LaundroMed

Investment Memorandum

Mallorca Self-Service Laundromat Consolidation Platform

Platform: Lenis & Lenis Holding S.L.
Reference Business: Instamatic Palma de Mallorca S.L.
Target Platform: 30 self-service laundromat units in Mallorca
Total Platform Capital Requirement: c. €3,000,000
Founder & Anchor Capital: c. €1,000,000
Income Investor Capital: c. €2,000,000
Minimum Subscription: €100,000
Status: Draft for investor discussion

Important Notice

This Investment Memorandum has been prepared for information and discussion purposes only. It does not constitute a prospectus, public offer, financial promotion, investment recommendation or binding commitment to accept any investment.

Any investment in LaundroMed will be subject to final legal documentation, investor qualification, KYC/source of funds checks, Spanish legal and tax advice, and approval by the Company.

The financial information, acquisition assumptions, target returns and projections contained in this document are indicative only. No return is guaranteed. Any priority annual return to investors will be payable only from available profits and cash flow, subject to Spanish law, taxation, reserves, reinvestment requirements and final legal documentation.

1. Executive Summary

LaundroMed is being developed as a Mallorca-based consolidation platform for self-service laundromats.

The platform will operate under Lenis & Lenis Holding S.L., using Instamatic Palma de Mallorca S.L. as the reference business and operating proof-of-concept.

Mallorca has a fragmented self-service laundromat market, with many businesses owned and operated by small local owners. LaundroMed intends to acquire selected laundromats, professionalise their operations, standardise branding and management, and build a cash-generating portfolio across the island.

The target platform is approximately 30 self-service laundromat units in Mallorca, acquired at an estimated weighted average acquisition price of approximately €100,000 per unit.

The total platform capital requirement is therefore approximately €3,000,000, expected to comprise:

Capital Source	Amount	Role
Founder & Anchor Capital	€1,000,000	Platform control, existing business contribution, operating know-how and long-term upside
Income Investor Capital	€2,000,000	Expansion capital with priority annual income economics
Total Platform Capital	€3,000,000	30-unit Mallorca laundromat platform

Income Investor Capital is expected to receive a target priority annual return of 15%–18%, payable from available profits and cash flow, subject to Spanish law, reserves, reinvestment requirements and final legal documentation.

Founder & Anchor Capital is expected to retain strategic and operational control of the platform and participate in at least 50% of the residual profit potential after servicing the priority return to Income Investors.

2. Investment Highlights

Proven operating reference

Instamatic Palma de Mallorca S.L. provides a real operating reference point for the platform. The business has demonstrated stable revenues, limited staffing requirements and attractive site-level profitability.

Fragmented local market

The Mallorca laundromat market remains fragmented, with many self-service laundromats owned by small local operators. This creates an opportunity to consolidate selected units under one professional platform.

Asset-backed cash flow

The model is based on physical laundromat locations, industrial washing and drying machines, customer demand and local operating cash flow.

Scalable management model

A portfolio approach allows centralised cleaning, maintenance, purchasing, branding, payment monitoring and investor reporting.

Income-focused investor proposition

Income Investor Capital is expected to receive a target priority annual return before Founder & Anchor Capital receives residual distributions.

Strong Founder and Anchor alignment

Founder & Anchor Capital is expected to contribute approximately €1,000,000 in aggregate through cash and kind, including existing business value, platform development, operating know-how and acquisition execution.

3. Reference Business — Instamatic Palma de Mallorca S.L.

The reference business for the platform is Instamatic Palma de Mallorca S.L., an existing self-service laundromat operation in Palma de Mallorca.

Instamatic Palma de Mallorca provides practical operating experience in:

- machine selection and supplier management;
- lease and landlord negotiations;
- local customer behaviour;
- pricing;
- card and cash payment mix;
- cleaning and staffing requirements;
- insurance requirements;
- maintenance and breakdown management;
- utility cost control;
- site-level profitability.

The current reference run-rate is approximately:

Metric	Approximate Run-Rate
Annual revenue	€52,000
Site-level EBITDA / operating profit	€25,000
EBITDA margin	48%

The reference business is not presented as a guarantee of future performance. It is used as a practical benchmark for evaluating future acquisitions.

Future sites may perform better or worse depending on location, rent, machine mix, lease terms, utilities, competition, seasonality, management quality and acquisition price.

4. Market Opportunity

Mallorca is an attractive location for a self-service laundromat consolidation platform due to a combination of residential density, tourism pressure and fragmented ownership.

Key demand drivers include:

- high apartment living in Palma and surrounding urban areas;
- tourism and seasonal accommodation demand;
- smaller residential units with limited laundry facilities;
- workers, students and service-sector residents;
- pet laundry demand in selected locations;
- increasing preference for card-enabled self-service convenience;
- limited professional consolidation among existing operators.

The current market appears to be dominated by independent owner-operators and small local groups. LaundroMed intends to focus on selected locations where rent, catchment, lease security, machine condition and normalised profitability support acquisition.

The Company will remain selective. Not every laundromat is suitable for acquisition.

5. Acquisition and Operating Strategy

The target platform is approximately 30 self-service laundromat units in Mallorca.

The expected weighted average acquisition price is approximately *€100,000 per unit*, including acquisition cost, transfer cost, selected upgrades, lease deposits, rebranding, working capital and related transaction costs.

The Company may consider:

- acquisition of existing laundromat businesses;
- acquisition of machines and operating assets;
- lease transfers or new leases;
- selective new-site development where acquisition is not attractive;
- bolt-on acquisitions from retiring or undercapitalised operators;
- clusters in high-density catchment areas.

Each acquisition will be reviewed against a practical due diligence checklist covering:

Area	Key Review Points
Location	Catchment, visibility, density, tourism/residential mix
Lease	Rent, term, transferability, renewal rights, landlord risk
Machines	Age, brand, condition, maintenance history, replacement cost
Revenue	Card/cash data, seasonality, pricing, usage patterns
Costs	Rent, utilities, cleaning, detergent, repairs, insurance
Competition	Nearby laundromats, pricing, ratings, catchment overlap
Profitability	Normalised site-level EBITDA
Capex	Immediate repair/replacement/rebranding requirements
Payback	Expected cash-on-cash return and acquisition payback

The platform model is expected to improve performance through centralised cleaning, supplier purchasing, payment monitoring, maintenance discipline, branding and portfolio-level management.

The Company will not deploy capital merely to reach a unit target. Acquisition discipline is central to the strategy.

6. Financial Model and Use of Proceeds

The financial model is based on the acquisition and consolidation of approximately 30 laundromat units in Mallorca.

The model assumes that each acquired unit has a profitability profile broadly comparable to Instamatic Son Cladera S.L.

Metric	Per Unit Assumption	30-Unit Platform Target
Annual revenue	c. €52,000	c. €1,560,000
EBITDA margin	c. 48%	c. 48%
Annual EBITDA	c. €25,000	c. €750,000
Weighted average acquisition price	c. €100,000	c. €3,000,000

The objective is to build a platform capable of generating approximately *€750,000 of annual EBITDA* once the 30-unit portfolio is acquired, integrated and stabilised.

The total platform capital requirement is approximately *€3,000,000.*

Indicative use of funds:

Use of Funds	Indicative Amount
Acquisition of laundromat units / business assets	c. €2,400,000
Lease deposits, landlord negotiations and transfer costs	c. €150,000
Equipment upgrades, repairs and rebranding	c. €200,000
Legal, accounting, due diligence and transaction costs	c. €75,000
Working capital and operating reserve	c. €125,000
Contingency	c. €50,000
Total	c. €3,000,000

Actual deployment will depend on acquisition terms, machine condition, lease requirements and integration needs.

The Company will aim to preserve adequate working capital and will not commit all funds to acquisitions without maintaining reserves for repairs, rent, utilities, insurance, tax and operating contingencies.

7. Capital Structure and Investor Economics

The LaundroMed platform is designed around a simple principle:

Founder and Anchor Capital controls the platform. Income Investor Capital receives priority income. Founder and Anchor Capital retains the long-term upside.

Capital Plan

Capital Source	Contribution	Role
Founder & Anchor Capital	€1,000,000	Controls the platform and retains long-term upside
Income Investor Capital	€2,000,000	Receives priority annual income economics
Total Platform Capital	€3,000,000	Funds the 30-unit Mallorca platform

Founder & Anchor Capital is expected to include cash, existing platform value, reference business contribution, acquisition pipeline, management input, operating know-how and strategic control.

Income Investor Capital is intended to provide the expansion capital required to acquire and consolidate the target laundromat portfolio.

Priority Annual Return for Income Investors

Income Investor Capital is expected to receive a target priority annual return of 15%–18% on subscribed capital.

This return is not a guaranteed coupon. It is intended to be paid from available profits and cash flow, subject to Spanish law, tax, reserves, reinvestment requirements and final legal documentation.

Income Investor Capital	15% Priority Return	18% Priority Return
€2,000,000	€300,000 p.a.	€360,000 p.a.

Distribution Priority

Available profits are expected to be applied in the following order:

Priority	Use of Available Cash Flow
1	Operating costs, rent, utilities, cleaning, maintenance, insurance and central management
2	Taxes, reserves, working capital and reinvestment requirements
3	Priority annual return to Income Investor Capital
4	Remaining profits to Founder & Anchor Capital

Based on target platform EBITDA of approximately €750,000, the priority annual return to Income Investors would absorb approximately €300,000–€360,000 per year, leaving approximately €390,000–€450,000 before tax, reserves and reinvestment for Founder & Anchor Capital.

Founder & Anchor Capital is expected to retain strategic and operational control of the platform, including acquisitions, site selection, financing, management appointments, branding, investor admissions, expansion strategy, refinancing and any future sale or exit.

Income Investor Capital receives priority income economics but is not intended to control day-to-day operations or strategic direction.

The final legal structure may use ordinary shares, preferred economic rights, shareholder loans, participating loans or another structure recommended by Spanish legal and tax advisers. The commercial objective remains simple:

Income Investors receive priority annual income. Founder and Anchor Investors retain control and long-term upside.

8. Governance, Reporting and Growth

The Company is expected to operate under the control of the Founder and Anchor Capital partners.

Governance will be kept practical and proportionate to the size of the platform. Income Investors will not be expected to participate in day-to-day management.

The Company expects to provide investors with regular reporting, including:

- portfolio unit count;
- acquisition progress;
- revenue summary;
- site-level performance;
- cash flow summary;
- major costs;
- capex and repairs;
- material lease or legal issues;
- priority return status;
- pipeline update.

Reporting frequency is expected to be quarterly or semi-annual, subject to final agreement.

The initial focus is the 30-unit Mallorca platform. If the first phase is successful, the Company may consider deeper island coverage and, later, selected expansion into mainland Spain or Southern Europe.

Expansion outside Mallorca will only be considered if the Mallorca platform is stable, cash-generating and operationally controlled.

9. Key Risks and Mitigants

Investors should carefully consider the risks of investing in LaundroMed.

Risk	Mitigant
Acquisition risk	Disciplined pricing and no obligation to acquire unsuitable sites
Performance risk	Use of Instamatic Son Cladera as a benchmark, but each site reviewed individually
Lease risk	Lease due diligence, landlord review and transferability checks
Utility cost risk	Monitoring of energy and water costs across the portfolio
Machine risk	Equipment inspection, maintenance planning and insurance review
Competition risk	Catchment review, pricing comparison and competitor mapping
Staffing / cleaning risk	Centralised cleaning and supervision routines
Cash flow risk	Priority return payable only from available profits and cash flow
Legal / tax risk	Final structure subject to Spanish legal and tax advice
Illiquidity risk	Investment may not be easily transferable
Execution risk	Phased deployment, portfolio management and investor reporting

The Company will not pursue growth for its own sake. Capital deployment will be driven by site quality, cash flow and payback discipline.

10. Investor Process and Next Steps

The public investor materials are expected to include:

- Executive Summary;
- Investor Presentation;
- Investment Memorandum;
- Investor FAQ.

Further legal and due diligence documents will be made available to approved investors through a private process.

The private legal and due diligence pack is expected to be proportionate and may include:

- Subscription Agreement;
- short Investment Terms Sheet;
- Risk Acknowledgement Annex;
- KYC / Investor Form;
- Data Room Index;
- company documents;
- Instamatic Son Cladera operating information;
- lease documents;
- machine list;
- insurance information;
- acquisition pipeline summary;
- financial model.

Interested investors will be invited to:

1. review the public investor materials;
2. contact the Company for further discussion;
3. confirm investment interest and proposed subscription amount;
4. complete basic investor qualification and KYC/source of funds checks;
5. receive access to the private legal and due diligence pack;
6. review and sign the Subscription Agreement;
7. transfer subscription funds in accordance with agreed payment instructions.

The minimum subscription is expected to be **€100,000**, unless otherwise agreed by the Company.

Contact

LaundroMed
c/o Lenis & Lenis Holding S.L.
Mallorca, Spain

Contact details to be inserted.

Disclaimer

This document is a draft prepared for discussion purposes only. It is not a prospectus, public offer, financial promotion or investment recommendation.

No person should subscribe for or acquire any interest in the Company except on the basis of final legal documentation, after taking independent legal, tax and financial advice.

The Company, its shareholders, directors, advisers and representatives do not guarantee the achievement of any forecast, target return, priority return, dividend, exit or capital repayment.

All figures are indicative and subject to verification, due diligence, legal review and final documentation.