restructuring
- International Business Operations
- High-End Retail and Fashion
- Hospitality Management
- End-to-End Production Process
- Investor Relations
- Commercial Property Development

EXPERIENCE

Owner

The Railway Telegraph Public House/ 2017 - 2019

I owned and operated The Railway Telegraph, a public house and bistro located in South London, in partnership with Enterprise Pubs. During this period, I revitalized the business, significantly increasing its market presence before successfully selling it in 2019.

Sales Director

Orchards of London/2011 - 2014

As Sales Director, I managed the daily operations of all seven departments at Orchards of London, leading a team of over 250 employees. The company specialized in the sales, rental, and management of prime real estate in West and Central London. I also played a key role in site identification and financing for development projects on behalf of international investors and corporate real estate groups, helping the business achieve substantial growth before it was sold in 2019.

Sales Manager

Orchards of London /2009 - 2011

In this role, I managed two prime office locations, overseeing sales, rentals, and property management across five territories in West London. I played a pivotal role in establishing and growing the corporate advisory division, securing major clients such as Chelsea Football Club, Brentford Football Club, and Pfizer, which drove the company's growth over the next decade.



Appendix

Revenue Model Breakdown

4

Revenue Model Analysis of the IRYSS Platform

1. Introduction

The IRYSS platform is designed to revolutionize the fashion and beauty marketplace by offering a diversified set of revenue streams. This multi-faceted approach not only ensures financial stability but also supports long-term growth and scalability. By generating income through various channels such as fixed fees, commissions, payment processing, and production markups, IRYSS provides a robust financial foundation that allows it to invest in its platform, support its users, and expand its market reach.

2. Revenue Generation Model

2.1. Fixed Monthly Fees for Brand Participation:

82C Listing Fee:

Brands listing their products on the B2C marketplace will pay a fixed monthly fee of €240. This plan includes access to core services such as customer support, photography, and basic marketing support.

828 & 82C Combined Listing Fee:

For brands that wish to list on both the B2C and B2B platforms, the monthly fee is €280, offering dual exposure and the ability to sell wholesale and direct to consumers simultaneously.

Starter Plan:

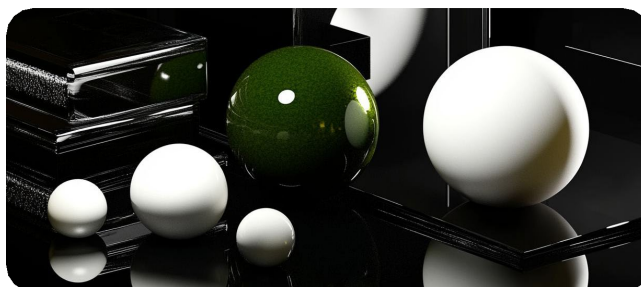
Priced at €1,500 per month, this plan is designed for emerging brands. It includes comprehensive services such as access to the design room, production management, photography, basic marketing support, and customer service.

Scaling Plan:

At €2,400 per month, the Scaling Plan is tailored for brands in the growth phase. This plan offers an enhanced service suite, enabling brands to manage operations effectively while scaling their business.

Established Plan:

Priced at €3,000 per month, this plan is for well-established brands requiring extensive use of IRYSS's services. It ensures brands can operate with minimal external dependencies, allowing them to focus on marketing and sales strategies.



2.2. Commissions on Sales:

82C Commission:

IRYSS charges a 23% commission on all sales made through the B2C marketplace. This commission reflects the platform's value in terms of reach and services.

828 Commission:

For sales made through the B2B platform, a 15% commission is applied, aligning with the typically lower margins associated with wholesale transactions.



2.3. Payment Processing Fees:

1% Processing Fee:

A 1% processing fee is charged on all transactions made through the platform. This fee covers the cost of payment gateways and related financial services.

2.4. Investment Platform Commission:

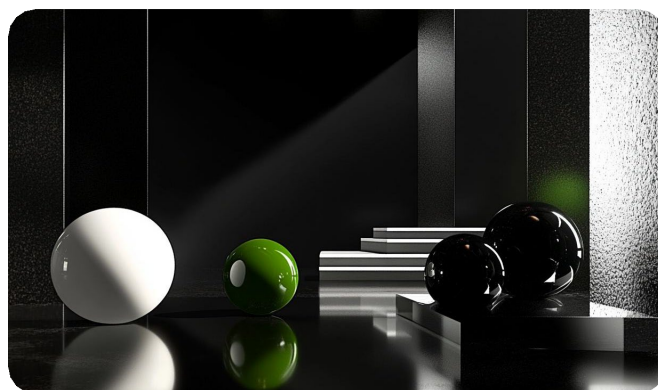
5% Commission on Investments:

A 5% commission is charged on funds raised through the investment platform, applied to the total amount raised by brands from their investors. This revenue stream is directly tied to the success of the brands on the platform.

2.5. Manufacturing and Production Markup:

Markup on Production:

IRYSS strategically integrates manufacturing and supply chain services, allowing it to charge a 60-80% markup on production costs. This ensures profitability before products reach the market, offering brands competitive production costs similar to those of larger corporate brands.



2.6. Service-Based Revenue:

Bundled Services:

IRYSS offers brands the option to bundle services such as design, marketing, customer support, and logistics. These services are priced based on usage, with the ability to scale as needed.

Additional Services:

Beyond core offerings, brands can opt for enhanced services from specialized external agencies at preferential rates. These include advanced marketing strategies and enhanced photography packages.

2.7. Franchising and Licensing Model:

Franchise/Licensing Fees:

To accelerate global expansion and tap into local expertise, IRYSS offers a franchising or licensing model in select markets. Under this model, partners are licensed to operate the IRYSS platform in their region for a 6% annual fee based on revenue. This model allows IRYSS to expand quickly without incurring full costs of international marketing and operations.

Global Marketing Partners:

By partnering with established local operators, IRYSS leverages their market knowledge to grow the brand's presence in new territories. This approach also extends the selling season for brands by offering alternative markets with different demand cycles.



2.8. Video Advertising and Social Media Boosting:

Video Production:

Brands can create professional-quality videos in IRYSS's studio for a fee of €300 per video. This service is essential for brands looking to showcase products in a dynamic and engaging format.

Social Media Promotion:

An additional €250 fee applies for distributing these videos through IRYSS's social media channels. Brands can further boost their reach by allocating budgets for boosted posts across platforms like Instagram, Facebook, and TikTok.

3. Network Effects and Ecosystem Collaboration

Strategic Advantage:

IRYSS leverages network effects—a phenomenon where the platform's value increases as more users join. This creates a self-reinforcing cycle of growth, particularly important for platforms like IRYSS, where collaboration among brands, resellers, and consumers enhances the platform's overall value.

Details:

Collaborative Growth:

As more brands join, product diversity increases, attracting more consumers and enticing additional brands to participate.

Drop-Shipping Model:

The drop-shipping model amplifies these network effects by enabling resellers to list products without holding inventory, reducing financial risk and expanding product offerings.

4. Advantages of a Multi-Source Revenue Model

4.1. Financial Stability:

The diversity of revenue streams ensures that the platform is not overly dependent on any single source of income, reducing financial risk and providing a buffer against market fluctuations.

4.2. Enhanced Cash Flow:

Multiple revenue streams contribute to steady cash flow, crucial for maintaining operations and funding growth initiatives. This allows for reinvestment in technology, marketing, and customer acquisition.

4.3. Increased Valuation:

Businesses with diversified revenue models are typically valued more highly by investors, leading to higher valuations and making it easier to attract investment and secure favorable financing terms.

4.4. Competitive Advantage:

Offering various services and revenue opportunities attracts a broader range of sellers and buyers, increasing the platform's value proposition and making it difficult for competitors to offer similar levels of service and flexibility.

4.5. Scalability:

Revenue streams like subscription fees, advertising, and service-based income are highly scalable. As the platform grows, these streams can expand without a proportional increase in costs, leading to higher profit margins.

4.6. Flexibility in Pricing:

The ability to generate income from various sources allows IRYSS to be flexible with its pricing strategy, offering promotions or lower fees in one area without compromising overall financial health.



Conclusion:

The IRYSS platform's multi-source revenue model is a key driver of its financial success and sustainability. By generating income across various streams, IRYSS ensures stable cash flow, enhances growth potential, and positions itself as a competitive player in the B2B2C marketplace sector. **This model not only supports the platform's operational needs but also provides the financial resources necessary to innovate, expand, and lead the market.**



References

McKinsey & Company. (2023)

"The State of Fashion 2023."
Retrieved from mckinsey.com.

European Commission. (2023)

"Challenges for SMEs in the European Fashion
Industry." Retrieved from ec.europa.eu.

Statista. (2023)

"Consumer Trends in Sustainable Fashion."
Retrieved from statista.com.

Bain & Company. (2023)

"Diversified Revenue Streams and Business
Growth." Retrieved from bain.com.

Deloitte. (2023)

"The Impact of Digital Transformation on SMEs."
Retrieved from deloitte.com.

Forrester Research. (2023)

"Real-Time Data Analytics in Fashion."
Retrieved from forrester.com.



— — — — —



Appendix

Detailed SWOT Analysis

5

SWOT Analysis of IRYSS Platform

Strengths:

1. Niche Focus on SMEs and Independent Brands:

IRYSS is designed specifically to cater to SMEs and independent brands, offering them a dedicated platform free from the overshadowing presence of large corporations. This focus enables the platform to tailor its services, such as lower listing fees, more personalized marketing support, and targeted audience engagement, which are crucial for the success of smaller brands.

Data Point: Approximately 99% of fashion businesses in Europe are SMEs, making IRYSS's focus on this segment highly relevant

(European Commission, 2023).

2. Integrated Technology and Ecosystem Approach:

The IRYSS platform employs a comprehensive ecosystem that integrates design, production, logistics, and marketing services, all accessible through a single platform. This approach not only reduces operational costs but also streamlines the entire business process for brands, enhancing efficiency and scalability.

Data Point: SMEs that adopt integrated digital solutions see a 20-30% increase in operational efficiency

(Forrester Research, 2023).

3. Curated Marketplaces:

Unlike competitors, IRYSS offers a curated marketplace environment, ensuring that brands are not lost in a sea of thousands of listings. This curation helps maintain a high level of brand visibility and product differentiation, which is critical for smaller brands aiming to attract loyal customers.

Data Point: Brands listed on curated platforms have a 25% higher engagement rate compared to those on mass-market platforms

(McKinsey & Company, 2023).

4. Investment Platform Integration:

The inclusion of an investment platform allows brands to raise funds directly from their customer base and investors, offering a unique way to finance production and marketing efforts. This model not only provides capital but also turns customers into brand ambassadors, increasing brand loyalty and visibility.

Data Point: Crowdfunding campaigns that leverage customer bases have a 50% higher success rate than those that don't

(Statista, 2023)



Weaknesses:

1. Market Penetration and Brand Recognition:

As a new entrant, IRYSS faces challenges in establishing brand recognition and trust among both consumers and SMEs, especially when competing with well-established platforms like Zalando and Yoox.

Data Point: Established e-commerce platforms in Europe have brand recognition rates exceeding 70%

(Euromonitor International, 2023).

2. Resource Intensive Business Model:

The comprehensive services provided by IRYSS require significant resources, including technology, logistics, and customer support. This can lead to higher operational costs, especially in the initial stages of scaling the platform.

Data Point: The cost of maintaining a fully integrated platform can be up to 30% higher than a marketplace-only model

(Deloitte, 2023).

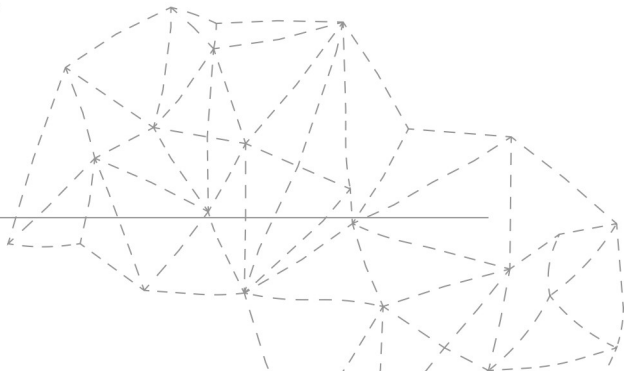
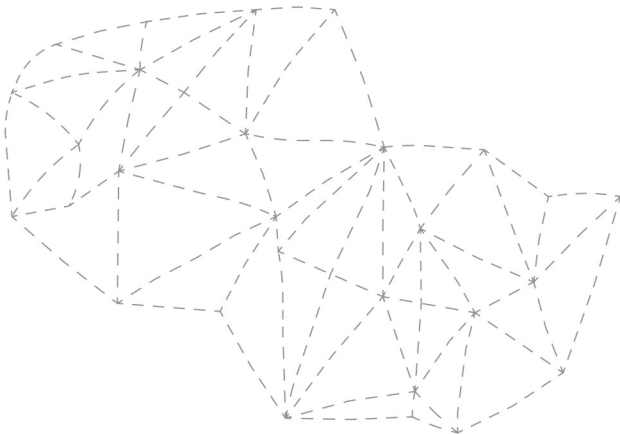
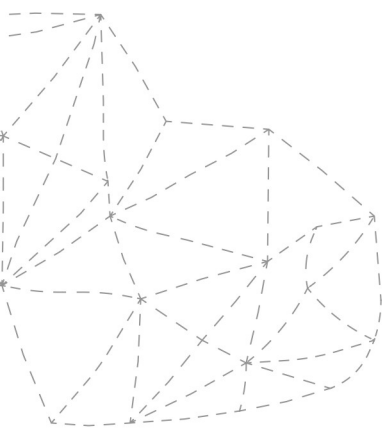
3. Dependence on the Success of SMEs:

The platform's success is closely tied to the performance of the SMEs it supports. Given the high failure rate of small fashion brands, this dependence poses a risk to IRYSS's long-term sustainability.

Data Point: Approximately 60% of new fashion SMEs in Europe fail within the first three years

(FashionUnited, 2023).

Weaknesses:



Opportunities:

1. Expansion into New Markets:

IRYSS has the potential to expand its platform into other regions, particularly where SMEs are underserved by current marketplace offerings. Localized versions of the platform could tap into specific cultural and economic niches.

Data Point: Localized e-commerce platforms see 20% higher engagement rates in their target markets compared to non-localized platforms

(Euromonitor International, 2023).

2. Growing Demand for Independent Brands and Unique Collections:

There is an increasing consumer preference for independent brands and smaller, unique collections that offer differentiation from mass-market products. This trend aligns with the IRYSS platform's focus on promoting SMEs that produce distinct, high-quality goods.

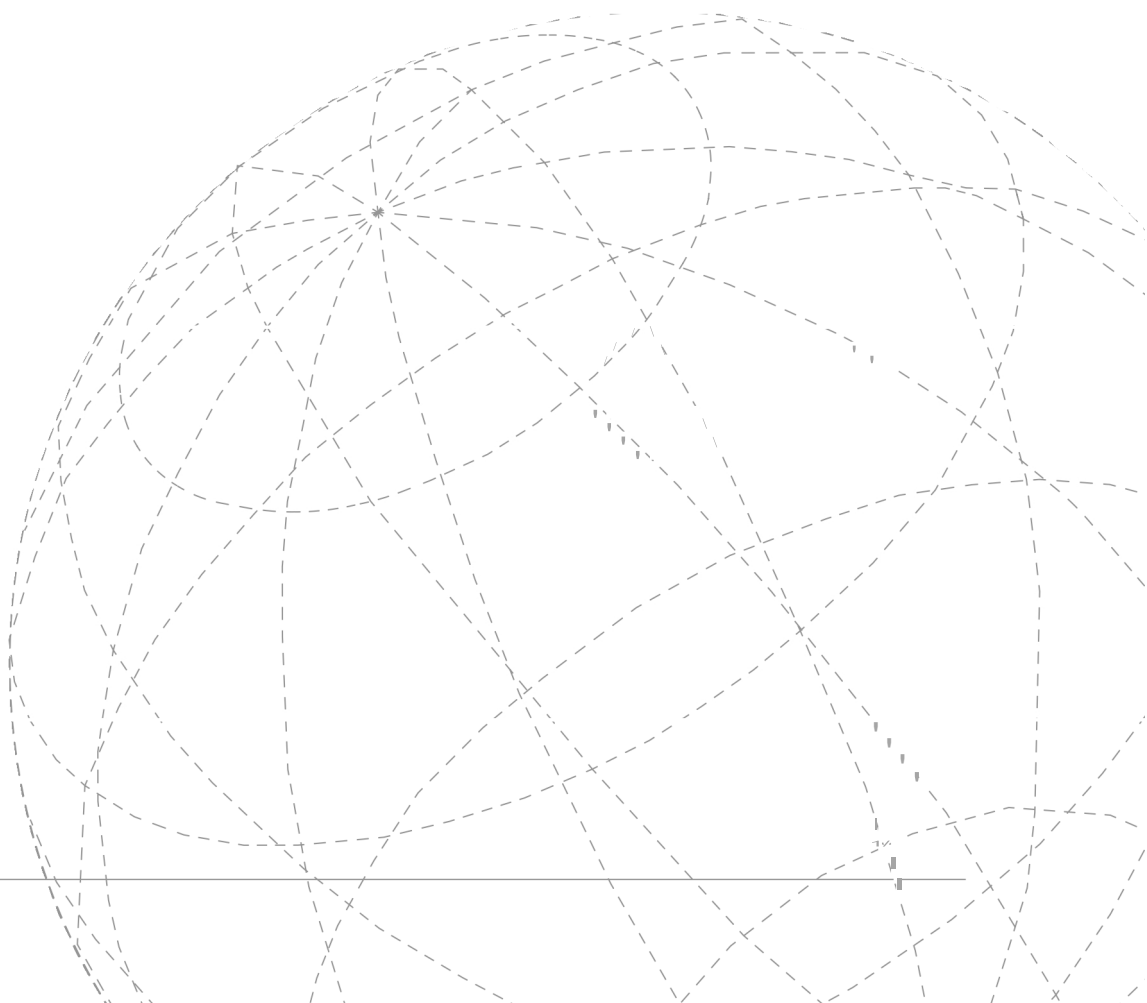
Data Point: According to a 2023 survey by Statista, 45% of European consumers prefer purchasing from independent brands that offer unique and limited-edition products over larger, mainstream brands.

3. Technological Advancements:

Advances in AI, machine learning, and blockchain technology offer IRYSS opportunities to enhance its platform's capabilities, such as personalized shopping experiences, efficient supply chain management, and secure investment mechanisms.

Data Point: Platforms that integrate AI-driven personalization see a 15-20% increase in customer engagement

(Forrester Research, 2023).



Threats:

1. Intense Competition from Established Players:

IRYSS faces significant competition from well-established platforms like Zalando, Yoox, and About You, which have strong brand recognition, vast customer bases, and significant resources to invest in marketing and technology.

Data Point: Zalando alone has a market share of over 10% in the European online fashion sector

(Statista, 2023).

2. Economic Uncertainty and Inflation:

Ongoing economic challenges, including inflation and supply chain disruptions, can impact consumer spending and the ability of SMEs to produce and sell their products at competitive prices.

Data Point: The Eurozone's inflation rate reached 5.1% in 2023, significantly impacting consumer purchasing power

(European Central Bank, 2023).

3. Regulatory Challenges:

Compliance with varying regulations across different European countries can be complex and costly for both the platform and the brands it supports, potentially hindering expansion efforts.

Data Point: Compliance costs for cross-border e-commerce in the EU can increase operational expenses by up to 20%

(European Commission, 2023).



Competitor Analysis

1. Faire

Overview:

Faire is a leading B2B marketplace that connects independent retailers with brands, primarily focusing on home goods, fashion, and accessories. Faire has rapidly expanded its retailer network to over 450,000, offering SMEs a broad platform to reach retail buyers globally.

Strengths:

Extensive Retailer Network:	Faire's large network provides significant exposure for brands, particularly in the North American market.
Data-Driven Insights:	The platform offers powerful data analytics to help brands understand buyer behavior and optimize their offerings.
Flexible Payment Terms:	Faire offers net 60 payment terms, making it easier for retailers to purchase inventory without immediate cash flow constraints.

Weaknesses:

Market Saturation:	The platform is increasingly crowded with brands, leading to fierce competition and making it difficult for new or smaller brands to stand out.
Focus on Mass-Produced Goods:	Faire's rapid growth has attracted many mass producers, particularly from Asia, which dilutes the platform's original focus on unique, independent brands.

Comparison with IRYSS:

Market Positioning:	While Faire focuses on connecting brands with retailers in a broad array of categories, IRYSS is more niche, targeting SMEs in the fashion and beauty sectors. IRYSS also offers a curated marketplace environment that helps brands maintain visibility.
Unique Features:	IRYSS's integration of an investment platform and its focus on supporting independent brands and unique collections provides a distinct competitive advantage over Faire.



2. About You

Overview:

About You is a fashion e-commerce platform that combines a personalized shopping experience with a strong focus on influencer marketing. It offers a wide range of fashion products, targeting a young, fashion-conscious audience.

Strengths:

Personalization:	About You uses advanced AI to provide highly personalized shopping experiences, which enhances customer engagement and loyalty.
Strong Influencer Network:	The platform has established strong partnerships with influencers, driving significant traffic and sales through social media.
Rapid Expansion:	About You has expanded rapidly across Europe, leveraging its strong brand identity and marketing expertise.

Weaknesses:

Limited Opportunities for SMEs:	The platform's focus on major brands and its reliance on influencer partnerships can overshadow smaller, independent brands.
High Competition:	The platform's success has attracted many brands, leading to high competition for visibility and customer attention.

Comparison with IRYSS:

SME Focus:	Unlike About You, which prioritizes larger, well-known brands, IRYSS is dedicated to supporting SMEs and independent brands, providing them with more opportunities for visibility and growth.
Integrated Services:	IRYSS offers a broader range of services, including design, production, and investment options, which About You does not provide.



3. Zalando

Overview:

Zalando is one of Europe's largest online fashion platforms, offering a wide range of products from over 2,500 brands. It is a market leader in online fashion retail, known for its vast product selection and customer-centric services.

Strengths:

Market Dominance:	Zalando has a significant market share in Europe, with a well-established brand and a large, loyal customer base.
Logistics and Fulfillment:	The platform has a highly efficient logistics network, offering fast delivery and easy returns across Europe.
Data-Driven Marketing:	Zalando uses sophisticated data analytics to optimize marketing strategies and enhance customer retention.

Weaknesses:

Overcrowded Marketplace:	The sheer volume of products and brands on Zalando makes it difficult for smaller brands to gain visibility.
High Costs for SMEs:	The platform's commission structure and marketing costs can be prohibitive for smaller brands, limiting their ability to compete.

Comparison with IRYSS:

Curated Approach:	While Zalando focuses on offering a vast array of products, IRYSS's curated marketplace environment allows for a more tailored experience for both brands and consumers. This curation ensures that smaller brands receive the visibility they need without being overshadowed by thousands of other listings.
Unique Collections and Independent Brands:	IRYSS specifically supports independent brands and unique collections, providing a differentiated shopping experience that appeals to consumers looking for distinct, high-quality products. This focus contrasts with Zalando's broader, more commercial approach.



4. Yoox

Overview:

Yoox is a global online luxury and fashion retail platform that offers a wide selection of designer clothing, accessories, and art. It is known for its exclusive partnerships with high-end brands and its focus on luxury goods.

Strengths:

Luxury Brand Partnerships:	Yoox has established itself as a leading platform for luxury fashion, with exclusive collections and partnerships that attract high-net-worth customers.
Global Reach:	The platform has a strong international presence, offering shipping to over 100 countries, which enhances its market reach and brand visibility.
Sophisticated Marketing and Personalization:	Yoox employs advanced data analytics to offer personalized shopping experiences, which helps retain its luxury clientele.

Weaknesses:

High Price Points:	The focus on luxury goods limits the platform's appeal to a broader audience, making it less accessible to average consumers and smaller, independent brands.
Limited Support for SMEs:	The platform's emphasis on established luxury brands leaves little room for SMEs or independent designers to gain visibility.

Comparison with IRYSS:

SME and Independent Brand Focus:	Unlike Yoox, which caters primarily to established luxury brands, IRYSS provides a platform for SMEs and independent brands to showcase their products, making high-quality fashion more accessible to a wider audience.
Inclusive Market Strategy:	IRYSS's business model is designed to support emerging brands by offering them a more level playing field in the fashion marketplace, whereas Yoox's model is more exclusive.



5. Wolf & Badger

Overview:

Wolf & Badger is an online and physical retail platform that focuses on independent and sustainable brands. The platform is known for its curated selection of unique products and its commitment to ethical fashion.

Strengths:

Curated Selection:	Wolf & Badger is highly selective about the brands it features, ensuring a curated collection of products that emphasize quality, sustainability, and uniqueness.
Ethical and Sustainable Focus:	The platform's commitment to promoting sustainable and ethical brands resonates with a growing segment of consumers who prioritize these values.
Omnichannel Presence:	With both online and physical stores, Wolf & Badger offers a blended retail experience, allowing consumers to engage with brands in multiple ways.

Weaknesses:

Limited Scale:	The platform's highly curated approach, while effective in maintaining brand integrity, limits its ability to scale and accommodate a broader range of products and brands.
Niche Market Appeal:	While the focus on sustainability and independent brands is a strength, it also restricts the platform's appeal to a niche market, potentially limiting its growth potential.

Comparison with IRYSS:

Broader Market Potential:	While both platforms focus on independent brands, IRYSS offers a more comprehensive range of services and features, including an integrated investment platform and a broader scope for scaling brands through its ecosystem.
Technology Integration:	IRYSS leverages advanced technology to enhance operational efficiency and scalability for brands, offering a more robust platform for growth compared to the more niche-focused approach of Wolf & Badger.



Conclusion:

IRYSS's business model stands out in the competitive landscape by offering a platform that is specifically designed to support SMEs and independent brands in the fashion and beauty sectors. Unlike competitors such as Faire, About You, Zalando, Yoox, and Wolf & Badger, **IRYSS provides a unique combination of curated marketplace features, integrated technology solutions, and an investment platform that empowers smaller brands to grow and scale effectively.**

While the competition offers strong market presence and established customer bases, IRYSS differentiates itself by focusing on the specific needs of SMEs—providing them with visibility, support, and opportunities that are not as readily available on larger, more saturated platforms. This approach not only meets the growing consumer demand for unique and independent products but also addresses the challenges SMEs face in competing with larger brands.

By creating a more level playing field and supporting the growth of SMEs, IRYSS is well-positioned to carve out a niche in the competitive fashion and beauty marketplace, offering both brands and consumers a distinctive and valuable alternative to existing platforms.



Case Study: Wolf & Badger - In-Depth Analysis

Overview of Wolf & Badger

Founded: 2010	Headquarters: London, United Kingdom	Expansion: Primarily in the UK, with a growing presence in the USA
------------------------------------	---	---

Wolf & Badger was established in 2010 as a curated marketplace for independent and sustainable brands. It provides a unique platform for emerging designers to showcase their products, focusing on high-quality, ethical, and sustainable fashion. The company has grown significantly, expanding its reach from the UK to the United States, where it has opened flagship stores in London and New York.

Business Model

Wolf & Badger operates primarily on a marketplace model, charging independent brands to list their products. The platform carefully curates the brands it hosts, ensuring they align with its values of sustainability and ethical production. **This curated approach is central to Wolf & Badger's brand identity, which appeals to consumers seeking unique, high-quality products.**

The platform's business model includes both online and physical retail. Wolf & Badger operates flagship stores in London and New York, offering brands a physical presence and consumers an in-person shopping experience. This omnichannel strategy has been a key part of their growth, allowing them to cater to different consumer preferences.

Revenue Model

Commission on Sales:	Wolf & Badger takes a commission on each sale made through the platform, typically around 30%. This commission is relatively high compared to other platforms, reflecting the premium service and curated audience Wolf & Badger offers.
Listing Fees:	Brands are charged to list their products on the platform, with additional fees for premium placements and marketing support.
Physical Retail:	Revenue is also generated from their physical stores, where brands can showcase their products directly to consumers.



Growth and Expansion

Wolf & Badger has seen steady growth since its inception, particularly in the UK. The platform has capitalized on the increasing demand for sustainable and independent fashion, allowing it to build a loyal customer base. Its expansion into the U.S. market, with a flagship store in New York, highlights the brand's ambition to capture a share of the growing market for ethical fashion in the U.S.

However, Wolf & Badger's growth metrics and revenue figures are not publicly disclosed in detail. Industry estimates suggest moderate growth, driven primarily by its online platform and physical retail presence. **Despite this growth, Wolf & Badger's expansion has been relatively measured compared to other global marketplaces.**

Growth Metrics

2023 Revenue:	Wolf & Badger reported a net revenue of approximately £34 million in 2023, reflecting steady growth in a niche market.
Store Expansion:	The opening of their New York store marks their most significant physical expansion, aiming to tap into the lucrative U.S. market.
Online Traffic:	Wolf & Badger's website attracts around 1 million visitors per month, a significant number for a niche marketplace but modest compared to larger platforms like Zalando or ASOS.

Competitive Positioning

Wolf & Badger positions itself as a premium marketplace for independent and sustainable brands, appealing to consumers who value quality, ethics, and craftsmanship. **The platform's curated selection sets it apart from mass-market platforms that offer a broad range of products but lack a focused identity.**

However, this niche positioning also limits Wolf & Badger's scalability. The platform's growth is constrained by its selective approach, which, while appealing to a specific consumer segment, does not allow for the rapid scaling seen in more generalized marketplaces.

Strengths

Brand Identity:	Wolf & Badger's commitment to sustainability and ethical fashion has built a strong, loyal customer base.
Curated Selection:	The platform's focus on a curated selection enhances the shopping experience, appealing to consumers looking for unique, high-quality products.
Omnichannel Presence:	The combination of online and physical retail provides multiple touchpoints for consumers, enhancing brand visibility.



Weaknesses

High Fees:	The platform's high commission rates and listing fees can be prohibitive for smaller brands, limiting the diversity of its offerings.
Limited Scalability:	The focus on curation and sustainability, while a strength, also limits the platform's ability to scale rapidly. This measured approach contrasts with more aggressive expansion strategies seen in other marketplaces.
Competitive Pressure:	As more platforms emerge focusing on sustainability and independent brands, Wolf & Badger faces increasing competition. Larger platforms can offer broader reach and lower fees, making it difficult for Wolf & Badger to maintain its market position.

Comparison with IRYSS

While both Wolf & Badger and IRYSS focus on independent brands, IRYSS offers a significantly more robust and scalable ecosystem. Here's how IRYSS differentiates itself:

Integrated Services vs. Listing Platform

Wolf & Badger:	Primarily a listing platform, Wolf & Badger offers a space for brands to sell their products but provides limited support beyond that. Brands are responsible for their own production, marketing, and fulfillment.
IRYSS:	IRYSS provides a full suite of services, including design, production, marketing, and fulfillment. This integrated approach reduces costs for brands and allows them to focus on growth rather than logistical challenges. By offering these services, IRYSS creates a more supportive environment for brands to scale effectively.

Technology and Data Integration

Wolf & Badger:	While technologically proficient, Wolf & Badger does not offer advanced technology integrations that help brands optimize their operations.
IRYSS:	IRYSS uses cutting-edge technology, including AI-driven personalization and a dedicated investment platform, to enhance brand visibility and operational efficiency. The platform's use of real-time data analytics allows brands to make informed decisions, improving their chances of success.



Market Network Effects and Ecosystem

Wolf & Badger:	Lacks a comprehensive ecosystem that encourages collaboration and growth among brands. The platform's model is transactional, focusing on individual sales rather than fostering a community.
IRYSS:	IRYSS is designed as a market network with strong ecosystem effects. Brands, resellers, and consumers are interconnected within the platform, creating opportunities for cross-promotion, shared resources, and community-driven growth. This ecosystem approach enables IRYSS to scale more effectively, leveraging the collective strength of its participants.

Pricing Structure and Accessibility

Wolf & Badger:	The platform's high fees make it less accessible to smaller, emerging brands. This restricts the diversity of brands that can afford to list on the platform.
IRYSS:	IRYSS's pricing structure is designed to be more accessible, particularly for SMEs. The platform offers bundled services at competitive rates, allowing brands to scale without being burdened by high fees. This inclusive approach encourages a wider range of brands to join the platform, enhancing the diversity of offerings.

Revenue and Growth Potential

Wolf & Badger:	While the platform has seen steady growth, its niche focus limits its scalability. The platform's revenue is driven by commissions and listing fees, with limited opportunities for expansion beyond its current model.
IRYSS:	The IRYSS model has far greater revenue and growth potential. By offering a comprehensive suite of services and leveraging advanced technology, IRYSS can scale more rapidly across different markets. The platform's ability to create localized marketplaces and support international expansion positions it for long-term growth.



Conclusion:

Wolf & Badger has carved out a niche in the fashion industry by focusing on independent and sustainable brands. However, its growth is constrained by its high fees, limited scalability, and the absence of a comprehensive ecosystem. While it offers a curated selection and a strong brand identity, the platform's transactional model limits its ability to drive long-term growth for the brands it hosts.

In contrast, IRYSS offers a more integrated and scalable solution for SMEs and independent brands. **With its full suite of services, advanced technology integration, and ecosystem approach, IRYSS provides a more supportive environment for brands to grow and scale.** The platform's market network effects and competitive pricing structure further enhance its value proposition, making it a more attractive option for brands looking to succeed in the competitive fashion industry.



References

Evening Standard.

"Wolf & Badger's Growth and Revenue in 2023."

FashionUnited.

"Wolf & Badger: 2023 Financial Performance and Market Expansion."

Statista.

"Online Fashion Sales in Europe 2023."

European Commission.

"Challenges for SMEs in the European Fashion Industry."

Grand View Research.

"B2B Platforms and Market Expansion."



Appendix

Future development
roadmap

6

Future Development Roadmap

The IRYSS platform is strategically designed to adapt and evolve with the dynamic needs of the fashion and beauty industry, emphasizing technological innovation and unique business models. This roadmap outlines key future developments that will enhance platform capabilities, drive growth, and expand market reach, ensuring that IRYSS remains at the forefront of the industry.

AI-Driven Personalization and Automation

0 V S ,	Implement advanced AI algorithms to deliver hyper-personalized shopping experiences. By analyzing detailed customer behavior, IRYSS will tailor product recommendations, improving user engagement and conversion rates.	r o 0 C t o Cl. ...J (f)	AI-driven personalization can increase revenue by up to 10% and improve customer retention by 15% (Deloitte, 2023) Forrester Research (2023) highlights that companies leveraging AI see up to a 15% improvement in operational efficiency.

Comprehensive Analytics Suite

0 V S ,	Launch an advanced analytics dashboard for brands, providing deep insights into sales performance, customer behavior, market trends, and inventory management to support data-driven decision-making.	r o 0 C t o Cl. ...J (f)	Companies using advanced analytics are 23% more likely to outperform competitors in profitability and customer engagement (McKinsey & Company, 2023).

Sales Auction Software for Outlet Store

0 V S ,	Introduce innovative sales auction software that dynamically adjusts prices based on real-time demand. This system will help brands maximize revenue and efficiently clear out inventory by allowing less popular items to be sold at lower prices while high- demand products are sold at premium prices.	t r u s t w i t h i n t h e i n f l u	encer community.

Video Shopping with Real-Time Tracking

Overview	Expand video shopping features with AI-enabled tracking bots, allowing sales generated from live streams to be accurately attributed to specific re-streamers and influencers, ensuring transparent commission payouts and fostering		



ro
0
0
-e
0
Cl.
Cl.
...J
(f)

ro
0
0
t
0
Cl.
Cl.
...J
(f)

efficiency by up to 30%, particularly in markets with fluctuating demand

(PwC, 2023).

A
u
c
t
i
o
n
-
b
a
s
e
d
p
r
i
c
i
n
g
m
o
d
e
l
s
c
a
n
i
n
c
r
e
a
s
e
s
a
l
e
s
e
f

The global social commerce market is projected to reach \$2.9 trillion by 2026, driven by the increasing influence of video content and social media engagement

(Statista, 2023)



Global Social Commerce Integration

Scale the influencer network and re-streaming capabilities globally, enabling influencers to seamlessly promote and sell products across social media channels, enhancing brand visibility and driving sales.

Influencer marketing ROI can be as high as 11 times that of traditional digital marketing methods, making it a crucial strategy for brand growth
(Influencer Marketing Hub, 2023).

AI-Powered Design Room

Develop AI-powered tools within the design room that assist brands in creating and customizing patterns with greater speed and precision, reducing design lead times and costs, and empowering brands to innovate more efficiently.

AI integration in design processes can reduce time-to-market by up to 50%, providing a significant competitive advantage
(Gartner, 2023).

Pre-Sales Market Integration

Implement a pre-sales feature that allows brands to preview collections and gauge demand before committing to large production runs. This feature will enable resellers and multi-brand stores to reserve styles, optimizing stock levels and minimizing overproduction and waste.

The pre-sales model can reduce inventory costs by up to 20% and increase customer satisfaction by aligning production with actual demand
(Bain & Company, 2023)

Drone Delivery and Innovative Fulfillment Solutions

Invest in R&D for drone delivery capabilities, in anticipation of regulatory approvals and technological advancements that will allow IRYSS to offer faster and more cost-effective last-mile delivery solutions. Begin integrating advanced fulfillment technologies, including micro-warehousing and AI-driven logistics optimization, to enhance delivery speed and efficiency across Europe.

The drone delivery market is expected to grow at a CAGR of 21% over the next five years, making it a viable and innovative solution for e-commerce logistics (Allied Market Research, 2023). Micro-warehousing can reduce last-mile delivery times by up to 40%, significantly improving customer satisfaction
(Capgemini, 2023)



Shopify-Style Website Builder for Brands

Introduce a user-friendly, Shopify-style website builder integrated into the IRYSS platform, allowing brands to create their own e-commerce sites easily. This tool will provide customizable templates, seamless integration with the IRYSS marketplace, and built-in SEO optimization to help brands launch their independent online stores quickly and effectively.

The global e-commerce platform market is expected to reach \$7.4 billion by 2025, driven by the increasing demand for easy-to-use website builders that allow brands to control their digital presence
(Statista, 2023)

Businesses using customizable e-commerce platforms see a 15-30% increase in online sales due to better user experience and control over branding
(Forrester Research, 2023).

Physical Marketplace Stores with a Subscription Model

Explore the possibility of launching physical marketplace stores where brands can pay a monthly fee to be featured. These stores would offer a curated shopping experience, aligned with the IRYSS digital platform's offerings. By integrating physical retail with the online ecosystem, IRYSS can provide brands with additional exposure and sales channels, creating a seamless omnichannel experience for customers.

The global physical retail market remains robust, with 81% of consumers still preferring to shop in physical stores (Deloitte, 2023). Retail-as-a-Service models have been shown to increase brand visibility and customer engagement, driving both in store and online sales
(McKinsey & Company, 2023).

Licensing and International Expansion

Pursue licensing agreements in markets such as Australia and Brazil, where the seasonal differences provide extended selling periods for European brands. By partnering with local operators, IRYSS can offer brands access to these markets while maintaining consistent platform standards and customer experiences.

Licensing and franchising models can accelerate market entry and scale in international markets, offering significant growth potential
(Euromonitor International, 2023).



Conclusion:

The future development roadmap for IRYSS is designed to leverage the latest technological innovations and strategic business models to provide unparalleled value to brands, resellers, and consumers. By continuously evolving and integrating new features, **IRYSS aims to solidify its position as a leader in the fashion and beauty marketplace, offering a comprehensive, scalable, and innovative solution that meets the demands of a rapidly changing industry.**



References

-
- | | |
|--|--|
| 1. Accenture. (2023). | "AI and Personalization in E-Commerce."
Retrieved from accenture.com |
| 2. McKinsey & Company. (2023). | "Advanced Analytics in Fashion."
Retrieved from mckinsey.com |
| 3. PwC. (2023). | "Auction-Based Pricing in Retail."
Retrieved from pwc.com |
| 4. Statista. (2023). | "Global Social Commerce Market Forecast."
Retrieved from statista.com |
| 5. Influencer Marketing Hub. (2023). | "Influencer Marketing ROI."
Retrieved from influencermarketinghub.com |
| 6. Common Sense Advisory. (2023). | "Impact of Localization on E-commerce Conversion Rates."
Retrieved from commonsenseadvisory.com |
| 7. Gartner. (2023). | "AI Integration in Design Processes."
Retrieved from gartner.com |
| 8. Bain & Company. (2023). | "Inventory Optimization through Pre-Sales Models."
Retrieved from bain.com |
| 9. Nielsen. (2023). | "Global Consumer Trends in Sustainability."
Retrieved from nielsen.com |
| 10. Capgemini. (2023). | "Micro-Warehousing and Last-Mile Delivery Efficiency."
Retrieved from capgemini.com |
| 11. Allied Market Research. (2023). | "Drone Delivery Market Growth Forecast."
Retrieved from alliedmarketresearch.com |
| 12. Deloitte. (2023). | "Physical Retail Market Trends."
Retrieved from deloitte.com |
| 13. Euromonitor International. (2023). | "Licensing and Franchising for International Expansion."
Retrieved from euromonitor.com |
| 14. Forrester Research. (2023). | "Real-Time Data Analytics in Fashion."
Retrieved from forrester.com |
| 15. Statista. (2023). | "Global E-Commerce Platform Market Forecast."
Retrieved from statista.com |
-



Expanded Technology Description

Appendix

7

IRYSS Platform: In-Depth Technology Summary and Its Transformative Impact on SME Brands

The IRYSS platform is a cutting-edge marketplace meticulously crafted to empower small and medium-sized enterprises (SMEs) in the fashion and beauty industries. Leveraging advanced technological frameworks, IRYSS offers a gold-standard ecosystem that not only streamlines operations but also unlocks unprecedented growth opportunities. **This detailed summary explores how the platform's technology stack enables these capabilities and outlines the significant advantages it offers to SME brands.**

Comprehensive Technology Overview

MACH Architecture: The Backbone of Flexibility and Scalability

The IRYSS platform is built on MACH architecture, a modern technological approach that stands for Microservices, API-First, Cloud-Native, and Headless. This architecture is the foundation of the platform's flexibility, scalability, and ability to continuously innovate.

Microservices:

Each component of the IRYSS platform-whether it's order processing, customer engagement, or payment handling-is developed as an independent microservice. This modularity allows for precise scaling and rapid updates. For example, if a new feature is developed to enhance customer personalization, it can be deployed independently without affecting other services. This means that the platform can evolve in real-time, continuously providing brands with the latest tools and capabilities tailored to their needs.

API-First Design:

The API-first approach ensures that every functionality within IRYSS is accessible via APIs, making it easy to integrate with third-party tools and services. For instance, brands can seamlessly connect their existing CRM systems, marketing automation tools, or even third-party logistics providers with the IRYSS platform. **This level of integration enables brands to extend the platform's capabilities according to their specific business requirements, creating a customized, cohesive environment that enhances efficiency and supports growth.**

Cloud-Native Infrastructure:

IRYSS's cloud-native design allows the platform to dynamically scale resources based on real-time demand. For example, during a flash sale or a major product launch, the platform automatically allocates additional resources to handle the surge in traffic, ensuring that the user experience remains smooth and uninterrupted. This elasticity is crucial for SMEs, as it **allows them to handle high volumes of transactions and customer interactions without the need for significant upfront investment in infrastructure.**

Headless Commerce:

The headless architecture decouples the front-end user experience from the back-end services. This separation allows brands to deliver highly customized and consistent experiences across multiple digital channels, such as websites, mobile apps, and social media platforms. For example, a brand can maintain a unique design and user experience across its e-commerce site while simultaneously integrating seamlessly with social media shopping features. **This flexibility is key to maintaining brand identity and providing a seamless customer journey.**



Core Features and Their Technological Enablement

1. Unified B2C and 828 Marketplace: A Seamless Sales Ecosystem

The IRYSS platform integrates both B2C and B2B functionalities within a single, unified marketplace. This consolidation is made possible by the platform's robust technology stack, which allows brands to manage their entire sales ecosystem from a single interface.

Centralized Management Interface:

The unified dashboard, powered by microservices and APIs, allows brands to manage product listings, inventory, pricing, and customer interactions across both B2C and B2B channels. **This centralization reduces operational complexity and provides** real-time visibility into all aspects of the business. For example, a brand can track sales performance across both its direct-to-consumer website and its wholesale operations from one place, enabling more strategic decision-making and efficient resource allocation.

Advanced Drop Shipping:

IRYSS's drop shipping capabilities are seamlessly integrated through the platform's API-first design. Resellers can select products from the IRYSS marketplace and automatically list them on their own e-commerce websites, such as Shopify. **This process is fully automated, ensuring that product details, pricing, and availability are always up-to-date.** The cloud-native infrastructure supports the scalability of this feature, allowing hundreds or even thousands of resellers to operate simultaneously without performance degradation.



2. Automation and Integration: Streamlining Operations

Automation is a cornerstone of the IRYSS platform, reducing manual tasks and streamlining operations for SME brands. This is achieved through a combination of API-driven integration, microservices architecture, and cloud-native scalability.

Automated Product Listings and Payment Processing:

Integration with platforms like Shopify and Stripe is enabled through the platform's robust APIs. When a product is added or updated in the IRYSS marketplace, the information is automatically synced across all connected reseller sites. Similarly, payment processing is fully automated, with Stripe handling the distribution of payments between the reseller and the supplier. **This automation reduces the risk of errors, speeds up transaction times, and ensures that financial operations are handled smoothly and efficiently.**

Unified Analytics and Data Management:

The IRYSS platform offers advanced analytics tools that aggregate data from all business operations-B2C, B2B, and drop shipping. Powered by microservices and cloud-based data storage, the platform provides real-time insights into sales trends, customer behavior, and inventory levels. For example, a brand can use these analytics to identify which products are performing well in different regions, allowing them to optimize their inventory and marketing strategies accordingly. **This data-driven approach enables brands to make informed decisions that drive growth and improve profitability.**

Composable Commerce:

The IRYSS platform supports composable commerce, allowing brands to integrate best-in-class solutions that meet their unique needs. For example, a brand might integrate an AI driven personalization engine or an advanced marketing automation tool into their IRYSS ecosystem. **The API-first design ensures that these integrations are seamless, enabling brands to continuously innovate without disrupting existing operations.**



3. Enhanced Customer Engagement: Personalization and Interaction

The IRYSS platform offers a suite of tools designed to enhance customer engagement, driving higher conversion rates and fostering brand loyalty. These tools are powered by the platform's advanced technological framework.

Video and Social Shopping:

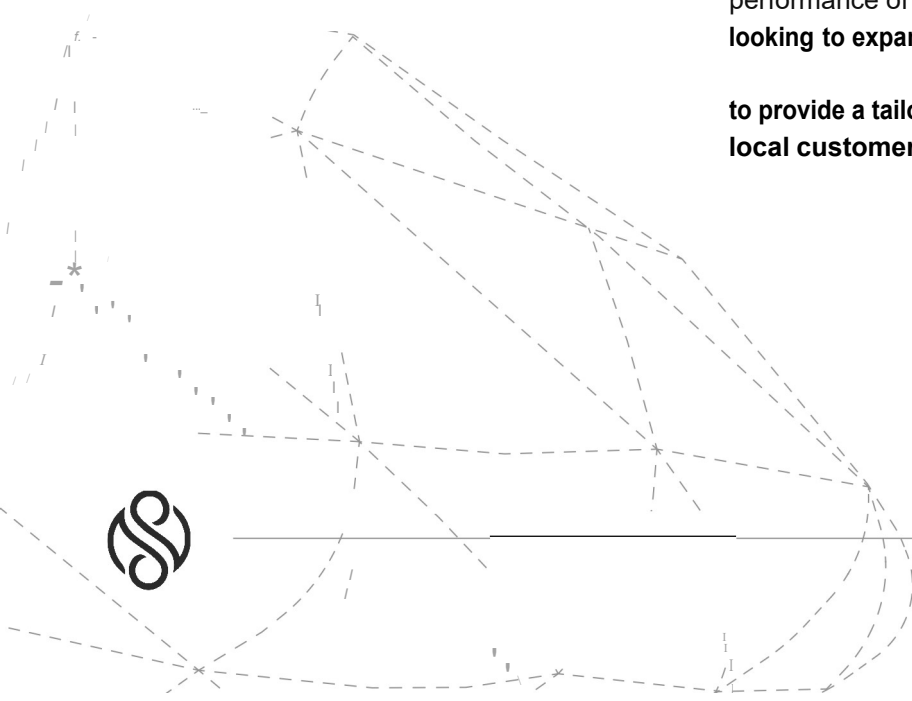
Leveraging the platform's headless architecture and API-first design, IRYSS integrates video and social shopping features that allow brands to engage with customers in real-time. For example, brands can host live shopping events where customers can purchase products directly from the live stream. The headless setup ensures that these experiences are consistent across all channels, whether customers are shopping on the brand's website, a mobile app, or through a social media platform. **This integration drives higher engagement by meeting customers where they are and offering a seamless, interactive shopping experience.**

AI-Driven Personalization:

IRYSS uses AI and machine learning algorithms to deliver personalized shopping experiences. By analyzing customer data—such as browsing history, past purchases, and demographic information—the platform can make tailored product recommendations and offer personalized discounts. **This not only enhances the customer experience but also increases the likelihood of repeat purchases.** The AI-driven insights are powered by the platform's microservices architecture, which ensures that the personalization engine can scale with the number of users and the volume of data processed.

Multi-Language and Multi-Currency Support:

To support global expansion, IRYSS offers multi-language and multi-currency capabilities, ensuring a localized shopping experience for customers worldwide. The platform's cloud-native infrastructure ensures that currency conversions and language settings are handled efficiently, without impacting the performance of the site. **This feature is crucial for SMEs looking to expand into international markets, as it allows them to provide a tailored experience that meets the expectations of local customers.**



3. Enhanced Customer Engagement: Personalization and Interaction



4. Scalability and Flexibility: Supporting Growth and Innovation

The IRYSS platform is designed to scale with the brands it supports, providing a robust foundation for growth and innovation.

Dynamic Scaling:

The platform's cloud-native architecture enables dynamic scaling, automatically adjusting resources to handle increased traffic and data loads. For example, during a major promotional event, the platform can allocate additional processing power and bandwidth to ensure that the site remains fast and responsive, even under heavy load. **This capability allows brands to grow without facing the infrastructure challenges that typically accompany expansion, ensuring that they can meet customer demand without compromising on performance.**

Future-Proof Infrastructure:

The MACH architecture provides a future-proof foundation that allows the platform to easily integrate with emerging technologies and adapt to new market trends. For example, as voice commerce and augmented reality (AR) become more prevalent, the IRYSS platform can incorporate these technologies without requiring a complete overhaul. **This adaptability ensures that the platform remains relevant and effective, helping brands stay ahead of the competition in an ever-evolving digital landscape.**



5. Comprehensive Marketing and Content Management: Reaching the Audience

IRYSS provides a wide array of marketing tools that help brands effectively reach and engage their target audience. These tools are tightly integrated with the platform's core architecture, ensuring that they are both powerful and easy to use.

Email Marketing and Automation:

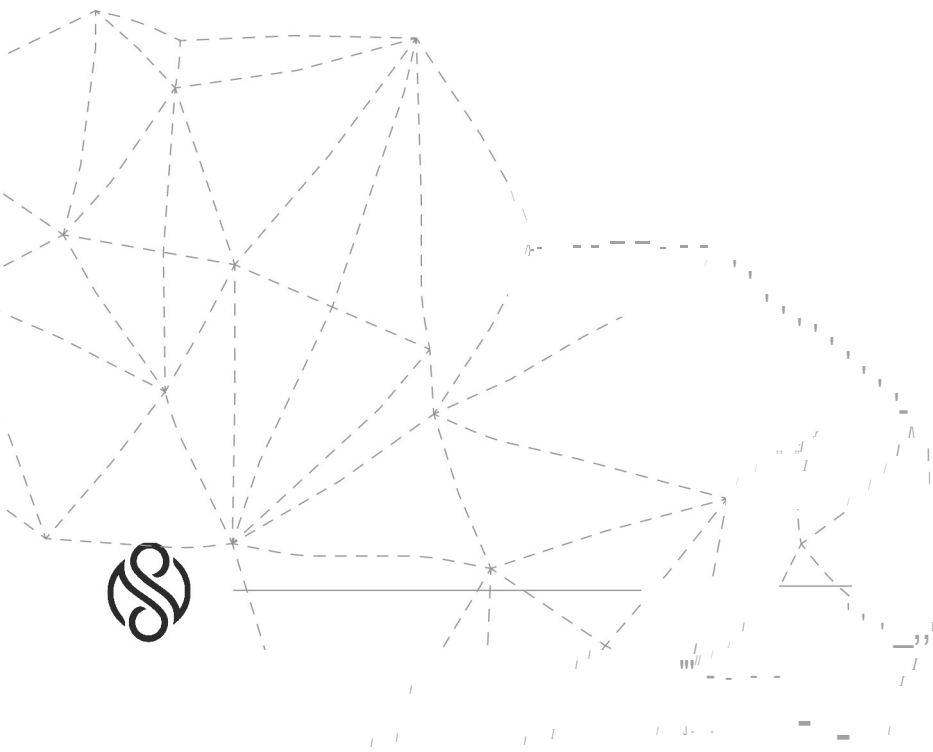
The platform includes integrated tools for creating and managing email marketing campaigns. Brands can set up automated workflows that send targeted emails based on customer behavior, such as abandoned cart reminders or personalized product recommendations. **The API-first design allows these tools to connect with external CRM systems, ensuring that all customer data is synchronized and that campaigns are highly targeted and effective.**

Biogs, Vlogs, and Video Product Displays:

Content is king in digital marketing, and the IRYSS platform provides the tools needed to create and manage a variety of content types. Brands can publish biogs, create vlogs, and upload video product displays, all of which can be easily integrated into product pages and marketing campaigns. **The headless architecture ensures that this content is presented consistently across all channels, whether on the brand's website, social media, or email newsletters.**

Social Media Integration:

IRYSS seamlessly integrates with major social media platforms like Facebook, Instagram, and TikTok, allowing brands to extend their reach and engage with customers on the platforms they use most. The platform supports automated posting, cross-channel marketing, and even social shopping, where customers can purchase products directly from their social media feeds. **This deep integration ensures that brands can maintain a strong and consistent presence across all digital touchpoints, maximizing their reach and engagement potential.**



5. Comprehensive Marketing and Content Management: Reaching the Audience

/ / /

6. Unified Dashboard and Advanced Analytics: Comprehensive Business Intelligence

The IRYSS platform provides a unified dashboard that brings together data from every aspect of the business, offering a single point of control and deep insights into performance metrics. This is powered by the platform's robust data architecture, which ensures that all data is collected, processed, and presented in real-time.

Comprehensive Reporting:

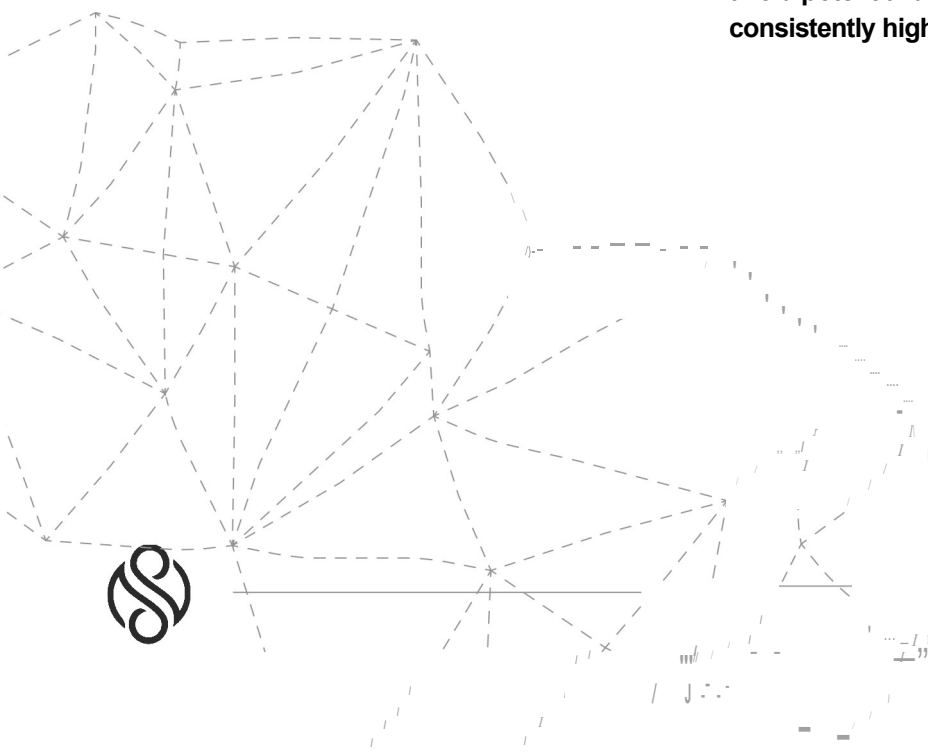
The platform's analytics suite offers detailed reports on key performance indicators (KPIs) such as sales trends, customer behavior, inventory levels, and marketing campaign effectiveness. These reports are accessible through the unified dashboard, providing a holistic view of the business that allows for data-driven decision-making. For example, a brand can quickly identify which products are top sellers, which campaigns are driving the most traffic, and where improvements are needed to boost performance.

Predictive Analytics:

By leveraging AI and machine learning, IRYSS offers predictive analytics that help brands forecast demand, optimize inventory, and identify emerging trends. This capability is especially valuable for SMEs, as it enables them to anticipate market shifts and adjust their strategies proactively. For example, predictive analytics might indicate an upcoming surge in demand for a particular product category, allowing the brand to adjust inventory levels and marketing focus in advance.

Real-Time Monitoring:

The platform's real-time monitoring capabilities allow brands to keep a close eye on their operations, with instant alerts for any issues that arise. Whether it's a sudden spike in traffic, a drop in conversion rates, or an inventory shortage, the platform provides the tools needed to respond quickly and maintain smooth operations. **This proactive approach helps brands avoid potential disruptions and ensures that they can deliver a consistently high level of service to their customers.**



Advantages and Transformative Potential for SME Brands

Operational Efficiency and Cost-Effective Scaling

The IRYSS platform's automation and integration capabilities significantly reduce the operational burden on SME brands, allowing them to focus on growth and innovation. By automating tasks like product listing, payment processing, and inventory management, the platform frees up valuable time and resources that can be reinvested into the business. Additionally, the platform's scalable architecture ensures that brands can grow without needing to invest heavily in infrastructure, making it a cost-effective solution for businesses of all sizes.

Enhanced Customer Engagement and Brand Loyalty

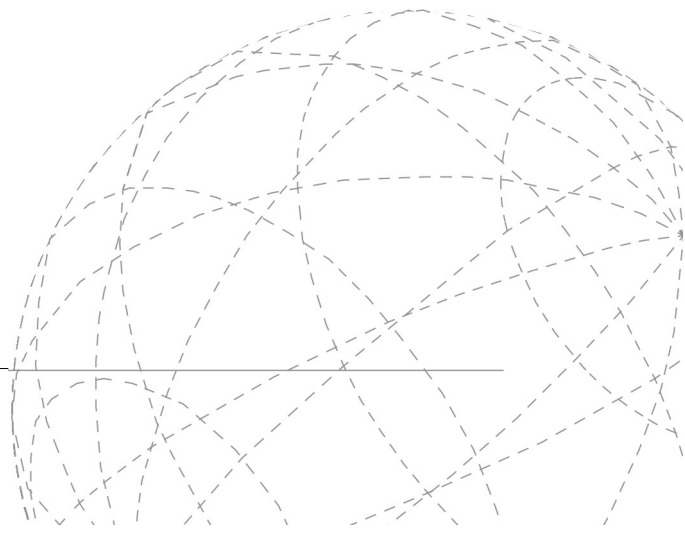
IRYSS's advanced customer engagement tools-such as personalized shopping experiences, video shopping, and social media integration-enable brands to connect with their customers in meaningful ways. These tools not only increase conversion rates but also foster long-term loyalty by delivering a shopping experience that is both personalized and interactive. For SMEs, this means building stronger relationships with their customers, driving repeat business, and establishing a loyal customer base that can sustain growth over the long term.

Flexibility and Continuous Innovation

The composable commerce model and API-first design of the IRYSS platform give brands the flexibility to adapt quickly to changing market conditions and emerging technologies. Whether it's integrating a new AI tool, launching a new sales channel, or experimenting with new marketing strategies, the platform's modular architecture allows for continuous innovation without disrupting existing operations. This flexibility is crucial for SMEs, as it enables them to stay competitive in a fast-paced digital landscape and capitalize on new opportunities as they arise.

Global Reach and Scalability

With features like multi-language and multi-currency support, dynamic scaling, and a robust cloud-native infrastructure, the IRYSS platform is designed to support brands as they expand into new markets. This global reach allows SMEs to tap into new customer bases, increase their market share, and grow their business on an international scale. The platform's scalability ensures that as brands grow, the technology grows with them, providing a consistent and reliable experience for customers around the world.



Conclusion: Delivering Gold Standard Technology for SME Brands

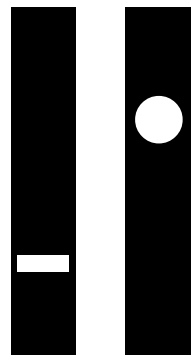
The IRYSS platform is more than just a marketplace; it is a comprehensive, technology-driven ecosystem designed to empower SME brands to thrive in the competitive e-commerce environment. By integrating cutting-edge architectural principles like MACH, advanced automation and analytics tools, and a wide array of customer engagement features, IRYSS delivers a gold-standard experience that enables brands to scale efficiently, engage customers effectively, and innovate continuously.

For SME brands, the IRYSS platform opens up a world of possibilities. It allows them to streamline operations, reduce costs, and focus on growth, all while providing the flexibility and scalability needed to adapt to a rapidly changing digital landscape. By offering the tools and capabilities typically reserved for large enterprises, IRYSS levels the playing field, giving SMEs the competitive edge they need to succeed and grow in today's global marketplace. The platform not only addresses the current needs of SME brands but also positions them for long-term success, ensuring they can thrive and prosper in the years to come.



Appendix

Detailed Financial Projections



Detailed Financial Projections:

Include expanded financial models such as cash flow statements, profit and loss statements, balance sheets, and break-even analysis.

Investment analysis

For the Year Ending	Pre-launch	2025	2026	2027	2028	2029	MPV,€	9 741 549, 97
Initial investment	-404 000	-1 069 707	0	0	0	0	PI	7,9
Input CashFlow	0	-894 300	-183 460	998 018	1 030 679	1 457 862	OPP, years	3,2
Discount ratio	7,00%						IRR	77%
							ROI	794%

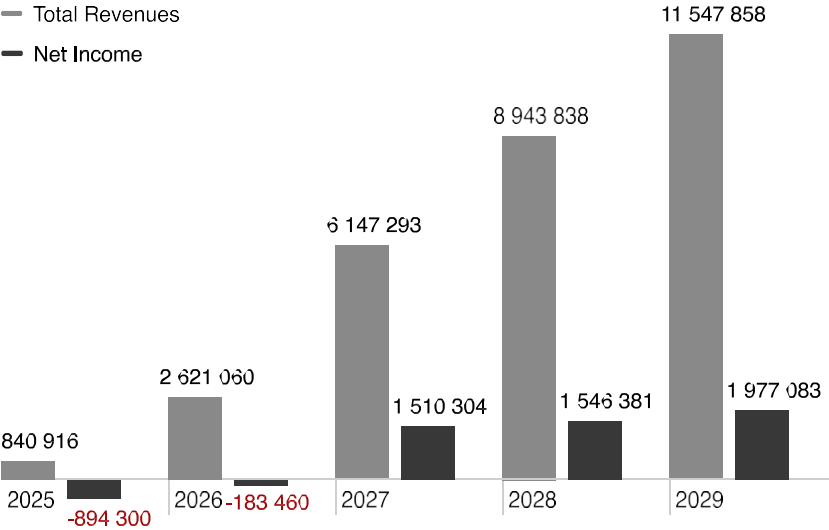
Period	Initial investment	Input CashFlow	Discount factor	Discounted initial investment	Discounted Input CashFlow	Cumulative cash flow	CashFlow
Pre-launch	-404 000	0	1,000	-404 000	0		-404 000
2025	-1 069 707	-658029,4104	0,935	-999726,2385	-614980,7574	-2018706,996	-1 727 736
2026	0	191787,4767	0,873		167514,6097	-1851192,386	191 787
2027	0	1516748,637	0,816		1238118,692	-613073,694	1516749
2028	0	5329566,03	0,763		4065900,407	3452826,713	5 329 566
2029	0	8820259,695	0,713		6288723,262	9741549,975	8 820 260
Total				-1403726,238	11145276,21		



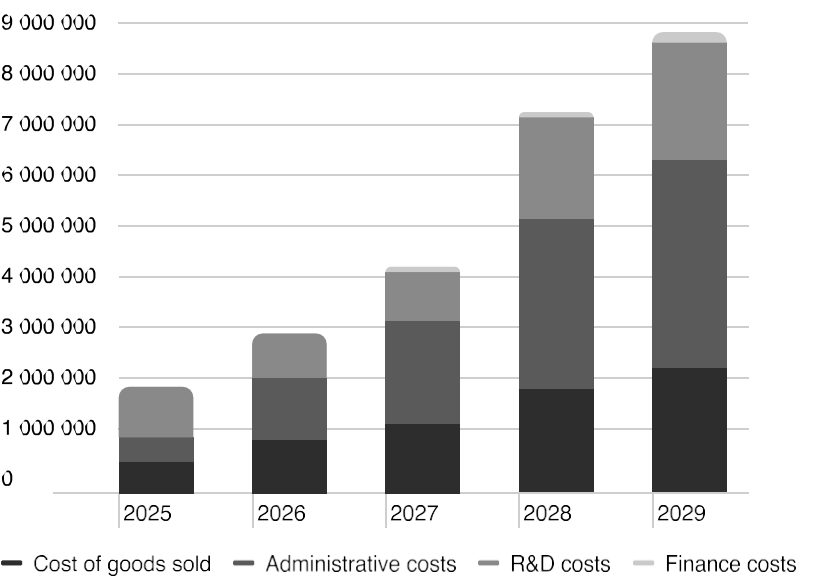
Income Statement

Revenue	2025	2026	2027	2028	2029
Sales revenue, €	373 066	632 290	2 175 322	1 010 000	1 059 600
Service revenue, €	467 850	1 988 770	3 971 970	7 933 838	10 488 258
Other revenue, €	0	0	0	0	0
Total Revenues, €	840 916	2 621 060	6 147 293	8 943 838	11 547 858
Expenses					
Cost of goods sold, €	476 916	841 920	1 064 689	1 829 888	2 237 820
Administrative costs, €	433 400	1 196 200	2 052 400	3 301 940	4 198 637
Rent, €	100 000	108 000	120 000	192 000	288 000
Office supplies, €	6 000	12 000	24 000	38 400	57 600
Advertising, €	208 000	580 000	970 000	1 512 500	1 830 125
Salaries and wages, €	48 000	318 000	621 600	1 052 160	1 262 592
Utilities, €	6 000	9 000	15 000	24 000	36 000
Other, €	65 400	169 200	301 800	482 880	724 320
R&D costs, €	824 900	766 400	988 000	1 725 120	2 453 760
Research and development, €	180 000	0	0	0	0
Software, €	210 000	204 000	180 000	288 000	432 000
Salaries and wages, €	434 900	562 400	808 000	1 437 120	2 021 760
Finance costs, €			28 464	25 049	21 530
Loan interest, €			28 464	25 049	21 530
Total Expenses, €	1 735 216	2 804 520	4 133 553	6 881 997	8 911 747
Net Income Before Taxes, €	-894 300	-183 460	2 013 739	2 061 841	2 636 111
Income tax expense 25%, €	0	0	503 435	515 460	659 028
Net Income, €	-894 300	-183 460	1 510 304	1 546 381	1 977 083

Dynamics of income & net profit



Expenses



Cash Flow

For the Year Ending	2025	2026	2027	2028	2029	2030
Cash at Beginning of Year, €	-1 473 707	31 993	814 558	1812576	2 488 541	3 946 403
Cash at End of Year, €	1 505 700	-183 460	998 018	1030679	1 457 862	
Operations	2025	2026	2027	2028	2029	
Cash receipts from						
Own brand sales, €	236 754	582 790	886 808	910 800	910 800	
B2B sales 15%, €	77 281	285 468	1024882	1696934	2 318 555	
B2C commissions 23%, €	53 377	237 196	751 753	1 168 288	1 575 756	
Manufacturing + transport - for production and samples, €	136 312	498 165	1288514	2 102 960	2 881 200	
Subscription Fees and Commissions, €	337 192	1017441	2 195 335	3 064 856	3 861 546	
Cash paid for						
Inventory purchases, €	-260 916	-492 920	-608 689	-954 368	-924 540	
General operating and administrative expenses, €	-595 400	-1 082 200	-1610800	-2 537 780	-3 368 045	
Wage expenses, €	-698 900	-1229400	-1885600	-3 364 800	-4 597 632	
Interest 0%, €	0	0	0	0	0	
Income taxes,€	0	0	-503 435	-515 460	-659 028	
Net Cash Flow from Operations, €	-714 300	-183 460	1538769	1 571 430	1998613	
Investing Activities						
Cash receipts from						
Sale of property and equipment, €	0	0	0	0	0	
Cash paid for						
Initial costs for technological platform development, €	-60 000	0	0	0	0	
Costs for launching and maintaining the investment platform, €	-120 000	0	0	0	0	
Net Cash Flow from Financing Activities, €	-180 000	0	0	0	0	
Financing Activities						
Cash receipts from						
Own investments already made, €	200 000	0	0	0	0	
Size of received loan (Smart and Atart Italia), €	1200000	0	0	0		
Confidi loan,€	100000	0	0	0	0	
Cash paid for						
Repayment of loams, €	0	0	-399 996	-399 996	-399 996	
Repayment Confidi of loams, €		0	-112 291	-115 706	-119 225	
Loan interest, €		0	-28 464	-25 049	-21 530	
Net Cash Flow from Financing Activities TBC, €	2 400 000	0	-540 751	-540 751	-540 751	
Net Cash Flow, €	1 505 700	-183 460	998 018	1 030 679	1 457 862	



Balance Sheet

Assets	2025	2026	2027	2028	2029
Current Assets					
Cash,€	1,564,300	426,540	1,558,197	2,723,368	4,316,603
Accounts receivable, €	0	0	0	0	0
Inventory,€	0	0	0	0	0
Prepaid expenses, €	0	0	0	0	0
Short-term investments, €	0	0	0	0	0
Total current assets, €	€ 1,564,300	€ 426,540	€ 1,558,197	€ 2,723,368	€ 4,316,603
Fixed (Long-Term) Assets					
Long-term investments, €	180,000	180,000	180,000	180,000	180,000
Property, plant, and equipment, €	40,000	40,000	40,000	40,000	40,000
(Less accumulated depreciation), €	0	0	0	0	0
Intangible assets, €	260,000	220,000	220,000	220,000	220,000
Total fixed assets, €	€ 480,000.000	€ 440,000.000	€ 440,000.000	€ 440,000.000	€ 440,000.000
Other Assets					
Deferred income tax, €	0	0	0	0	0
Other,€	0	0	0	0	0
Total Other Assets, €	€ 0.00	€ 0.00	€ 0.00	€ 0.00	€ 0.00
Total Assets	€ 2,044,300	€ 866,540	€ 1,998,197	€ 3,163,368	€ 4,756,603
Liabilities and Owner's Equity					
Current Liabilities					
Accounts payable, €	894,300	0	0	0	0
Short-term loans, €	0	0	0	0	0
Income taxes payable,€	0	0	0	0	0
Accrued salaries and wages, €	0	0	0	0	0
Unearned revenue, €	0	0	0	0	0
Current portion of long-term debt, €	0	0	0	0	0
Total current liabilities, €	€ 894,300	€0.0	€0.0	€0.0	€ 0.0
Long-Term Liabilities					
Long-term debt, €	800,000	800,000	400,004	8	-399,988
Deferred income tax, €	0	0	0	0	0
Other,€	0	0	0	0	0
Total long-term liabilities, €	€ 800,000.000	€ 800,000.000	€ 400,004	€ 8.0	€ -399,988
Owner's Equity					
Owner's investment, €	350,000	250,000	250,000	250,000	250,000
Retained earnings, €	0	-183 460	1,348,193	2,913,360	4,906,591
Other,€	0	0	0	0	0
Total owner's equity, €	€ 350,000	€ 66,540	€ 1,598,193	€ 3,163,360	€ 5,156,591
Total Liabilities & Owner's Equity	€ 2,044,300	€ 866,540	€ 1,998,197	€ 3,163,360	€ 4,756,603

Common Financial Ratios	2025	2026	2027	2028	2029
Debt Ratio (Total Liabilities/ Total Assets), €	0.83	0.92	0.20	0.00	-0.08
Current Ratio (Current Assets/ Current Liabilities), €	1.75				
Working Capital (Current Assets - Current Liabilities), €	€ 670,000	€ 426,540	€ 1,558,197	€ 2,723,368	€ 4,316,603
Assets-to-Equity Ratio (Total Assets/ Owner's Equity), €	5.8	13.0	1.3	1.0	0.9
Debt-to-Equity Ratio (Total Liabilities/ Owner's Equity), €	4.8	12.0	0.3	0.0	-0.1



Appendix

Sensitivity Analysis

9

The advantage of the developed financial model lies in its robust sensitivity analysis capabilities. **This feature allows us to meticulously assess the potential impact of negative factors and risks that may surface during the project's planning and implementation, providing a comprehensive understanding of the project's financial landscape.**

Preliminary analysis shows that the main risk areas are:

<u>Financial risk</u>	<u>(Market and marketing risk)</u>	<u>(Management risk and human factors)</u>
<u>Technological risk</u>	<u>Competitive risk</u>	<u>Legal and regulatory risk</u>



The most significant consequences of these risks include:

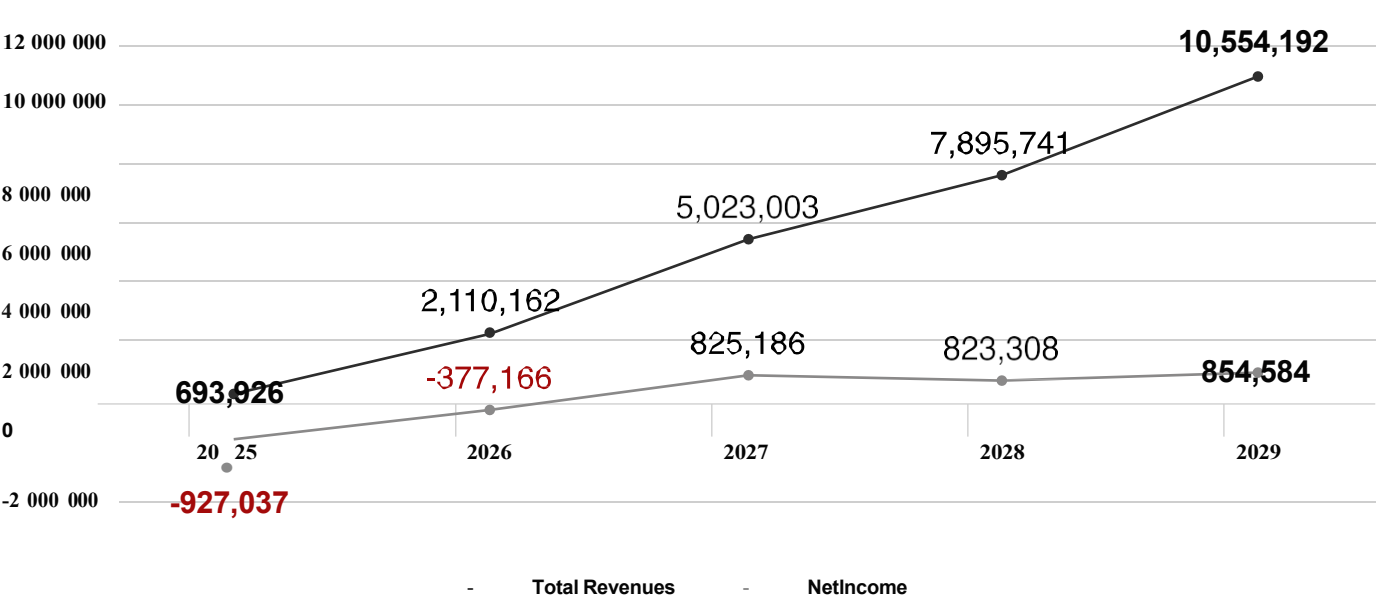
- Delays in platform development, low product and service quality, reputational damage, loss of customer trust;
- Cash flow shortages, inability to cover operational costs, potential insolvency;
- Low sales volumes, dissatisfied customers, reduced profitability;
- Inefficient decision-making, failure to achieve strategic goals, business losses;
- Platform downtime, data security breaches, loss of customer trust, additional costs for maintenance and updates;
- Declining sales, loss of customers, reduced profitability;
- Additional legal costs, fines, and possible cessation of operations in certain regions.



The key indicators that may be affected by these risks are a decrease in the planned number of customers acquired and an increase in both initial and ongoing operational costs.

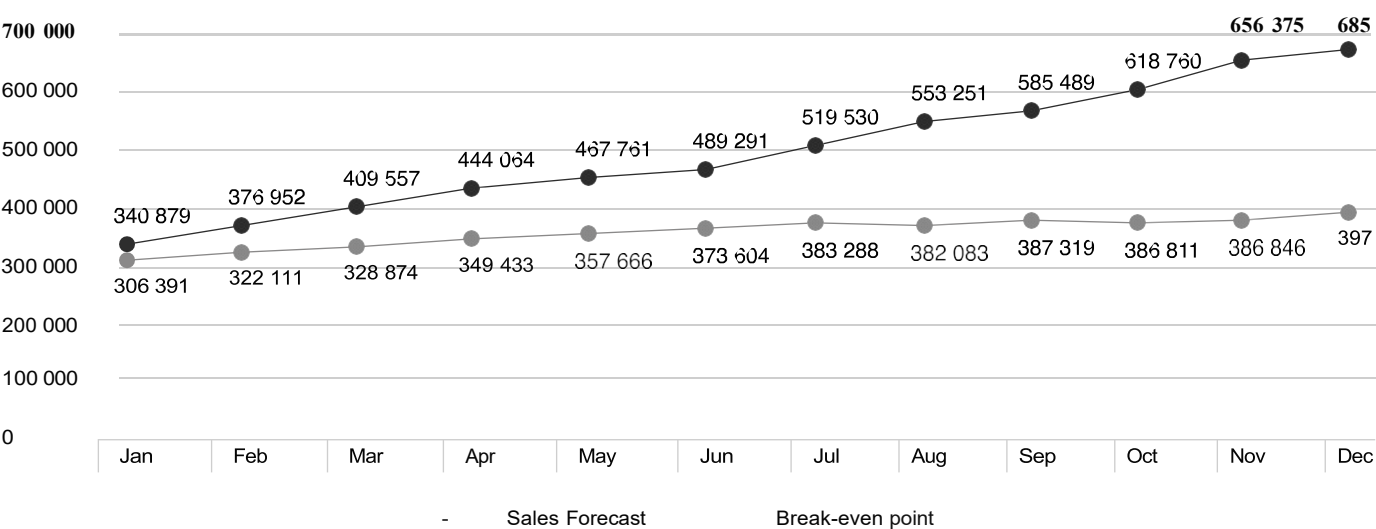
We consider the presented financial model to represent an optimistic (realistic) scenario for the project's implementation. This scenario, meticulously crafted and based on sound financial principles, provides a promising outlook for the project's success.

To present a pessimistic scenario, we will conduct a sensitivity analysis of the project, assuming a reduction in the brand acquisition program would lead to a 20% reduction in project revenues.



Based on the results, the break-even point is achieved at the beginning of the third year of project implementation.

Break-Even Point Analysis for 2027



As outlined in the project's planned indicators, positive cash flow forms by the third year, but the pace of its generation slows down.

Cash Flow

For the Year Ending	2025	2026	2027	2028	2029	2030
Cash at Beginning of Year, €	-1540634	46 329	-64 266	248 633	642 969	978 331
Cash at End of Year, €	1586963	-377 166	312 899	307 606	335 363	
Operations	2025	2026	2027	2028	2029	
Cash receipts from						
Own brand sales, €	220 320	518 063	836 017	910 800	910 800	
B2B sales 15%, €	70 912	282 658	641 299	1 250 144	1878240	
B2C commissions 23%, €	49 012	236 268	705 677	1 255 049	1 705 898	
Manufacturing + transport - for production and samples, €	127 600	373 132	837 450	1 579 250	2 365 080	
Subscription Fees and Commissions, €	226 081	700 040	2 002 560	2 900 498	3 694 173	
Cash paid for						
Inventory purchases, €	-216 662	-443 728	-576 691	-954 368	-924 540	
General operating and administrative expenses, €	-411 400	-902 200	-1610800	-2 393 780	-3 727 045	
Wage expenses, €	-698 900	-1 141 400	-1 706 600	-3 424 800	-4 741 632	
Interest 0%, €	0	0	0	0	0	
Income taxes, €	0	0	-275 062	-274 436	-284 861	
Net Cash Flow from Operations, €	-633 037	-377 166	853 650	848 357	876 113	
Investing Activities						
Cash receipts from						
Sale of property and equipment, €	0	0	0	0	0	
Cash paid for						
Initial costs for technological platform development, €	-60 000	0	0	0	0	
Costs for launching and maintaining the investment platform, €	-120 000	0	0	0	0	
Net Cash Flow from Financing Activities, €	-180 000	0	0	0	0	
Financing Activities						
Cash receipts from						
Own investments already made, €	200 000	0	0	0	0	
Size of received loan (Smart and Atart Italia), €	1200000	0	0	0	0	
Confidi loan, €	100000	0	0	0	0	
Cash paid for						
Repayment of loans, €	0	0	-399 996	-399 996	-399 996	
Repayment Confidi of loans, €		0	-112291	-115 706	-119 225	
Loan interest, €		0	-28 464	-25 049	-21 530	
Net Cash Flow from Financing Activities TBC, €	2 400 000	0	-540 751	-540 751	-540 751	
Net Cash Flow, €	1 586 963	-377 166	312 899	307 606	335 363	



In the pessimistic model, the project's scaling phases need to be delayed, which leads to a levelling off of the cash flow generation rate during years 3 to 5 of implementation.

Income Statement

Revenue	2025	2026	2027	2028	2029
Sales revenue, €	347 920	567 563	1673467	1 010 000	1059600
Service revenue, €	346 006	1542599	3 349 536	6 885 741	9 494 592
Other revenue, €	0	0	0	0	0
Total Revenues, =€	693 926	2 110 162	5 023 003	7 895 741	10 554192
Expenses					
Cost of goods sold, €	432 662	792 728	1032691	1829888	2 237 820
Administrative costs, €	429 400	948 200	1937600	3 157 940	4 557 637
Rent,€	96 000	108 000	120 000	120 000	360 000
Office supplies, €	6 000	12 000	24 000	38 400	57 600
Advertising, €	208 000	432 000	970 000	1512500	2 045 125
Salaries and wages, €	48 000	218 000	506 800	1052160	1262592
Utilities,€	6 000	9 000	15 000	24 000	36 000
Other,€	65 400	169 200	301 800	410 880	796 320
R&D costs,€	758 900	746 400	924 000	1785120	2 597 760
Research and development, €	180 000	0	0	0	0
Software,€	144 000	172 000	180 000	288 000	432 000
Salaries and wages, €	434 900	574 400	744 000	1497120	2 165 760
Finance costs, €			28 464	25 049	21 530
Loan interest, €			28 464	25 049	21 530
Total Expenses, =€	1620962	2 487 328	3 922 755	6 797 997	9 414 747
Net Income Before Taxes,€	-927 037	-377 166	1 100 248	1 097 744	1 139 445
Income tax expense 25%, €	0	0	275 062	274 436	284 861
Net Income, €	-927 037	-377 166	825 186	823 308	854 584

Modelling a situation in which the client acquisition program is not fulfilled will result in a slowdown in the generation of commission fees. **This will also impact the need to reduce administrative expenses and postpone planned investments in the project's development.**

According to the sensitivity analysis, changes in the revenue generation pace reveal an increase in the shortfall of working capital, amounting to **€-927,037** and **€-377,166** in the 1st and 2nd years of project implementation, which exceeds the base scenario by **€126,443** in total. Subsequently, a stable cash flow balance of around **€835 000** is projected.



Appendix

Reasons to Invest

10

A Transformative Investment Opportunity in the Fashion Marketplace

Introduction

The IRYSS platform stands as a revolutionary force within the global fashion marketplace, offering a unique blend of advanced technology, innovative business models, and a collaborative ecosystem designed to empower SMEs and independent brands. By addressing critical challenges in the fashion industry, IRYSS not only presents a lucrative investment opportunity but also promises to reshape the landscape for small and medium-sized enterprises. **This document outlines the compelling reasons to invest in IRYSS, supported by robust data and strategic insights that highlight the platform's potential for sustained growth and industry leadership.**

1. Market Demand and Growth Potential

Global Market Dynamics

The fashion industry is rapidly transitioning to digital platforms, with global e-commerce sales expected to reach \$7.4 trillion by 2025. **Fashion, in particular, is one of the fastest-growing segments within this space.** As consumer behavior shifts increasingly towards online shopping, particularly post-pandemic, platforms like IRYSS are uniquely positioned to capitalize on this growth.

Moreover, there is a significant and growing consumer preference for SME and independent brands, particularly among younger demographics. Over 60% of Gen Z and Millennial consumers prefer purchasing from smaller, independent brands, reflecting a broader trend away from mass-market products. This shift presents a substantial opportunity for IRYSS, which is tailored to serve this market segment.



2. Innovative Production and Cost Efficiency

Streamlined Production Capabilities

IRYSS leverages nearshoring production hubs in Egypt, Turkey, Portugal, and Portugal, offering brands up to a 150% reduction in manufacturing costs compared to traditional models. This significant cost advantage allows SMEs to compete directly with large-scale fast-fashion players like Zara while maintaining the flexibility to produce smaller, more diverse collections throughout the year. **This flexibility is crucial for brands aiming to stay agile and responsive to market trends.**

Advanced Technological Integration

By integrating advanced production management technology, IRYSS ensures real-time tracking of production and streamlined operations. The ability to tender out tech packs for pricing and production time ensures that brands receive the best possible turnaround times and cost efficiency. Additionally, the platform's design room offers comprehensive support and advisory services, enabling brands to develop innovative products quickly and effectively. **This system offers SME brands a Zara-level production system at a fraction of the cost, making it an incredibly attractive option for independent brands.**

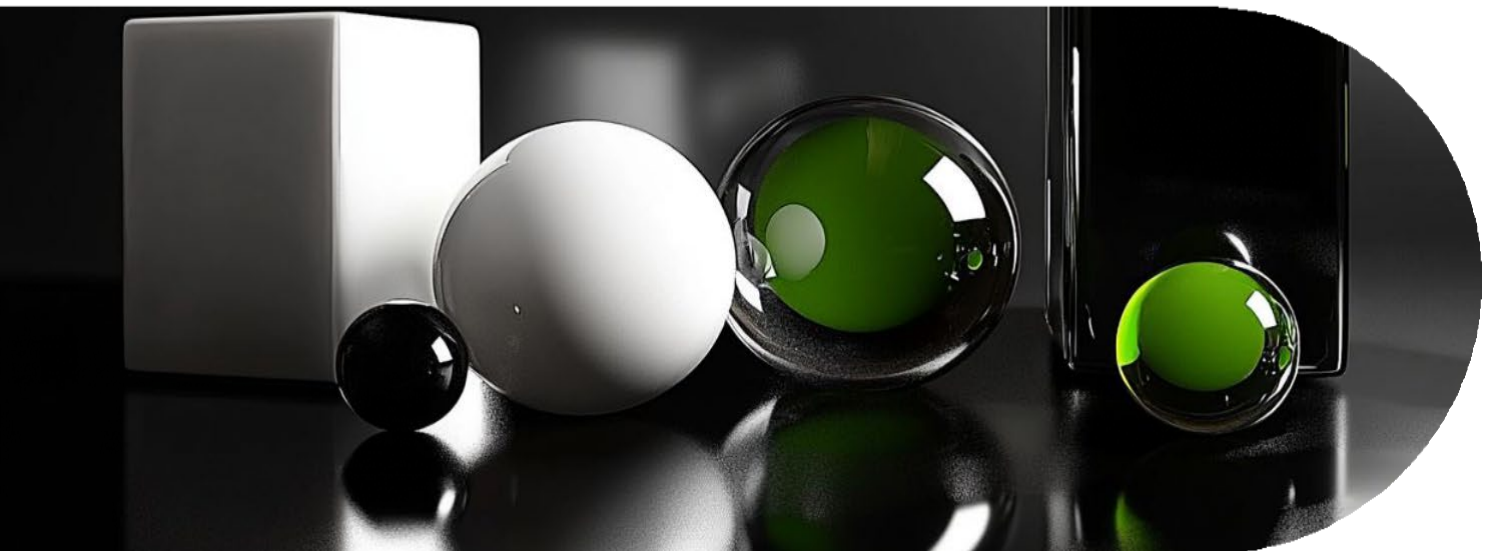


3. Unique Market Network-Driven Scaling Model

Collaborative Ecosystem and Network Effects

IRYSS's market network-driven approach sets it apart from traditional marketplaces. **By aggregating the efforts of SME brands, resellers, and investors, IRYSS creates a collaborative ecosystem that drives both growth and brand equity. Each participant in the ecosystem contributes to the overall marketing and brand-building efforts, creating a cost-efficient scaling model that leverages the collective power of its community.**

This decentralized marketing approach ensures that IRYSS can scale more efficiently than competitors who rely heavily on centralized marketing spend. As more brands, resellers, and investors join the platform, the network effect intensifies, driving increased value for all participants and creating a self-sustaining cycle of growth.



4. Innovative Financial Solutions and Blockchain Integration

RWA Blockchain Financing

One of the most forward-thinking aspects of the IRYSS platform is its use of Real-World Asset (RWA) tokenization on the blockchain. This innovative financing solution allows brands to raise capital more efficiently by converting physical collections into digital assets. This not only democratizes access to capital but also provides a secure and transparent method for managing investments.

The integration of blockchain technology positions IRYSS at the cutting edge of fashion tech, offering a revolutionary approach to financing that could reshape the way fast-moving consumer goods are funded in the future.



5. Resilience and Scalability

Diversified Revenue Streams

IRYSS's revenue model is built on a diverse array of income streams, ensuring both stability and scalability. These streams include fixed monthly fees, transaction fees, manufacturing markups, and service-based income. **This diversification not only provides a stable cash flow but also allows the platform to reinvest in growth initiatives, maintaining its competitive edge even in fluctuating market conditions.**

Economic Resilience and Low Operational Costs

One of the key strengths of IRYSS is its resilience during economic downturns. By offering a platform that significantly reduces operational costs for brands-through lower production costs and efficient in-house services-IRYSS provides SMEs with the tools to maintain profitability even in challenging economic environments. The platform's pricing structure, including low fixed fees, ensures that brands can manage their business costs effectively, with small profit margins covering all essential services provided by IRYSS. **This model offers greater control over the quality and diversity of stock, allowing brands to maintain a competitive edge without incurring high overhead costs.**

Strategic Global Expansion

With its central production hub in Egypt, benefiting from extensive duty-free trade agreements with key markets such as the USA, UK, EU, Middle East, and Africa, IRYSS offers brands unparalleled opportunities for cost-effective global expansion. The ability to operate tariff-free across these regions significantly enhances the platform's attractiveness to **brands seeking to expand their reach internationally.**

6. Strategic Partnerships and Advisory Expertise

Robust Advisory and Partnership Network

IRYSS is supported by an elite advisory panel that includes industry leaders such as Avetti Commerce for e-commerce solutions, 41RE Labs for blockchain integration, and Aurum Legal for legal and licensing advisory. **These partnerships ensure that IRYSS remains at the forefront of technological innovation, compliance, and global market expansion.**

Additionally, IRYSS has partnered with top-tier fulfillment providers such as F4E Fulfillment and EFCL UK, ensuring efficient and reliable logistics solutions that are crucial for building customer trust and loyalty.



Conclusion

Investing in IRYSS is an unparalleled opportunity to be part of a platform that is poised to redefine the fashion and beauty marketplace. **Our business model is not just about creating another e-commerce platform; it is about building a comprehensive ecosystem that integrates advanced technology, innovative financial solutions, and a deeply collaborative market network.** This unique approach creates a self-sustaining growth cycle, where every participant-brands, resellers, and investors-actively contributes to the expansion and success of the platform.

The financial advantages of investing in IRYSS are clear. **With our diversified revenue streams, including commissions, manufacturing markups, subscription fees, and innovative blockchain financing, IRYSS ensures a stable and scalable income model.** This multi-faceted revenue structure, combined with our cost-efficient production strategies, significantly enhances the platform's profitability, providing investors with a robust return on investment.

Moreover, IRYSS's competitive edge lies in its ability to offer brands an unmatched value proposition. By cutting production times and costs by more than half through nearshoring and providing access to advanced design and production technologies, IRYSS empowers SMEs to compete with industry giants like Zara. **This is not just a platform; it is a revolutionary force that democratizes access to high-quality production and market reach, creating opportunities for brands that were previously unattainable.**

The resilience of our business model during economic downturns, coupled with the low operational costs for brands, further enhances the platform's attractiveness to investors. The ability to maintain and even grow profitability in challenging market conditions is a testament to the strength and foresight of our operational strategies.

In summary, IRYSS offers a compelling investment opportunity with significant upside potential. Our strategic positioning, innovative use of technology, and unique market network approach provide a strong foundation for sustained growth. **By investing in IRYSS, you are not just backing a business; you are supporting a transformative platform that is set to lead the next wave of innovation in the fashion and beauty industry.** This is a rare opportunity to be part of something truly groundbreaking, with the potential to deliver exceptional returns and long-term value.



References

-
1. **Euromonitor International. (2023).** "Global E-commerce Market Growth."
Retrieved from [euromonitor.com](https://www.euromonitor.com)

 2. **McKinsey & Company. (2023).** "Advanced Analytics in Fashion."
Retrieved from [mckinsey.com](https://www.mckinsey.com)

 3. **FashionUnited. (2023).** "Consumer Trends in SME and Independent Brands."
Retrieved from [fashionunited.com](https://www.fashionunited.com)

 4. **Deloitte. (2023).** "Cost Efficiency in Nearshoring Production."
Retrieved from [deloitte.com](https://www.deloitte.com)

 5. **Influencer Marketing Hub. (2023).** "Influencer Marketing ROI."
Retrieved from influencermarketinghub.com

 6. **Forrester Research. (2023).** "Real-Time Production Management and Cost Efficiency."
Retrieved from [forrester.com](https://www.forrester.com)

 7. **Harvard Business Review. (2023).** "Network Effects in Digital Platforms."
Retrieved from hbr.org

 8. **41RE Labs. (2023).** "Blockchain Integration and RWA Tokenization."
Retrieved from 4irelabs.com

 9. **Aurum Legal. (2023).** "Global Trade Agreements and Duty-Free Benefits."
Retrieved from [aurumlegal.com](https://www.aurumlegal.com)

 10. **Avetti Commerce. (2023).** "E-commerce Solutions for Global Markets."
Retrieved from [avetticommerce.com](https://www.avetticommerce.com)

