



APPSHUB
GLOBAL RESOURCES
LIMITED

Investment Memorandum

10th August, 2018

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I. Investment Highlight

- Wholly owned indigenous corporation
- Nigeria's 1st All - in - One MSMEs Resource Solution with Ad System, BookKeeping & Accounting, ECommerce functionalities, Inventory Management System, Tax Management System, Business Intelligence, PAYSAFE Option, Online Business Directory & Unlimited Future Updates
- Artificial Intelligence (AI) based Ad System
- Encrypted & secured with SHA-3 military encryption
- Huge market size estimated conservatively at approx 37 million in 2013. (<https://www.smedan.gov.ng/images/PDF/2013-MSME-Survey-Summary-Report.pdf>)
- Signed MOUs with the major market players / BMOs including NASME, NASHCO, NASSI, AMEN, SMEDAN etc
- Current paid subscribers of 300 SMEs. Current unpaid registered subscribers of 8,000 SMEs. (No Ads Except BRT ADs which was run for three months)
- 46% of our Staff Strength comprised experts across major Tech Hubs around the world
- Motivated & efficient Team due to latest technologies & office tools
- Experienced, versatile, focus & passionate driven management team of international repute.

II. Executive Summary

AppsHUB Global Resources Limited is an indigenous corporation in Nigeria founded in December 2017 by Joey Kordahi (a Technopreneur & a Software Expert) & Shola Jimmy Idiagbon, (a businessman of international repute). The company is primarily engaged in offering various Information Technology solutions with SME9ja as one of its flagship products. SME9ja is an Enterprise Resource Solution targeted at the Micro, Small & Medium Enterprises in Nigeria, a market size of over 60 million with a market share of 37 million & an annual growth rate potential projected at 20%. SME9ja is an Artificial Intelligence Ad based System Enterprise Resource Solution that comes with unique functionalities & features such as BookKeeping & Accounting, ECommerce functionalities, Inventory Management System, Tax Management System, Business Intelligence, PAYSAFE Option, Online Business Directory & Unlimited Future Updates. The solution is 90% ready and had a 3 months live test where we gross over half a million NGN in Sales Revenue. By our pricing at USD5.56 (NGN2,000.00) regular subscription & USD0.0055 (NGN2:00) per view, 2,000 regular Sellers & 10,000 Buyers (is guarantee to give us a USD66,555.56 in Sales revenue and USD 8,682 as Profit After Tax). However note that if we were able to capture 50% of the nigerian market size which is 20,000,000 Sellers and roughly 100,000,000 Buyers, then our profit will become a monthly profit of \$302,222,222. Formula Is (Each subscriber is paying a fixed subscription charge of 2,000 Naira which means that 40,000,000,000 Naira Monthly will be made from Subscription alone. Each subscriber can pay 2 Naira Per View (PPV) and with 100,000,000 Buyers you are guaranteed a monthly view of 100,000,000,000 views. So $100,000,000,000 * 2 = 200,000,000,000$ Naira. Total Revenue = Subscription Revenue + Ads Revenue = $40,000,000,000 + 200,000,000,000 = 240,000,000,000$ Naira = 664,819,944 USD @ 361 Conversion Rate. The minimum expense we are bearing monthly is 40,000 USD. However Projected Expense in future is 15% of Turn

Over, With 5% VAT we are looking at a total of 20% expenses directly on our revenue. Then with 32% tax on the profit (Company Income Tax & Education Tax) the 664,819,944\$ Revenue has now become 302,222,222 USD dollars as pure profit.

We have projected our funding requirement to the tune of USD 600,000 only for a 20% equity.

Funds will be used as follows:

- **USD 200,000 will be spent on Online Ads Campaign**
 - SEO & On Click Ads: USD 50,000
 - Facebook Ads: USD 50,000
 - Youtube Ads: USD 50,000
 - Google & Blog Site Ads: USD 50,000
- **USD 250,000 on Local Ads Campaign**
 - 5 BRT Buses: USD 50,000
 - Video Animated Ad: USD 10,000
 - Big Events in LandMark: USD 55,000
 - 50 Quality Shirts: USD 1,000
 - Wristbands: USD 20,000
 - Key Holder: USD 20,000
 - Billboards: USD 74,000
 - Roadshows: USD 20,000
- **USD 150,000 as Operational Expense for the next 6 months of operation**
 - Staff Salaries, Monthly Server Cost Subscription Renewal, Internet, Utilities, Local Transport & Office Supplies.

III. Company History With Milestones Achieved

AppsHUB Global Resources Limited is an indigenous corporation in Nigeria with its registered address on #3, Forcados Road, G.R.A., Apapa, Lagos 101254, Nigeria is an Information Technology company incorporated on the 14th of December, 2018. We are primarily engaged in custom - built solutions for the Nigerian businesses in order to facilitate the ease of doing business in Nigeria in line with the Federal Government visionary & growth plan for the Micro, Small and Medium Enterprises (MSMEs) sector to drive economic diversification!

Following the consequent unveiling of the MSMEs Clinic, a Federal Government led initiative by the Office of the Vice President, His Excellency, Prof. Yemi Osinbajo SAN, GCON, designed to address some of the most important and burning issues on Micro, Small & Medium Enterprises (MSMEs) which includes the ease of doing business in Nigeria as well as the question innovative, alternative channels for market access, we have been a frontline advocate as well as providing the required leadership.

This position was affirmed following our maiden SME9ja Executive Pre - launch / stakeholders meeting held on the 10th of March, 2018 at the Lagos Airport Hotel, Ikeja. The Launch which has been adjudged as one of the biggest convergence in recent times of the “who is who” in the Micro, Small & Medium Enterprise (MSME) world had in attendance members & officials of top Government Agencies, Business Membership Organizations’ (BMOs) Executives, distinguished professionals, business leaders and other stakeholders amongst who are: Nigerian Association of Small & Medium Enterprises (NASME), Nigerian Association of Hairdressers’, Barbers & Cosmetologists (NASCHO), Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), Lagos State, Association

of Micro Entrepreneurs' of Nigeria (AMEN), Nigerian Association of Small Scale Industrialists' (NASSI), Lagos State Chapter, Technology Incubation Centre (TIC), Lagos State, Nigerian Association of Small & Medium Enterprises (NASME), Lagos State Chapter, Small & Medium Enterprises Development Agency of Nigeria (SMEDAN), Ogun State, Nigerian Association of Hairdressers', Barbers & Cosmetologists (NASCHO), Lagos State Chapter, Nigerian Association of Small Scale Industrialists' (NASSI), Ogun State Chapter, Technology Incubation Centre (TIC), Ogun State, Nigerian Association of Small & Medium Enterprises (NASME), Ogun State Chapter, Association of Small Business Owners of Nigeria (ASBON), Etc.

Worthy of note is the fact that notable contracts & MOUs were signed with the relevant BMOs & partners which obviously are strategic markets for us.

Following the huge success of this event, we ran a 3 months local ad on 3 BRT buses & did an apha release & grossed NGN 400,000 plus. But besides the revenue, we also discovered that more of what the customers really care about was majorly Sales. They want traffic & want to sell. It was at this point we had to realigned the system to be an Ad driven & focused System.

Guided by the principle of value for money (VFM), we have ensured that our Ads Charging Plan / prepaid is only chargeable whenever a view occur on the Ads post. Basically, Ads subscribers do not get charge at all for zero view. They only get charged the moment a view occurs on an Ads. This is another reason why are the most the most preferred in the market unlike our competitor that charges irrespective of whether a view occur or not because they used an obsolete technology which is time base whereas we used the latest technology which is activity based. This way, we are guaranteeing our

subscribers, value for their money as we are charge NGN 2.00 per view. i.e., A NGN 500.00 Ads prepaid guarantees a 250 views.

And we have been working very hard on this and looking forward to releasing the “Homepage” on or before 30st September, 2018.

We current have 5 Developers, 2 Testers & 1 Performance Tester and would like to scale up the Team to 7 Developers, 5 Testers & 3 Performance Testers. With this Team, we are sure to be able to contain the traffic on our site that will be occasioned by the “Homepage” release and our Online Ads campaign.

We are currently having a total of 14 Staff on our NGN Team including Finance & Accounts, HR & Admin, Sales, Tech, Data & Content Team.

Besides, we also have the company Secretary, Auditors, Tax Consultants & a Team of Legal Advisers.

Some of our strategic growth plans includes constant future updates, renting of an SME9ja Operational Office in Lagos as well as SME9ja Experience Centres across major cities in the country.

IV. Expansion Plan

Our very first immediate expansion plan once the Ads System is released on or before 30 September, 2018 is to see to the completion of the development of the full System in order to activate the below module & features; Accounting & Inventory Management System, Tax Management System and Business Intelligence.

We are also looking at setting aside a percentage of the Profit After Tax (PAT) for Research & Development & “Unlimited Future Updates” in line with our vision to design & provide an All - in - One Solution for better business experiences in Nigeria especially the MSMEs.

Also, we are looking at a significant investment in our SME9ja Experience Centres which will serve as both Training / Annex Office nationwide. This is to facilitate our customers on - boarding process as well as improving their User’s Experiences.

Much later, we are going to be looking at renting a more befitting Operational Office in a central location in Lagos as well as in company assets like cars to facilitate business developments & training trips.

We are also going to be investing in annual SMEja Event to be held at The Landmark Event Centre, Victoria Island, Lagos.

We are also going to be expanding to other countries in Africa (Ghana, Kenya, Uganda, South Africa, Tanzania, Liberia, Algeria, and Cameroon).

Once our presence in Africa is strong we will then be moving to South America, and Asia.

V. Market Overview

According to the 2013 National MSME Survey, a collaborative findings jointly conducted by the Small & Medium Enterprise Development Agency of Nigeria (SMEDAN) & The National Bureau of Statistics

(<https://www.smedan.gov.ng/images/PDF/2013-MSME-Survey-Summary-Report.pdf>), “the total accessible MSMEs as at 2013 stood at 37,067,416 (Micro 36,994,578, Small 68,168, and Medium 4,670) with access to Finance, Market & Infrastructure as some of their most critical challenges. Lagos State had the highest number of Micro (3,224,324), Small & Medium (11,663) Enterprises in the country. The total number of persons employed by the MSME sector as at December, 2013 stood at 59,741,211, representing 84.02% of the total labour force. MSMEs contribution to the Nation’s Gross Domestic Product in nominal terms stood at 48.47% and contribution to export stood at 7.27% in the period under review.”

So from the above Statistics, it is therefore safe to conservatively estimate our total accessible market to be 37 million.

Nigeria also has a population of 200 million people!

VI. Key Success Factors / Metrics

Our very first major key success is releasing the Ads System on or before 30 September, 2018.

Our next milestone success is securing an investment stake to prosecute our Local & Online Ads campaign as well as secure to guarantee a smooth operation in the next 6 months.

Our next major milestone will be to 'Break Even' within the 6 months of smooth operations and thereafter, increase the revenue significantly in subsequent months to immediately begin the process of creating wealth for our Shareholders.

Thereafter, our next milestone will be an aggressive expansion and creation of SME9ja Experience Centres across major cities in country.

Thereafter, we will begin to invest in Research & Development & future updates.

VII. Risks

- Losing our core Development/Testing Team.
- Critical Bugs that may cause system down time.
- Having more scammers than actual sellers.

- Having bad word of mouth due to bad employees.

VIII. The Team

Joey KORDAHI (CO-Founder & CEO): Joey Kordahi is an Entrepreneur, Software Engineer and a member of EC-Council who began his technological exploits from age 15 @ the Lebanese Community High School, Yaba, Lagos. He graduated from the Lebanese American University with a degree in computer science. He is the founder and CEO of Kordahi Technologies, Mobiweb, and Appshub Global Resources Limited. Currently he is 24 years old. An inventor par excellence, Joey has to his credit some of the best Nigerian leading soft solutions including SME9ja - An Enterprise Resource Solution; Mangi - A Universal Tool For Data Visualization, Analysis & Measurement with State of the art reporting System; Design Africa - Africa's 1st Online Design Marketplace Store; GOMS - Gaming Operating Management System; ROMS - Restaurant Operating Management System.

Shola Jimmy IDIAGBON (CO-Founder & Chairman): SIJ as he is fondly called is the chairman and Chief Executive Officer of SIJ Global; Chairman & CO-Founder of Appshub Global Resources Limited. Shola graduated with a major in computer science from Kwara State Polytechnic, after which he proceeded for a postgraduate degree in International Business Management at the Malta Institute of Management. He has travelled extensively, and accrued professional skills. Worthy of mention was the role he played in repositioning Inter-tecnica, a financial firm in Malta. He has also successfully brokered services for reputable companies, organizations and institutions, in Project Management, Business Development and Merger and Acquisitions. His unquenchable thirst for learning led him to enrol and get certified in Interfaith Conflict Resolution, and conflict Analysis with the

United States Institute of Peace. SIJ brings to bear years of experience of sound financial and business acumen towards proffering dynamic ideas - ideas which he ensures are followed through, from conceptualization to completion. His visionary leadership led to the creation of SIJ Global Group, which is a holding company that works in synergy with international investors/partners to identify and develop opportunities globally

- **Prasad SEERAPU (CTO):** 7 Years in Quality Assurance and Ensuring Web and Mobile Applications are fully developed with minimal bugs. Has a huge experience in JIRA which is a task management tool for developers. Constantly works hard to ensure SME9ja quality is by far greater than even the global e-commerce giants.

- **Evans EDEBOR (CFO):** A Finance professional & a Business Development Strategist whose experience, resourcefulness & passion for Revenue Growth, Operations & Numbers informed his unique and relevant approach to helping organizations manage & scale their businesses. Evans holds degrees in Accounting & Ministry from the Ambrose Alli University, Ekpoma & the international Christian University, respectively. He is a volunteer RSW Facilitator & an ACMentor. He is also an Alumni & a consul for SFH Learning & Development Centre, Abuja & the UNLAG CHELLARAMS Centre for Entrepreneurship Skills, University of Lagos, respectively.

- **Mohan KUMAR (COO):** Mohan manages the whole Nigerian Sales and Nigerian Tech Team. He constantly trains them on best practices in selling, support and customer care. At the same time he handles all Sales and Tech reports on a daily basis and ensures each and every staff is hitting their milestones.

DEVELOPMENT TEAM

Swathi (Database/Logic) , Pinki Panwar (UI & UX & API Developer) , Ritu Katchapp (Algorithm Expert/Part Time Developer), Anshul Gupta (Lead

Developer), Satish (Performance Developer), Vipul (Designer and Front End Developer).

TESTING TEAM

Prasad (He also tests and has a large number of years in testing), Geetha (Unit & Manual Tester)

ACCOUNTING TEAM

Evans Edebor, Lawal Nurudeen, Sunitha Padhi (Internal Controller & Audit)

SALES & CUSTOMER CARE TEAM

Dickson, Peter, Pedro, Rita, Adesuwa, Edith, George, Ishola, Nnamdi

TECHNICAL SUPPORT TEAM

Patrick Olabisi, Qudus, Samuel, Yakubu & Dolla

IX. Financial Projection

People Need (Sellers)	People Needed (Buyers)	Views	Naira	Dollars	Subscription	TIMELINE SUMMARY	COST 15%(Floor Cost is 40,000\$ Monthly)	VAT 5%	COMPANY + EDU TAX 32%	PROFIT (MONTHLY)
1	1	1	2	\$0.01	\$5.50	Startup	40,000	\$0.00	0	-\$39,999.99
1	1	100	200	\$0.56	\$5.50	Startup	40,000	\$0.03	0	-\$39,999.47
1	10	10,000	20,000	\$55.56	\$2.75	Startup	40,000	\$2.78	0	-\$39,947.22
20	100	100,000	200,000	\$555.56	\$110.00	Startup	40,000	\$27.78	0	-\$39,472.22
200	1,000	1,000,000	2,000,000	\$5,555.56	\$1,100.00	Startup	40,000	\$277.78	0	-\$34,722.22
2,000	10,000	10,000,000	20,000,000	\$55,555.56	\$11,000.00	BREAKEVEN/Minor PROFIT	40,000	\$2,777.78	\$4,088.89	\$8,688.89
20,000	100,000	100,000,000	200,000,000	\$555,555.56	\$110,000.00	GOOD PROFIT	\$83,333.33	\$27,777.78	\$142,222.22	\$302,222.22
200,000	1,000,000	1,000,000,000	2,000,000,000	\$5,555,555.56	\$1,100,000.00	JIJI Level	\$833,333.33	\$277,777.78	\$1,422,222.22	\$3,022,222.22
2,000,000	10,000,000	10,000,000,000	20,000,000,000	\$55,555,555.56	\$11,000,000.00	KONGA Level	\$8,333,333.33	\$2,777,777.78	\$14,222,222.22	\$30,222,222.22
20,000,000	100,000,000	100,000,000,000	200,000,000,000	\$555,555,555.56	\$110,000,000.00	NIGERIA 50% of MARKET	\$83,333,333.33	\$27,777,777.78	\$142,222,222.22	\$302,222,222.22
200,000,000	1,000,000,000	1,000,000,000,000	2,000,000,000,000	\$5,555,555,555.56	\$1,100,000,000.00	AFRICAN MARKET	\$833,333,333.33	\$277,777,777.78	\$1,422,222,222.22	\$3,022,222,222.22

X. Financial Projection

We have projected our funding requirement to the tune of USD 600,000 only for a 20% equity.

Funds will be used as follows:

- **USD 200,000 will be spent on Online Ads Campaign**
 - SEO & On Click Ads: USD 50,000
 - Facebook Ads: USD 50,000
 - Youtube Ads: USD 50,000
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