



INVESTOR PROPOSAL

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Jewelry is a €148 billion industry worldwide growing at 5.5% a year

Source: McKinsey & Company

Branded watch sales represent 60% of the market, however, branded jewelry only represents 20% of market

Source: McKinsey & Company

Branded Jewelry expected to represent 30-40% of market sales by 2020

Source: McKinsey & Company

Fragmented Industry with 10 biggest jewelry companies capturing mere 12% of market

Source: Euromonitor

Online jewelry sales represented 2.1% of total sales in 2004 and grew to 7.7% by 2009

Source: Euromonitor

EXECUTIVE SUMMARY

Mejuri Inc. ("Mejuri" or "Company") is an innovative jewelry company headquartered in Toronto, Canada and officially launched in October 2013. Mejuri works with talented independent designers globally to create unique exclusive pieces that are manufactured by Mejuri. The Company launched the first crowdsourcing fine jewelry platform in the world and currently has over 700 designers on the platform from over 35 countries.

Mejuri stems from a fine jewelry company established in 1953, as such, the Company benefits from deep industry expertise and access to a strong industry network. Mejuri is the winner of prestigious start up competitions and has been selected by governmental organizations and CEOs to receive grants. The Company was also featured in major fashion and business publications.

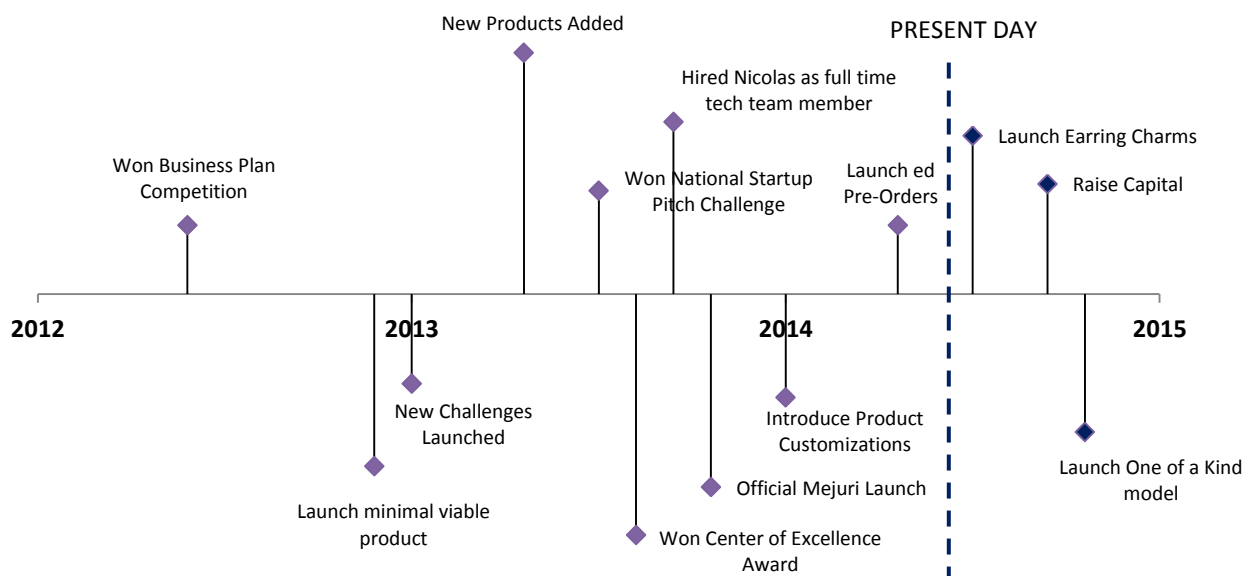
Currently, Mejuri allows designers to submit designs to themed challenges, designs are displayed on Mejuri's website and are voted on by prospect customers. Winning designs are manufactured and sold by Mejuri for sale online and offline.

The Jewelry market is a €150 billion industry worldwide and is growing 5.5% annually. Despite minimal marketing and a limited product line, Mejuri was able to achieve \$11k in sales in Q1.

The Company has not targeted offline distribution channels yet, however, is currently working on offline and wholesale distribution models as growth acceleration strategies.

After one year of operations and learning the global jewelry and ecommerce market dynamics, Mejuri is looking to execute on its vision, expand its product offering, enhance marketing, and expand reach. Some of the near future strategies for Mejuri include: building Mejuri's team, introducing one of a kind model, launch repeat sale jewelry, upgrading product development and manufacturing, tapping into engagement rings, expanding into other markets and, implementing online marketing. In order to achieve these goals, capital will be necessary to execute. As such Mejuri is looking to raise capital to take the Company to the next level.

Timeline





Your Unique Jewelry Destination

Mejuri is an innovative start up that leverages family jewelry roots built in 1953.

The founders have domain knowledge and are looking to disrupt traditional jewelry companies by combining jewelry and technology. The Company's core engine is the ability to harness independent jewelry designers through crowdsourcing designs while ensuring high quality standards of a global brand. The Company launched in 2013 with the first product line, and used the past year to validate interest from both customers and designers, build the necessary technology functionalities, test and validate manufacturing cycles, and test some marketing strategy. With the positive feedback Mejuri has had in the past year from customers, designers, and the media, as well as the market knowhow gained, the team is now looking to raise capital to execute on the vision and accelerate growth.



Roses Ring by Eman Kelany – UAE
Inspired by the intricate patterns of roses

THE OPPORTUNITY

CHALLENGE

Online and offline shoppers find it difficult to find unique and affordable jewelry that is produced with great quality. On the other hand, Independent designers find it difficult to be able to reach customers, build brand loyalty and be able to mass produce products. The rise of websites such as Etsy, Boticca and the likes have proven demand for unique designs, however, these websites operate as market places giving the designers shipping, handling, and the manufacturing responsibilities. This in turn does not provide consistent quality and customer care that a brand typically offers.

SOLUTION

Mejuri was created to bridge the gap between designers and customers. Mejuri uses crowdsourcing to enable designers to create unique products unlike any in the market under the Mejuri brand and for customers to participate in the jewelry selection process. Unlike various jewelry marketplaces, Mejuri owns the rights to all the exclusive designs accepted for manufacturing.

TARGET MARKET

Mejuri is targeting both fashion forward males and females mainly of ages 20-45 with medium to high disposable income. Today, the average transaction value is \$200 with the highest being \$3500. Mejuri has been attracting shoppers from all over the world and sees great potential to expand heavily in different parts of the world. Most of the transactions are from Canada and the United States due to the PR associated with the Company in these regions.

Sales have also been made in other countries including United Kingdom, Italy, France, Singapore, Australia, Philippines, Russia, and Jordan.

WHAT IS CROWDSOURCING?

Crowdsourcing is a process through which tasks that are typically assigned to designated employees are assigned to a pool of workers “crowds”. As such, Mejuri allows jewelry designers from all over the world to submit their unique designs, receive votes/pre-orders and, if selected, see their designs produced. Designers are incentivized to participate as they share a percentage of the top line revenue.



Any designer can upload designs



Designers and Mejuri spread the word



Voting & Pre-Orders begin on designs “Market Votes”



Winning design/s are selected

THE MARKET

INDUSTRY SIZE

Jewelry is a large global industry with ample growth potential. The industry isn't just growing organically but it is estimated that online jewelry only currently represent 5% of total industry size and expected to grow to 10% in the next 5 years. As Mejuri plans to tap into offline distribution channels, the Company will not only capitalize on the growth of the online segment of the industry but will also tap into the growth of the industry as a whole.

BRANDED JEWELRY

Major growth in the industry is expected to come from branded jewelry currently only representing 20% of global sales. It is expected to grow to 30-40% in the next 5 years where it can reach over ~ € 51 Billion

AFFORDABLE LUXURY

Clear cut boundaries between fine and fashion jewelry are less prominent. As such, brands such as Pandora are able to capitalize on the demand of affordable luxury. A market Mejuri sees ripe for further growth.

CUSTOM JEWELRY

With growth in branded jewelry, the market will be hard on local artisans as such Mejuri plans to capitalize on working with that talent pool. One of a kind model outlined in this document is the solution.

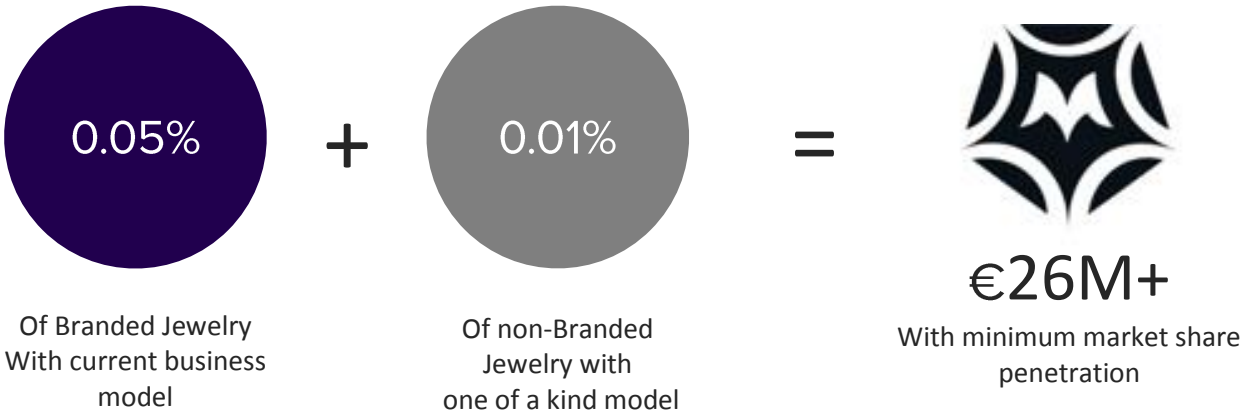
THE MARKET FIT

As the jewelry industry continues to grow, online channels continue to show traction and branded jewelry is gaining market share, Mejuri will be able to capitalize on the market dynamics with its unique business model.

Mejuri offers exclusive, unique and branded jewelry at affordable prices both online and offline. The Company continues to grow the product selection and is working on deploying a one of a kind business model to capitalize on the market opportunity.

Mejuri's business model utilizes a powerful crowdsourcing online platform to source unique designs. Mejuri's vertically integrated business model enables the manufacturing of the unique designs at high quality and affordable prices then the products are sold through online and offline channels.

Market Size Illustration



THE MARKET – COMPETITION

Competitors include custom jewelry stores, independent jewelry designers, online jewelry stores and offline jewelry retailers. As lines continue to blur between fashion and fine jewelry, fashion jewelry companies such as Stella and dot and Dogeared are considered indirect competitors.

Our most direct competitor in terms of price point and type of jewelry is Pandora. Pandora has had substantial growth in the past few years focusing on unique charms collection through wholesale and branded stores. Bluenile is the leader in online jewelry sales generating over \$500mm in annual sales and generates the majority of its sales through engagement rings.

There are a number of new entrants in the market such as Boticca (an Etsy competitor) and Gemvara focusing primarily on customization of fine jewelry.

It is important to note that investors are showing interest in jewelry companies with Gemvara raising over \$45mm and Chloe & Isabel raising \$18.5mm. Crowdsourcing companies such as Quirky are receiving substantial investments from the likes of GE.





Zamrud Ring by Amelia Rachim— Italy
Inspired by the warmth of the tropics

OPERATIONS

TECHNOLOGY

Mejuri has developed a powerful technology platform that allows designers to submit designs online with ease. The platform allows for multiple deployment of themed challenges and easy administration of design submissions. Currently Mejuri has over 700 independent designers on board including award winning designers. Customers can easily vote on their favorite designs, place pre orders based on design submissions and make purchases of finished products.

Currently Mejuri is developing its *One of a Kind model* which allows customers to work directly with designers to produce unique products.

PRODUCT DEVELOPMENT

Mejuri is committed to introducing in demand cohesive collections. Mejuri continuous to refine the product development process to better suite customer interests and this is evident with increased revenue.

The team conducts trend analysis by researching online publications, fashion shows, articles, and bestselling items in other companies. The Company then decides which themes will suit Mejuri's audience. To accommodate the North American market demand, Mejuri is currently focusing efforts on introducing dainty jewelry with competitive price points. One of the product categories that Mejuri is introducing is Earring Charms which offers customers trendy pieces that are versatile and affordable.

Mejuri's attention to trends and product development, coupled with the flexible crowdsourcing platform and manufacturing network allows the Company to continuously introduce new products to meet customer demand. The Company strives to be vertically integrated in order to reduce

lead time and market responsiveness in line with market trends.

GENERAL OPERATIONS

The Company currently purchases raw materials including gemstones and diamonds from multiple sources in Canada and the Middle East.

Majority of the jewelry is being manufactured in Jordan where the Company has substantial jewelry relationships. The Company holds minimal inventory and operates under a Just In Time (JIT) manufacturing process. The Company also leverages strong relationships in Canada for supplying the North American market. As the Company progress, the Company plans to centralize production mainly in Jordan and bring most aspects of manufacturing in-house.

Currently, Mejuri ships products to its Canadian distribution point for sales in North America and Europe. However, the Company drop ships products to customers in the region.

SHORT TERM OPPORTUNITIES

Mejuri is currently working on a number of growth opportunities that show substantial growth potential and have received positive feedback in the early onsets.

BUSINESS MODEL EVOLUTION

With access to over 700 global jewelry designers and growing, Mejuri has paved the path to implement the one of a kind model by capitalizing and involving our talented designers.

The model will allow customers to submit design requests online, Mejuri designers work towards designing a unique piece, Mejuri manufactures the product. Mejuri sees great opportunity for this model in the engagement rings market.

The Company is taking inspiration from 99designs.com, a successful design company that crowdsources graphic design jobs to their community.

PRODUCT LINE ENHANCEMENT

The recent growth of affordable luxury and repeat purchase jewelry such as Pandora's bracelet charms has given inspiration to Mejuri. The Company is currently launching an earring charm line.

Earring charms are replaceable earring discs that can be mixed and matched, are fun and are timeless. Mejuri has just completed its first earring charm design competition has received various unique submissions from across the world.

Mejuri is also looking to continuously introduce new products that suit the market through design competitions. The Company has been working with external judges in the fashion industry to help curate popular collections.

Mejuri is also looking to introduce a Mejuri classics product category. This product category consists of basic products that do not have to go through an extensive design process.

PRODUCT PRESENTATION

Product photography and presentation is believed to be one of the key drivers for online sales. Since Mejuri currently conducts all product photography in-house, the Company sees this as a great area of improvement to improve customer trust and enhance conversion rates.

Many online jewelry companies such as Tiffany use a mix of CAD and photography to display their pictures. Companies such as ice.com introduce videos to display their products in order to enhance conversion rates. Therefore, Mejuri plans to work with professional photographers and stylists to revamp pictures of existing and upcoming product lines.

Mejuri Earring Charms



MARKETING & DISTRIBUTION

ONLINE CHANNEL

Mejuri's main channel of distribution has been online. As many markets (including the Canadian market) are considered in early stages of ecommerce, Mejuri sees great growth potential by establishing a strong network presence to capitalize on the inevitable growth in the online market.

Being one of the first entrants to the online fine jewelry space in the Middle East provides a huge first mover advantage and provides great growth potential. Additionally, being early on the crowdsourcing aspect introduces an additional barrier to entry as Mejuri is focusing on acquiring a large base of international designers and building a loyal community.

Having a strong online presence also allows Mejuri to expand globally at a relatively low cost. The Company will continue to focus on the online channel to tap into new markets which in turn requires customized marketing strategies to spread awareness and acquire new customers.

OFFLINE CHANNEL

Mejuri conducted 5 jewelry shows since October 2013 and had seen conversion rates from 15 - 35%. These numbers have been a great indication about customers' response to Mejuri products especially when they see and touch them. Therefore, the Company sees great value in establishing offline distribution channels in parallel to online retail.

Mejuri's immediate next steps include selling through retailers. Mejuri considers the wholesale model as a great way to penetrate the market and get more brand recognition that will fuel the online distribution channel.

In order to execute on wholesale strategies, Mejuri is currently discussing options with commission based wholesale service companies versus hiring internal wholesale agents. Mejuri will be offering stores with curated trendy designer collections at affordable prices. Mejuri will be supporting these retailers by giving them the necessary information and marketing material in order to sell Mejuri products. Each retailer will receive a marketing kit that includes items such as banners and informational pamphlets. Mejuri will also be investing in social media and PR to enhance the brand presence which in turn facilitates selling through retailers.

Mejuri sees value in creating shop in shop booths to enhance brand presence and market reach. Similar to Pandora's expansion approach, shop in shop allows Mejuri to sell products at retailers while being fully branded under Mejuri. This allows the Company to control the customer experience and reap benefits from retail margins. Due to the investment associated with this channel, Mejuri sees this as a medium term strategy.

In the long term, the Company is aiming to create branded stores in high growth markets.

MARKETING & DISTRIBUTION

SEARCH ENGINE OPTIMIZATION

Mejuri sees great benefit in attracting quality traffic. In other words, the Company would like to attract customers who are surfing the net to purchase jewelry. One way to accomplish that is by establishing SEO strategies. Mejuri has not conducted major SEO strategies as of yet but has hired an external company to help with SEO and content marketing starting June 2014.

INFLUENCER MARKETING

Over the past year, Mejuri implemented influencer marketing programs and has proven successful in the early onsets. The Company works with online fashion influencers that have large fashion driven fan bases. This approach brings in quality traffic and people who are interested in jewelry and fashion.

Mejuri is also working with certain singers/celebrities to create product partnership and endorsement strategies. The Company is finalizing an endorsement contract with singer Nadia Ali.

EMAIL MARKETING

In 2014, Mejuri conducted contests with two other companies with similar target markets to increase the sign up rate and was able to achieve 40% increase in sign ups. Mejuri sees great value in continuing to invest in similar contests to increase the email subscriber base. According to McKinsey & Company, Email marketing customer acquisition is much higher when compared to social media. Therefore, the team sees a great advantage in investing to increase the mailing list.

SOCIAL MEDIA

Mejuri will continue to work in social media outlets. Instagram and Pinterest have proven to be more effective than Facebook and Twitter.

REFERRAL MARKETING

Another mechanism that the Company is putting in place to expand the mailing list and market the Company via the “share and earn” functionality. Share and earn is meant to increase virality, this mechanism allows users to easily share the website with their network to gain credit on Mejuri’s website. The expected rollout date is in the end of May 2014. Ecommerce companies such as Naturbox experienced 5% lift on revenue by implementing referral programs.

PAID ONLINE MARKETING

Mejuri invests minimal capital on retargeting campaigns in which Mejuri visitors are tracked and are displayed ads. The Company will continue to invest in retargeting campaigns

Mejuri has not invested resources towards google adwords and display ads but is planning to experiment with it during high seasons. The Company sees priority and value in investing in experienced contractors/companies to enhance user experience and conduct A/B testing to increase conversion prior to investing capital in google adwords and other online paid marketing campaigns.

PR & OFFLINE MARKETING

With the introduction of offline sales, Mejuri sees great value in investing conventional marketing methods such as ads in major magazines. This will build additional brand awareness and capture the attention of offline shoppers. This method will not be the main focus but will be synonymous with some offline distribution channels, major product launches, and expansion into new markets. Mejuri also plans on working with PR agencies in the near future to increase awareness.

MARKET VALIDATION

FUNDER INTEREST

Mejuri garnered much interest from CEOs and the Canadian government:

- At business plan stage, Mejuri team presented to 3 CEO's and won a grant of \$25,000 from Slaight Communications funds
- After completing the first phase of technology development and establishing a Minimal Viable Product, the Company won \$25,000 grant from the Ontario Centre of Excellence
- Mejuri won the top prize of the International Start up festival competing with 100 other start ups (no compensation associated)
- Mejuri recently presented the one of a kind model to the Ontario Center of Excellence and secured a grant of \$30,000 funding to build the minimal viable product of the platform

EARLY SUCCESSES

Mejuri has shown early success in the following key strategic drivers for the Branded Jewelry market:

1. CREATING A STRONG BRAND

Mejuri partnered up with Kim Newport Mimran (Designer and Owner of Pink Tartan) and George Brown College on a exclusive design challenge.

Mejuri was also able to achieve several celebrity endorsements including Kristin Chenoweth on Oprah TV, Angunn Cipta Sasmi in Italy. The Company is in talks with big brands such as Holt Renfrew, the Bay, and Birks for potential partnerships and wholesale models.

Mejuri was also outlined as one of the most important design competitions in the world on the GIA website.

2. EXCLUSIVE DESIGNS

Mejuri has a growing community of over 700 global designers that are contributing designs to Mejuri. In less than one year, Mejuri products were featured in major magazines such as LouLou Magazine, Vogue and Fashion.

3. HIGH QUALITY PRODUCTS:

Due to the flexibility of Mejuri's model, access to global designers, and the built in marketing edge with the competitions, the Company is working on celebrity partnerships to create exclusive jewelry designs for celebrities in which a percentage of proceeds goes to charity.

The Company made its first wholesale purchase to a Canadian jewelry store.

FASHION

Canadian
Cjeweller
MAGAZINE

LOU
LOU

GIA®

VOGUE
Accessory

E L L E
DECORATION

THE TEAM



Noura Sakkijha
Co- Founder

Named as one of the web savvy entrepreneurs to watch on Yahoo and won multiple business awards. Noura's background is in consulting, process engineering and project management. She is responsible for planning, strategy formulation, business development, technology project management & manufacturing at Mejuri. She brings domain knowledge in the jewelry industry. Noura holds an Industrial Engineering degree and an MBA. Noura also sits on the board of directors of Goodwill Canada.



Majed Masad
Co- Founder

Majed has over 5 years of experience in M&A, private equity and business consulting. As the Managing Director, he launched the M&A advisory division of an Investment Boutique. Majed has consulted various startups and technology companies and has completed various transactions. Majed brings business development, finance and overall strategy expertise to Mejuri. Majed holds an MBA and an Economics HBA degree from UofT.



Masoud Sakkijha
Co- Founder

Masoud has over 14 years of experience in continuous improvement, consulting, and people management. He previously held a Director role at one of the largest Canadian banks. At Mejuri, Masoud is responsible for supply chain, manufacturing, logistics and overall strategy. Masoud brings domain knowledge in the jewelry industry as the current President of Ghaleb Sakkijha jewelry. He completed his executive MBA from Ivey and is an Industrial Engineer.



Nicolas Peralta
Senior Developer

Nicolas has over 10 years of full stack web development. He leads all new Mejuri initiatives. He is a seasoned developer with experience in PHP, Ruby on Rails, HTML5, CakePHP, MySQL and others. Nicolas works with Mejuri on a full time basis and manages both front end and back end development.



Jorge Burnaby
Senior Developer

Jorge has over 8 years software development experience with some of the leading software and hardware firms including HP and IBM. At Mejuri, Jorge manages the back end of mejuri.com, implements major upgrades and conducts R&D. Jorge is experienced in Ruby on rails, PHP, Javascript, jQuery, Ajax and others. Jorge works with Mejuri part time.

Did you know that Mejuri owns the rights to the designs submitted and is thus building a portfolio of exclusive designs?

Did you know that Mejuri is the first company to crowdsource fine jewelry design in the world?

Did you know that Mejuri custom developed its technology platform?

EXITS & RETURNS

PRO FORMA REVENUE & CASH FLOW SUMMARY

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	135,408	898,915	4,638,200	9,393,615	14,967,753
COGS	60,692	436,658	2,167,978	4,343,279	6,918,367
Gross Profit	74,716	462,257	2,470,222	5,050,336	8,049,386
Total Operating	281,996	856,613	2,193,700	3,546,700	4,949,300
EBITDA / Cashflow	(207,280)	(394,356)	276,522	1,503,636	3,100,086

Mejuri is following a conservative approach in projecting future cash flows. The Company will be able to achieve exponential growth by expanding into various high growth ecommerce geographies, and various distribution models. The above projection does not include a potential growth strategy through branded stores.

EXITS

Affordable luxury goods are experiencing high valuation trading and transaction multiples globally. Companies such as Pandora Jewelry are currently trading at 5 times revenue and Michael Kors is trading at 6.4 x revenue. When looking at 3 jewelers (Zales, Blue Nile and Pandora) it is apparent that trading EBITDA multiples average 19 x EBITDA.

Our Stakeholders will be able to achieve a substantial return through various exit route options:

- Strategic Sale. With strong trading multiples in the industry and a thriving branded and affordable luxury goods companies, the Company foresees a potential exit to the likes of Pandora.
- IPO. When the board decides the Company's revenue has reached strategic goals an eventual public exit will be considered.

EXIT VALUATIONS

Even when using an aggressive illiquidity and size discount of 50%, the average sales valuation multiple is approximately 2 x sales and average EBITDA multiple is 10 x EBITDA. When looking at our conservative projections, Mejuri will be valued at a minimum of \$30mm within 5 years. A \$700,000 stakeholder in the seed round will experience a +900% Return on Investment within 5 years.

ASK & USE OF PROCEEDS

SUMMARY OFFERING

Issuer: Mejuri Inc.

Funding Size: \$700,000 seed round

Closing: On or about August 31st, 2014

Pre Money Valuation: TBD

The Company foresees raising an additional \$1mm within 16 months of the initial raise to excel growth. This will benefit seed investors as the Company grows and increases in value.

USE OF PROCEEDS

The Company will use the funds to grow the business and hire the right personnel to execute on the growth strategy. The proceeds will be mainly used for:

1. Production. Improve manufacturing lead time and expand manufacturing capabilities. The Company currently outsources various components of the manufacturing process, by bringing many of these functions in house, the Company will be able to better control costs, improve lead time and be able to execute on the one of the kind strategy effectively. Some production improvements include purchasing a 3D printer and casting machine. It is estimated that 15% of the proceeds will be used towards manufacturing related improvements.
2. Marketing and Sales. The Company to date has not invested in marketing and as such would need to start investing through online methods of advertising and in some cases offline methods that can have direct impact on the brand. Mejuri will invest approximately 50% of proceeds towards marketing and sales through mainly SEO, adwords, display ads, conversion optimization and a sales commission and salary based hire.
3. Technology. The Company is currently limited in terms of deployment of certain technologies with limited technology resources as such the Company will work to potentially add either on a contract basis or full time basis a technology person with design and user interface expertise. The Company foresees investing 10% of proceeds on technology.
4. Working Capital and Personnel. The Company is looking to offer modest salaries to management and key personnel such as social media and community managers. The Company expects to invest 25% of proceeds towards working capital and personnel.

MILESTONES

The following are some of the key operations and marketing milestones. Mejuri will be focusing on launching three key product categories, Mejuri classics which are simple classic designs that will be influenced by the Mejuri designer community. Mejuri Earring Charms are the Pandora style, affordably priced replaceable earrings. Mejuri one of a kind, is the product design model that allows customers to create unique designs by working with our community of designers.

The Company will focus on marketing opportunities both online and offline, most importantly the Company will implement SEO, Adwords and display ads. Mejuri is also in talks with a popular singer Nadia Ali to launch an exclusive line/product. Her fan base is in Europe and the Middle East and will therefore be a good opportunity for launching in the MENA region. The Company will launch its influencer marketing program to be able to benefit from their influence on their fan base.

The following are some of the milestones in the next 12 months:

6 Months	9 Months	12 Months
<ul style="list-style-type: none">• Hire Team (Sales, Community Management, Technology, Marketing, Manufacturing)• Launch Mejuri Classics• Launch Earring Charms• Purchase 3D Printer• Purchase Casting Machine	<ul style="list-style-type: none">• Implement influencer marketing strategy• Initiate Paid Marketing and broader SEO• Launch line with Nadia Ali in Europe and MENA• Localize website to key markets• Launch One of a Kind Model	<ul style="list-style-type: none">• Officially launch in MENA• Achieve six figure annual sales• Achieve over 30 one of a kind sales• Have at least one major retailer as a wholesale partner

APPENDICES

APPENDIX 1 – ANNUAL FINANCIALS (monthly financials available upon request)

P&L	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue					
Online Sales	84,740	528,370	2,000,720	2,957,210	4,477,160
Partner sales	32,500	150,000	1,975,000	5,550,000	9,150,000
One of a Kind Sales	17,200	208,800	627,200	839,200	1,269,200
Design Challenge Fee	968	11,745	35,280	47,205	71,393
Total Revenue	135,408	898,915	4,638,200	9,393,615	14,967,753
COGS & Gross Profit					
Processing Fee	1,626	12,232	42,947	61,667	93,335
Designer Payout	19,931	177,134	638,551	1,001,510	1,545,442
Manufacturing	39,135	247,293	1,486,480	3,280,103	5,279,590
Total COGS	60,692	436,658	2,167,978	4,343,279	6,918,367
Gross Profit	74,716	462,257	2,470,222	5,050,336	8,049,386
<i>Gross Profit Margin</i>	55%	51%	53%	54%	54%
Costs					
Salaries	183,083	504,750	1,416,000	2,496,000	3,576,000
CPP/El/Benefits	27,463	75,713	212,400	374,400	536,400
Contractors	30,000	90,000	155,000	180,000	160,000
Rent	4,200	29,750	48,000	48,000	48,000
Hosting	3,600	3,600	4,600	6,000	6,000
Marketing	21,250	108,000	275,000	310,000	460,000
Travel	4,200	11,500	23,000	51,000	60,000
Legal	2,400	7,200	14,700	21,900	29,100
Accounting	3,000	6,000	6,000	6,000	6,000
Other	2,800	20,100	39,000	53,400	67,800
Total Costs	281,996	856,613	2,193,700	3,546,700	4,949,300
Profit					
EBITDA	(207,280)	(394,356)	276,522	1,503,636	3,100,086
Depreciation	11,667	20,000	20,000	20,000	20,000
Interest	444	294	144	16	-
Taxes	-	-	-	223,735	485,411
Net Income	(219,391)	(414,650)	256,378	1,259,885	2,594,675

Balance Sheet	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Cash	226,960	868,242	1,225,584	2,601,790	5,346,191
Fixed Assets	100,000	100,000	100,000	100,000	100,000
Depreciation	1,667	1,667	1,667	1,667	1,667
Inventory	5,387	32,074	111,352	189,076	290,703
Total Assets	320,680	968,649	1,385,270	2,819,199	5,645,228
Liabilities					
Current Liabilities					
Accounts Payable	8,508	74,876	240,744	418,538	649,892
CP of LT Liabilities	3,750	3,750	1,875	-	-
Total Current Liabilities	12,258	78,626	242,619	418,538	649,892
Long Term Liabilities					
CYBF/BDC	9,375	5,625	1,875	-	-
Total Liabilities	21,633	84,251	244,494	418,538	649,892
Equity					
Shareholder Equity	500,000	1,500,000	1,500,000	1,500,000	1,500,000
Retained Earnings	(200,953)	(615,603)	(359,224)	900,661	3,495,336
Total Equity	299,047	884,398	1,140,776	2,400,661	4,995,336
Cash Flow					
Net Income	(219,391)	(414,650)	256,378	1,259,885	2,594,675
Depreciation	11,667	20,000	20,000	20,000	20,000
Accounts Payable	8,508	66,368	165,868	177,794	231,354
Cash Flow From Operations	(199,216)	(328,281)	442,246	1,457,680	2,846,028
Equity Financing	500,000	1,000,000	-	-	-
CYBF Financing	(3,438)	(3,750)	(5,625)	(3,750)	-
Equipment	(100,000)	-	-	-	-
Inventory	(5,387)	(26,687)	(79,279)	(77,724)	(101,627)
Cash Flow From Financing and Investing	391,176	969,564	(84,904)	(81,474)	(101,627)
Net change in Cash Flow	191,960	641,282	357,342	1,376,206	2,744,401
Cash Beginning	255,336	914,229	1,183,923	2,476,121	5,110,452
Cash End	226,960	868,242	1,225,584	2,601,790	5,346,191

APPENDIX 2 – IN THE PRESS

Mejuri's business model and founders were featured in many major media outlets. The following is a sample of the features:

How immigrant entrepreneurs are driving Toronto's tech startup renaissance:

<http://www.citynews.ca/2013/05/01/how-immigrant-entrepreneurs-are-driving-torontos-tech-startup-renaissance/>

Mejuri Co-founder Noura Sakkijha interviewed on business network national TV:

<http://www.bnn.ca/Video/player.aspx?vid=359601#.U2rHVqCj-0k.facebook>

Mejuri co-founder Noura Sakkijha outlined as one of the web savvy entrepreneurs to watch on Yahoo:

<https://ca.finance.yahoo.com/photos/ten-web-savvy-entrepreneurs-to-watch-1387913734-slideshow/noura-sakkijha-photo-1387910151071.html>

Mejuri outlined as one of the most important design competitions in the world on the GIA website:

<http://www.gia.edu/library-design-competition>

Canadian Startup Mejuri shines on top of Toronto in International Startup Festival Event:

<http://www.techvibes.com/blog/startup-festival-elevator-world-tour-toronto-2013-02-02>

APPENDIX 3 – PORTERS FIVE FORCES

THREAT OF NEW ENTRANTS

Like any other industry, incumbent companies pose a challenge to new companies entering the market. This is mainly due to the fact that shoppers like to buy from jewelers that have a large client base or have established a certain level of trust. This challenge highly depends on the expected retaliation of these existing companies. With the expected growth in the jewelry industry, the force of incumbent companies becomes less.

Existing companies in the market have long term relationships with suppliers and in certain instances exclusive relationships that enables them to buy material only when needed reducing their inventory cost. A specific example of this model is BlueNile. BlueNile has exclusive relationships with diamond suppliers who enable the Company to work on a Just In Time allowing BlueNile to pass the savings to the end clients.

Lastly, it is worth noting that the capital requirements for jewelry businesses are relatively high and are mainly a result of having to build inventory that comprises mainly of costly products. Generally speaking, startup costs for gold and diamond jewelry businesses are relatively high. In an industry where there are a lot of players, aggressive and capital intensive marketing will have to be implemented.

Given the previous information, it is fair to say that the barriers to entry into the jewelry industry are relatively high. Without a network of suppliers or manufacturers, there are a lot of challenges to worry about in addition to the typical challenges associated with building a large client base. However, the fact that the industry is growing provides opportunities for well-structured companies to tap into the jewelry market without having to go through price wars with existing companies.

BARGAINING POWER OF SUPPLIERS

Gold and diamond prices are governed by market prices, there are several suppliers of these raw materials and costs associated with switching from one to another are mainly concentrated on rebuilding relationships. Retailers typically deal with intermediaries to either buy finished jewelry products, or buy raw material and manufacture their own designs. The equipment investment needed to manufacture jewelry is standardized; this in turn increases the options for jewelry retailers to select from a pool of jewelry manufacturers. Therefore, if jewelry retailers outsource manufacturing their own designs, they can find several substitutes. However, establishing relationships and quality standards become the highest switching costs.

THE POWER OF BUYERS

When relating the previous points to the jewelry industry, one would argue that the end clients do not have much bargaining power except with the fact that there are low switching costs associated with buying from different retailers.

However, there are many factors that retailers could focus on to build a network of clients and increase the opportunity cost of the clients switching from one retailer to another. For example, jewelry retailers who are able to provide low prices will attract the price sensitive cluster of clients and will introduce relatively high opportunity cost for the clients to switch to brands with high costs. Also, providing differentiated designs will

decrease the bargaining power of the buyers and increase the cost of switching to other retailers who generally carry a slew of classic standardized merchandise.

THREAT OF SUBSTITUTES

Costume jewelry is the closest substitutes to gold, diamond, and gemstone and semi-precious jewelry. However, with tougher economic conditions and the increase in volume of price sensitive clients, costume and affordable jewelry is gaining more and more power.

COMPETITIVE RIVALRY

In the jewelry industry, competition occurs on several dimensions including price, quality of raw material and of the end products, and product design. The diversity of the competitive dimensions increases the value of the products relative to substitutes. At the same time, it increases the threat to new entrants. Most importantly, having a multi-dimensional competitive rivalry reduces competition over price which can eventually hurt the profitability of the overall industry.

APPENDIX 4 – ONLINE JEWELRY INDUSTRY TRENDS

An analysis done by Forrester includes jewelry as the most growing e-commerce segment through 2014. The analysis attributes the growth in the online jewelry business to the following reasons:

INCREASED SHOPPERS' CONFIDENCE. With the growth of e-commerce that started in the 1990's, consumer behavior has drastically changed to buying products online that they would have otherwise purchased in person. A large contributor to the shift in behavior is due to mechanisms such as returns and warranties that allow customers to treat online stores as local shops.

CUSTOMIZATION. One of the key contributors to having customers buy jewelry online is their ability to buy the products that they design. Typically, jewelry retailers who buy directly from the manufacturers do not own the designs and do not offer any distinguished designs. Similar to how the retailers first built their value by gauging what the clients want and trying to match it with local wholesalers, online jewelers now have the opportunity to quickly understand what the clients want and leverage ideas and products from all over the world.

PRODUCT SELECTION. Online jewelers do not face the same challenges that the retailers do with regards to building inventory. All what the online jewelers have to do is upload images of merchandize that they can manufacture or secure whereas retailers have to physically have the products. This allows online jewelers to be able to quickly respond to market needs in terms of changing the designs and quickly revamping the ones that are not popular. Another obvious advantage includes not having to tie cash in physical inventory until customers make a serious commitment to buy. This however, introduces pressures on having a very efficient supply chain to manufacture and deliver products within an acceptable period of time.

IMPROVED PRODUCT DISPLAY. The combination of faster internet access and the ability to conduct research online on products and e-retailers, has increased the level of customer satisfaction with online jewelry purchases. In addition, the introduction of 3D jewelry programs, end users are now able to see how the product they are about to purchase or they designed looks like.