

We Add  
Virtual/Augmented Reality & Artificial Intelligence  
to our portfolio  
Investment Opportunity's Executive Summary



We are an International Company with highly experienced associates throughout Europe and the USA. The company enjoys a high profile on internet thanks to its promotional campaigns

The consultant network has been established; in March 2017 the Welsh team successfully acquired the Management consulting practice in an MBO.

We have a highly qualified team of experienced experts providing transition plans and solutions in all business sectors but particularly in the 'Business of People' in consistent quality controlled professional services

We focus on enabling our clients to transition successfully to the digital world to fuel their growth and enhance the value of their company so their enterprise can quickly sell when times come.

We are a management and technology consultancy and corporate finance services to the public and private sector (medium to large companies), in the U.K. and the World through a network of Associates.

Due to Brexit uncertainty the board of directors has decided to move the headquarters into the USA and appoint a new Chief Technology Officer.

Our Portfolio:



## New Developments

The Business Process Redesign and Technology practice has decided to expand into:

Swiss Banking Advisory, Berkeley Square House, Berkeley Square, London W1J 6BD, Bahnhofstrasse 100, 8001 Zurich, +41 78 624 30 03, [guest\(at\)swissbankingadvisory.ch](mailto:guest(at)swissbankingadvisory.ch), [www.swissbankingadvisory.ch](http://www.swissbankingadvisory.ch)

- Virtual Reality,
- Augmented Reality, and
- Artificial Intelligence.

The market is still in its infancy but is expanding very quickly:

- 225 Venture Capitalists invested in VR/AR in the last two years to fund 484 Start-ups in Europe.
- Computers are powerful enough now to render realistic virtual world
- The mobile phone industry has improved the price and performance of displays and sensors.

#### Legal description

We are a limited company registered in the U.K. The registered office is situated in Bridgend. There are one shareholder owning 100%.

The Headquarter of the firm will be moved to Tampa Florida by mid-2018 and change its legal status to an LLC.

There will be three shareholders

We are planning to form a Holding in the United States or in the U.K. if thought more appropriate to expand the expertise of our technology practice into VR, AR and AI.

- The Holding will own 76% of the UK distribution company, 76 % of the 4 USA distribution companies and 80% of the R&D company.
- The shareholding of the holding will be as follows: 20% Investors, 73% Founders, 7% Staff.

#### Business Objectives



At the highest level, our strategy is aimed at setting the company apart from the competition, as a technology solutions provider offering the highest quality of service in their niche markets (Home improvement, Urbanism, Real estate), adding maximum value to our clients by operating a franchisee network and partnering with universities.

The ethos of the company engenders the development and growth of members of staff, Franchisees, and Partners, as a group that will come to be known “for its honesty and integrity, and as an entrepreneurial, dynamic meritocracy that delivers innovative solutions in a client focussed, quality-driven manner.”

Our prime objective is to establish ourselves as a market leader by setting the standard in each of our chosen niche markets real estate, urbanism, home improvement.

## Group Structure

The group will be made of a Holding, based either in Delaware USA or in London United Kingdom depending on investors interests, owning:

- 76 % of five regional companies the remaining will be distributed as follows 14% to the Director and 10% to the staff:
  - United Kingdom based in London will open early 2018
  - USA South East based in Tampa bay Florida will open mid 2018
  - USA North East based in Boston Massachusetts will open in 2019
  - USA Pacific based in Stanford California will open in 2020
  - USA Central based in Chicago Illinois will open in 2021
- 80% of the Research and Development company the remaining 20% will be distributed to the staff. The company will have staff in London and Florida and will open in 2018.
- 47 franchises

- 10 in the United Kingdom
- 9 in South East USA
- 6 in North East USA
- 8 in Pacific USA
- 10 in Central USA
- 4 in Canada and Alaska

## The MANAGEMENT TEAM

### Chief Executive Officer

- A well-respected strategic thinker and visionary with a track record of managing, growing and turning around sizeable businesses during periods of change, selling and buying businesses.
- A Global General Manager / Finance Director with twenty + years' experience with Motorola in services and manufacturing in five different countries with a track record of EBITDA double digit growth in the two businesses he was involved in as a general manager.
- He is a director of 3 UK based companies,
- Chairman of the consultancy board of a Belgian company
- President of a charity,
- Fellow of the Chartered of Management Institute
- Stakeholder forum member of a University.

### Chief Operation Officer

- Freelance live events technician and project manager
- 10 years' experience in the industry
- Completing a Full Stack Developer course at Flatiron School in New-York USA.

### Chief Sales and Marketing Officer

- A globally focused, new business specialist; he has over six years of experience in delivering simple solutions to complex business issues. Keeping it simple has become the method by which he has delivered growth to each business he has worked and in the process, gained experience in Property & Construction IT, Healthcare Marketing, PR & Communications and Human Resources.
- He matches key business issues of his clients with the company's solutions to solve and upgrade the services they provide.
- He has helped companies to move their regional communications to a full global service,
- He developed and launched marketing campaigns for new medical products and provided the tools, training and support for architects to work on award winning projects.

### UK Regional Director

- He has 15 years' experience in the events industry. His roles have ranged from setting up technical equipment in large and small venues, to planning and overseeing the successful delivery of many corporate events & conferences.
- He has gained knowledge in the different audio-visual disciplines and have had both, hands on role as well as management roles in these fields.
- As Project Manager, he has done extensive work with the Government's Department for International Trade (DIT). Planning and oversight of many large-scale events all over the country. In 2016, he successfully project managed the DIT's conference space at the International Festival of Business in Liverpool.

### The CEO Office Responsibilities

#### **The CEO manages:**

- The **overall Strategy, Governance, Human Resources, Finance.**

#### **The COO manages:**

- The R&D company, Product development, Software development, partnerships with the universities, the processes.

**The CSMO manages:**

- The regional companies’ development, the marketing, and the relationships with the clients and the franchisees.

**The UK Regional Director manages:**

- The region commercially and operationally to maximise profitability whilst ensuring quality, performance improvement and customer service delivery. He also coordinates the relationship with Cardiff University.

The Team	2017	2018	2019	2020	2021	2022
<b>Holding</b>						
CEO	1	1	1	1	1	1
COO	1	1	1	1	1	1
CSMO	1	1	1	1	1	1
Key account managers					1	1
Telesales/ Admin		2	2	2	2	2
	<b>3</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>
<b>R&amp;D</b>						
	2017	2018	2019	2020	2021	2022



Market research Analyst		1	1	2	2	2
Webmaster		1	1	2	3	3
Software development		1	2	2	3	3
Senior Software development		1	1	1	1	1
Artificial Intelligence Phd		1	1	1	1	1
		<b>5</b>	<b>6</b>	<b>8</b>	<b>10</b>	<b>10</b>
<b>Regional teams</b>						
Regional Director	1	1	1	2	3	5
Support technician		1	1	2	3	5
Digital marketing		1	1	2	3	5
3D Artist (associates)						
		<b>3</b>	<b>3</b>	<b>6</b>	<b>9</b>	<b>15</b>
<b>Total</b>	<b>4</b>	<b>13</b>	<b>14</b>	<b>19</b>	<b>25</b>	<b>31</b>

### Virtual Reality and Augmented Reality Highlights

AR/VR revenue could reach \$150bn by 2020.

Augmented reality (AR) and Virtual Reality (VR) create emotive commercial experience therefore leading corporations are investing in the technology (Google, Qualcomm, HTC, Facebook, Microsoft, Apple...)

The property, urbanism, construction sectors have already benefited from virtual and augmented reality technologies

The uses of VR aren't limited to entertainment: Ikea launched a pilot VR application in April 2017 that includes a "virtual kitchen experience" designed to help customers try home furnishings before purchasing.

Businesses are beginning to see the potential in AR, a digital enhancement tool in which graphics are superimposed over a view of the real world. With its many image filters, multimedia mobile app Snapchat is an example of how augmented reality has already made its way out of the gaming industry.

## Commercial Potential

Augmented reality is a useful tool for businesses that are seeking to add layers of information or enjoyment to their offering. Virtual Reality allows customers to emotionally connect with a non-existing building in a current environment through a sensory experience.

More companies look to incorporate immersive multimedia into traditional offerings. The answer is to develop software compatible with existing VR headsets, such as, Vive and Oculus, building AR elements into clients' platforms, to enhance the user experience.

State-of-the-art augmented and virtual reality will become 'de rigueur' over the next couple of decades in all aspects of built environment planning, design, testing, construction, development and management, according to Royal Institute Charter Surveyors (RICS) long term strategy.

## Emotive Potential

When it comes to marketing and advertising, brands are recognising the emotive potential of both VR and AR. To help our clients to enhance their marketing and sales opportunities we will bring VR and AR coupled with artificial intelligence to the processes of planning and selling non-existing property and urbanism in much the same way Ikea brought kitchens to life with its virtual environment.

The implications for infrastructure design are profound. Infrastructure specialist Balfour Beatty makes use of VR engineering in its planning and prototyping phases. Ford Motor Company even has its own Immersion Lab wherein employees can 'experience' a virtual car long before a prototype is manufactured.

Virtual and augmented reality both allow consumers to experience things in an enhanced way, whether by simulating an experience or providing new layers of depth to an existing one. AR is really making important progress, VR is becoming accessible thanks to computing power and cheaper hardware, Artificial Intelligence is mature and combined with the other two can provide endless experience possibilities for the client

## Beyond the Commercial Space

Medical schools are using AR to enhance the experience of teaching surgical procedures, and mental health professionals are experimenting with the use of VR in treating phobias.

There are many uses and applications for VR/AR: anything where being immersed would create a better experience is potentially ripe for the technologies.



The market is broad and there are big players on board, as well as smaller companies, ready to change the way we consume media and make purchases.

We believe VR and AR can be hugely powerful so organisations who are on the front foot and willing to invest could reap some serious rewards

## The Investment

We need to invest in our proprietary software to: meet our clients' specific requirements in each of our niche markets; integrate Artificial Intelligence algorithms, administrative, production and partners software; control the franchise processes; control the communication and knowledge sharing amongst our clients, partners, franchisees and staff; create barriers for franchisees to leave the network and set their own business.

The first phase of investment is for \$175k to fund the software development. The funds will be provided by the management team & business angels. In addition, \$45k will be necessary to buy the required hardware. It could be leased, or we can take a loan to finance it. A mezzanine equity loan could be envisaged for the total amount of \$ 220k.

The second phase of software development will amount to \$725k and will be self-funded.

We will own the franchisees hardware and software which will be funded by the franchise fees. This will create barriers for franchisees to leave the network.

## Investors

The main characteristics we look for in our investors are people being passionate by high-tech future developments, having knowledge of the construction industry and/or urbanism, willing to be non-executive and/or part of an investors' syndicate. If our investors are United Kingdom tax resident, we shall set up the holding in London and apply for EIS status.

We offer the following exit plan. The company may buy back the shares after 36 months' investment: 1/3 after 36 months, 1/3 after 42 months, 1/3 after 48 months.

The estimated Return on investment is expected to be between 10 and 15%.

### Financial Summary

<b>Balance Sheet</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>FIXED ASSETS</b>			
Land & Buildings	\$146,875	\$139,375	\$131,875
Furniture & Equipment	\$16,434	\$19,339	\$15,451
Computer Equipment	\$102,948	\$132,505	\$133,670
	\$266,257	\$291,218	\$280,997
<b>CURRENT ASSETS</b>			
Other Debtors	\$137,427	\$55,977	\$180,177
Sales tax Receivable	\$311,158	\$377,626	\$440,320
	\$448,585	\$433,603	\$620,497
<b>CURRENT LIABILITIES</b>			
Trade Creditors	\$8,797	\$10,665	\$31,612
Other creditors including taxation and social security	\$14,234	\$21,220	\$26,927
Sales tax Payable	\$55,992	\$16,584	\$71,475
	<b>\$79,024</b>	<b>\$48,468</b>	<b>\$130,014</b>

<b>Liquidity Ratio</b>	<b>5.68</b>	<b>8.95</b>	<b>4.77</b>
<b>Net current assets</b>	<b>\$369,561</b>	<b>\$385,135</b>	<b>\$490,483</b>

	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>TOTAL ASSETS LESS CURENT LIABILITIES</b>	<b>\$635,818</b>	<b>\$676,353</b>	<b>\$771,480</b>

**LONG TERM LIABILITIES**

Third Party Loans	\$44,832	\$22,416	\$0
Shareholder Loans	\$24,000	\$24,000	\$24,000
	<b>\$68,832</b>	<b>\$46,416</b>	<b>\$24,000</b>

<b>NET ASSETS</b>	<b>\$566,986</b>	<b>\$629,937</b>	<b>\$747,480</b>
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**CAPITAL AND RESERVES**

Ordinary Share Capital	\$200,000	\$200,000	\$200,000
Profit & Loss Account	\$366,986	\$429,937	\$547,480
	<b>\$566,986</b>	<b>\$629,937</b>	<b>\$747,480</b>

<b>PROFIT &amp; LOSS ACCOUNT</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>SALES</b>	<b>\$1,038,750</b>	<b>\$1,113,000</b>	<b>\$1,605,000</b>
<b>GROSS PROFIT</b>	<b>\$838,061</b>	<b>\$681,532</b>	<b>\$970,814</b>
Gross margin	81%	61%	60%
Selling & market expenses	\$12,000	\$18,000	\$27,000
Establishment expenses	\$9,925	\$10,611	\$13,788
Administrative Expenses	\$424,333	\$588,858	\$811,073
Finance Costs	\$762	\$1,111	\$1,410
<b>TOTAL OVERHEADS</b>	<b>\$447,020</b>	<b>\$618,580</b>	<b>\$853,271</b>
<b>NET PROFIT</b>	<b>\$391,041</b>	<b>\$62,951</b>	<b>\$117,543</b>



	38%	6%	7%
<b>CASH POSITION</b>	<b>\$311,158</b>	<b>\$377,626</b>	<b>\$440,320</b>

Source Goldman Sachs

### OUR TARGETED MARKET SHARE

Source Goldman Sachs

Base case scenario USA & UK	Market By 2020		Market By 2025			
	Market By 2020	Our market share	\$ Market Share	Our market share	\$ Market Share	
Real estate	427,500,000	1.0%	4,275,000	1,482,000,000	1.0%	14,820,000





Retail	300,000,000			1,600,000,000	0.5%	8,000,000
<b>Total</b>	<b>727,500,000</b>	<b>0.6%</b>	<b>4,275,000</b>	<b>3,082,000,000</b>	<b>0.7%</b>	<b>22,820,000</b>