APPZONE™

BLUEPRINT

Section 1- Core Principles

1. Description

"AppZone is a Fintech infrastructure provider and venture builder where Africa's best brains are working together to build out the de facto operating system for digital financial services in Africa."

Our offerings run core operations for financial institutions, integrate these institutions together to create an Inter-Bank network and then connect end-users into this network to establish a digital financial ecosystem that enables effortless banking, payments and commerce.

2. Mission

"*Our mission is to digitize and completely automate financial services in Africa*"

- We are building various technology components and coupling them together into a digital super-platform for financial services in Africa.

3. Vision

"*To have one dominant financial operating system built for Africa by Africans*"

- Our first phase of execution will automate internal operations and provide digital touchpoints for customers to access services
- Our second phase of execution will allow service adoption to become completely effortless through systems that learn the financial needs of each end-user from data and auto-provision the right services, at the right time with no explicit user input
- By 2030, the majority of financial services consumed in Africa will be run by AppZone's product ecosystem and financial OS.
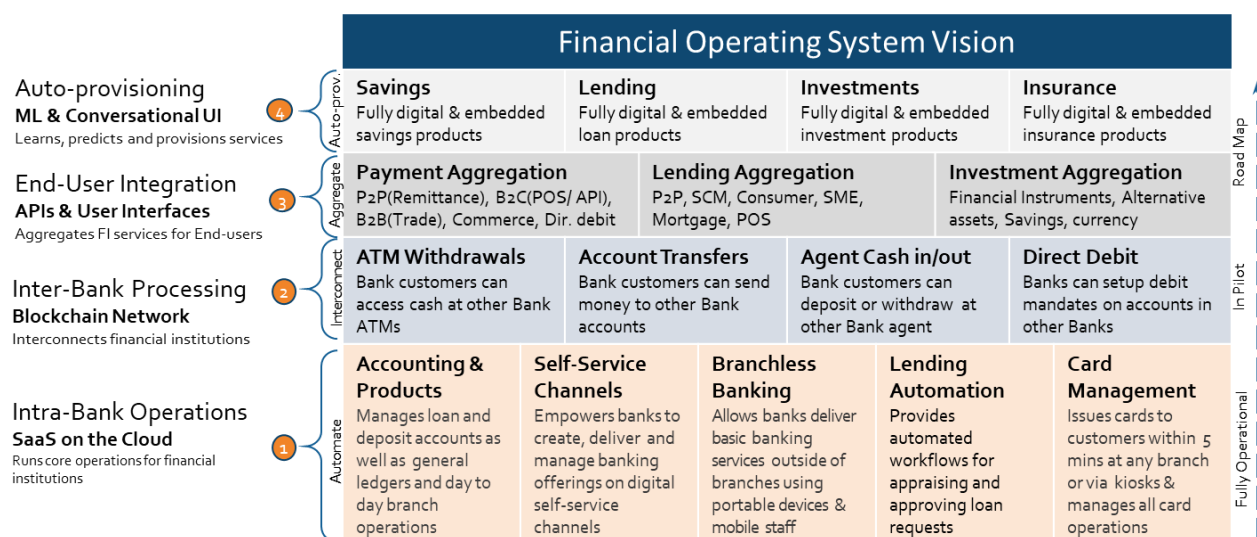
Products within the same layer of our ecosystem provide the same type of value and operate based on the same core principles while each successive layer leverages the previous one to accelerate adoption and gain significant competitive advantage (ie layer 4 leverages 3, 3 leverages 2 and so on).

1. **Intra-Bank Operations**- Products within this layer generally replace human-dependent internal operations in financial institutions with automated equivalents.
2. **Inter-Bank Processing-** Products within this layer Integrate Financial Institutions together and enable transactions flow across seamlessly. This layer leverages the flexibilities and transaction flow gained by controlling the intra-Bank operations layer
3. **End-User Integration**- Products within this layer connect technology touch-points used by individuals and businesses into our digital financial ecosystem. This layer interfaces directly with end-customers and leverages the interoperability from layer 2 to by-pass costly intermediaries.
4. **Auto-provisioning-** Products within this layer learn the financial needs of each end-user from data and auto-provision the right services at the right time. This layer leverages direct interaction with end-users from layer 3 and corresponding data about their financial activities.

4. Purpose

"**Our ultimate aim is f***or the value unlocked by automating financial services to bring prosperity to the society, industry and local talent responsible for making it happen*.**"

- **Prosperity for the Industry**- We are digitizing and automating Africa's $80B+ financial services industry to make it the highest performing and most technologically advanced in the world. The ability to operate at a fraction of cost will make financial institutions more profitable and allow them expand to customer segments that were previously un-profitable to service while the superior customer experience will help out-compete rivals
- **Prosperity for the Society**- Providing for previously under-served customer segments will enable universal financial inclusion, harness latent economic value and inject enough funds into various sectors to stimulate economic growth. Overall, the transformation will inspire a 3rd world to 1st revolution across the entire African continent.
- **Prosperity for Local Talent**- A portion of the cost saved by this automation will be captured as income to reward (and create wealth for) the gifted local talent building it out and driving the transformation
- By creating the defacto platform that will transform the industry and unlock immense wealth, we are pushing beyond our limits to achieve **extreme success** for ourselves, **significant impact** on our society and a **dignified reputation** for our continent

5. Core Values

Our core values guide our day to day behavior, define who each of us aspires to become and determine which individuals we accept to join our community.

- **Courage**- In AppZone, we set bold, ambitious, and transformative goals and take action to achieve them despite fear, challenges, and uncertainty. We realize that so much courage is required to overcome the extreme limitations facing our continent.
- **Proficiency**- In AppZone, we are the best at what we do and we make sure to do those things extremely well every time. We invest a lot of time and effort in learning, until we convert our superior natural talents into deep expertise and then we invest more time and effort on each task to demonstrate our proficiency each time
- **Innovation**- At AppZone, we love to think unconventionally and invent new paradigms. We love to experiment, to have multiple different perspectives and to iterate through many alternative approaches until we find the best solution
- **Humility**- AppZoners exhibit the rear trait of being highly proficient yet absolutely down to earth and unassuming. We do not allow unnecessary focus on our own self-importance to impair our judgment or undermine the cooperation we require from others.
- **Entrepreneurial Spirit**- We seek opportunities to unlock value anywhere possible by solving hard problems and executing flawlessly. We find, groom, and partner with the brightest and most audacious entrepreneurs on the continent

Section 2- Strategy

1. Strategy Overview

Our overriding strategy is to "**create a fintech product ecosystem based on proprietary technology**" that consistently delivers the best-fit and lowest cost Fintech solutions to an (expanding) captive base of financial institutions and end-users in Africa. Our five strategic principles are as follows;

a. **Proprietary Technology**- We build-out proprietary technologies for each segment within our product ecosystem vision. This allows us gain significant cost and product fit advantages

b. **Product Ecosystem-** We operate an ecosystem of related products where product capabilities are shared and new complimentary value is continuously cross-sold to the same base of locked-in customers with minimal encroachment from competition

c. **Best brains**- We attract the top technical and entrepreneurial talent from the continent and partner with them to create proprietary technology at world-class quality levels.

d. **Best Practice**- We seek out, adopt and continue to improve on cutting-edge industry practices proven to deliver the most superior business results

e. **Incubation Framework**- We have established a formal process for incubating parts of our product ecosystem vision in parallel so as to achieve scale and dominance in record time

Our strategic principles have been chosen to generate key strategic assets that (within the African context) provide sustainable competitive advantages and ultimately enable industry dominance. See schematic of relationships between strategic principles and competitive advantages below;
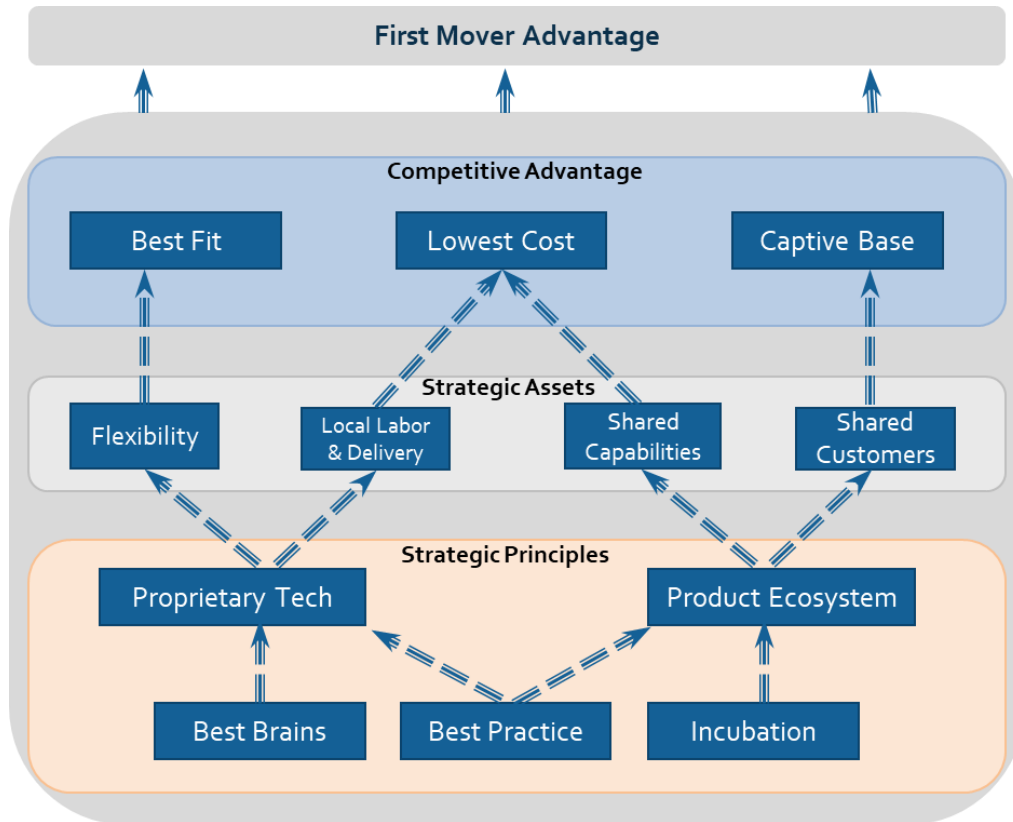
Our proprietary technology and product ecosystem strategy allow each of our products inherit unique competitive advantages (as follows) over different categories of competitors in each segment;

- **Lowest Cost**- By building our technology and delivering it directly to customers, we enjoy lower (local) labour costs than foreign competition as well as the fact that we don't need to work with middlemen for distribution. This allows us deliver the same value at a fraction of competitor cost.
- **Market Fit**– Creating proprietary technology from scratch allows us leverage our local presence and understanding of the market to address specific local requirements better than anyone else and deliver more responsive local support
- **Captive Customer Base** - AppZone's product ecosystem strategy allows each new product inherit common product capabilities and a captive base of existing customers from within the ecosystem.
- **Africa First Mover**- AppZone is the first company in SSA to develop a Fintech product ecosystem based on proprietary technology and because of the scarcity of knowledge required, long development cycles, and the difficulty on-boarding financial institutions, AppZone's unique market position is difficult to replicate.

Section 3- Execution Framework

1. Operational Structure

The high-level structure and form adopted within our ecosystem allows us effectively execute our strategy and achieve our ultimate goal of dominance;

   a. **Autonomous house-of-brands**- Each product team/startup within the ecosystem has its own leadership, distinct brand and customer-facing operations
   b. **Shared Centre of Excellence**- Our HoldCo provides product teams/startups with re-usable assets like specialized expertise, best practices, strategic relationships, and shared IP.
   c. **Formal Incubation Process**- We have adopted a systematic and disciplined approach to ensure that new products are continuously created and that each new product is viable, generates the required return and achieves the expected scale
   d. **Venture-Builder Partnership**- Our ecosystem represents a unique community that enables very talented individuals participate in entrepreneurship. Our partnership structure allows us groom talent, share success, and guarantee mutual support for each other.

2. Venture Builder (VB) Partnership
   a. **VB Community**- Our VB community seeks to establish tech entrepreneurship as a formal profession and guarantee the success of participating entrepreneurs by
      i. <u>Talent Building</u>- Transforming raw talent into seasoned founders and business leaders within our ecosystem
      ii. <u>Shared Success</u>- Allowing each member of the community to capture a level of value commensurate with value he or she is able to create
      iii. <u>Mutual Support</u>- Assisting, complimenting, and fortifying each other to ensure that the capabilities of each individual are worth more within the community than without.

   b. **VB Career**- Our VB career path transforms individuals who have exceptionally high intellectual, professional, and execution talent into full-fledged startup founders and business leaders
      i. <u>Joining Requirements</u>- Individuals must demonstrate exceptional Intellectual, professional and execution aptitude
      ii. <u>Growth Levels</u>
         - Stage 1: Technical Expertise- Builds deep domain knowledge and proficiency in specific technical skills
         - Stage 2: Leadership Capabilities- Builds the ability to maximize and direct efforts of others towards achieving goals
         - Stage 3: Commercial acumen- Builds the ability to identify market needs, create relevant products, deliver products profitably and out-perform competition.