

## OUR VISION AND MISSION

- **Engage, Empower and Enable:** seniorHUB is an innovative project focused on the improvement of the life of seniors via:
  - kick-starting of intergenerational communication
  - at the same time dealing with the issue of loneliness
- Key tools for this are our:
  - own seniorTAB tablet and **seniorHUB online user interface** ecosystem and its functions
  - Patron-Senior system for guardians
  - future services under consideration for development
  - current partnerships

## PROJECT OVERVIEW

- senioraHUB is a simplified online user interface for seniors (CZ, SK languages – EN prepared)
- Access is via our 7.85" seniorTAB tablet for seniors – 10 initial functions + newly super-sized mobile function!
- Newly implemented seniorPHONE app – turns seniorTAB into fully functional mobile with large buttons
- seniorTAB launched after beta-trials with seniors via NGO Elpida o.p.s. – 2000 units now in stock in CZ
- Initially a web-based app. optimized for the seniorTAB tablet, work will commence on a native Android app. with financing in place
- Mid-term the seniorHUB is morphing into a complex portal including e-shop with goods, medical products / devices and content along with other offline services currently under development
- From 2016-2018 an additional 35 services could be added with expansion into the off-line hyperlocal sphere
- seniorTAB includes exclusive online monthly for seniors VitalMINI (created from Vital+ magazine) – 3<sup>rd</sup> issue published – and other services: calendar, camera / photo app., pill reminder, communicator etc. along with PATRON-SENIOR system, where the Patron can check calendars, insert pill reminders, photos etc.
- Development to-date via mid-sized Czech company Your System – considering own internal dev. team
- Respected regional IT distributor supplying the HW base units – ABC Data

## SALES CHANNELS

- Initial sales channel for seniorTAB sales trialed via ALZA, piloting via CZC due to their physical store network
- Own seniorHUB e-shop launched with product / telco service bundles + consumer financing
- Sales commencing in SK via partner in JV w. largest daily SME – Proseniorshop (banner position)
- Partnerships being set up with ISPs and energy distributor for co-marketing and sales

## WHAT THE CUSTOMER RECEIVES

- For 5549 Kč the customer receives:
  - seniorTAB tablet
  - access to and use of seniorHUB
  - seniorPHONE function
  - 1 year subscription to online monthly VitalMINI
  - 3 hour introductory training / consultation about the seniorTAB and the internet
- The customer can also purchase the seniorTAB bundled with mobile internet, telephony and IPTV with purchasing possible via consumer financing

## SENIORTAB MARKET OPPORTUNITY

- 2.3 mil. CZ citizens over the age of 61: 1% market share = approx. 23 000 clients – 2015 target: less than 0.05% of market = 1655 clients

	Age break up of CZ population					
	50 to 55	56 to 60	61 65	66 to 70	71 to 75	76 to 100+
<i>Total market size</i>	776 060	739 513	734 289	583 772	391 302	643 029
<i>5% clients</i>	38 803	36 976	36 714	29 189	19 565	32 151
<b>10% clients</b>	<b>77 606</b>	<b>73 951</b>	<b>73 429</b>	<b>58 377</b>	<b>39 130</b>	<b>64 303</b>
<i>15% clients</i>	116 409	110 927	110 143	87 565	58 695	96 454

- Our research has shown, that our target group want services in the following key areas: Lowering of costs (energy, living etc.), Health and Care, Entertainment and Education, Assistance with mobility, Advice
- User clients are seniors, however **purchasing clients are patrons** – children, grandchildren etc.
- Most importantly, they want personal interaction during the handing over of the seniorTAB and the introduction to the internet – an e-shop only sales model is not as effective

## THE BUSINESS CASE – CZECH MARKET ONLY

(numbers do not add up – revenue / cost overview only)	2015	2016
Number of clients – tablets (rrp. 5549 Kč incl. VAT)	1 655	3 550
<b>seniorHUB gross revenues – wholesale and retail</b>	<b>9 605 569 Kč</b>	<b>19 830 781 Kč</b>
Marketing: on+offline incl. advertising, premium placement, targeted mailing, FB PPC, AdWords etc.	773 750 Kč	696 375 Kč
All other costs incl. operational, HR + expansion 2015 / 2016 onwards	660 150 Kč	2 377 475 Kč
<b>seniorHUB net margin –B2B + B2C incl. seniorHUB services<sup>1</sup></b>	<b>2 513 118 Kč</b>	<b>5 390 675 Kč</b>
SW and system development – YS open to switching investment to equity (2015 includes 2014 work)	1 800 000 Kč	900 000 Kč
<b>Rough &amp; ready EBT w. repayment of 5 year loan @ 6.5% / note – 2017 EBT 4 897 278 Kč</b>	<b>712 235 Kč</b>	<b>1 520 866 Kč</b>

<sup>1</sup> it is expected that annual paid service revenues will grow from 2016 onwards

## WHAT WE NEED / ARE LOOKING FOR

- **7 mil. CZK incl. VAT**
  - purchasing of product from ABC Data (already in CZ warehouse)
  - short term private market loan repayment (for initial 25% down payment to ABC Data)
  - 1 mil. CZK for marketing and expansion
  - will consider buying out YS SW development involvement and creating in-house development team (required persons identified)

## WHERE WE CAN SOURCE FINANCING

- 7 mil. CZK incl. VAT currently available via ČSAS Inostart loan @ 6-6.5% p.a. w. 60% ČMZRB guarantee: **BUT, need to securitize remaining 40% w. 3<sup>rd</sup> party property or guarantee**
  - LOOKING FOR loan co-signer – delivery of property or guarantee for 40% loan securement @ 5+% p.a.
  - Or equity investor: 2 500 000 CZK for 25% equity @ 7x 2017 EBT: IRR = 40% + loan securement w/o interest on securitized property or via guarantee for remaining 40% securement of ČSAS loan
  - Can utilize **all** of stock for securing 40% guarantee and will ensure preferential payment of loan principal and interest

## RELEVANT HYPERLINKS

- The Růženka photostory
  - [https://www.youtube.com/watch?v=MICmuk\\_OXVA](https://www.youtube.com/watch?v=MICmuk_OXVA)
- ByznysPark.cz interview about seniorHUB and seniorTAB
  - <https://vimeo.com/126901962>
- seniorHUB web + e-shop + FB
  - <http://www.seniorhub.cz/>
  - <http://obchod.seniorhub.cz/>
  - <https://www.facebook.com/seniorHUB/>

## INVESTOR CONTACT

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