

weglue

Business Plan

November 2022



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App Store



ANDROID APP ON
Google play



**JOSE VILLALOBOS***Creative Director***Proven creative talent**

- Head of content of ELAMEDIA ESTUDIOS
- More than 20 Awards&Nominations in Films and Music

Communication skills&media fluency:

- Working with Netflix, NBC, CBS, HBO, Dreamworks, Paramount Pic.
- Established in Los Angeles
2008 - 2019

**ALBERTO DOMINGUEZ***Technical Director***Technical excellence**

- Founder and CEO of videogames Enigma Software Productions
- 20 years of experience in Apps and games development

Team building experience

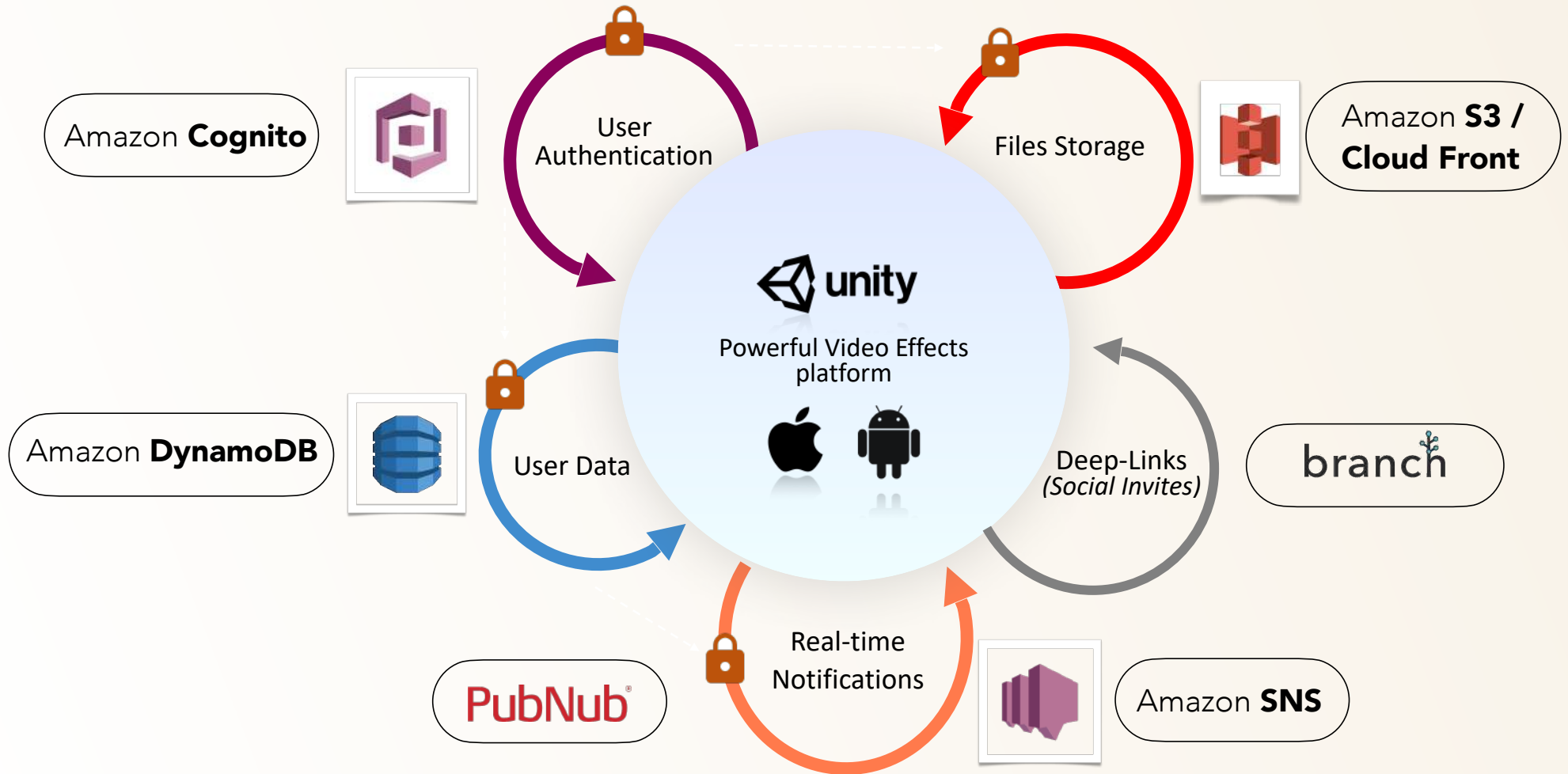
- Direction of large-scale software projects, including AAA videogames, in teams of 30+ members

**JULIO VILLALOBOS***CEO***Entrepreneurial track-record**

- Co-founder & Managing Partner of Axon Partners Group
- 8 years as Board Director of Venture Capital firm

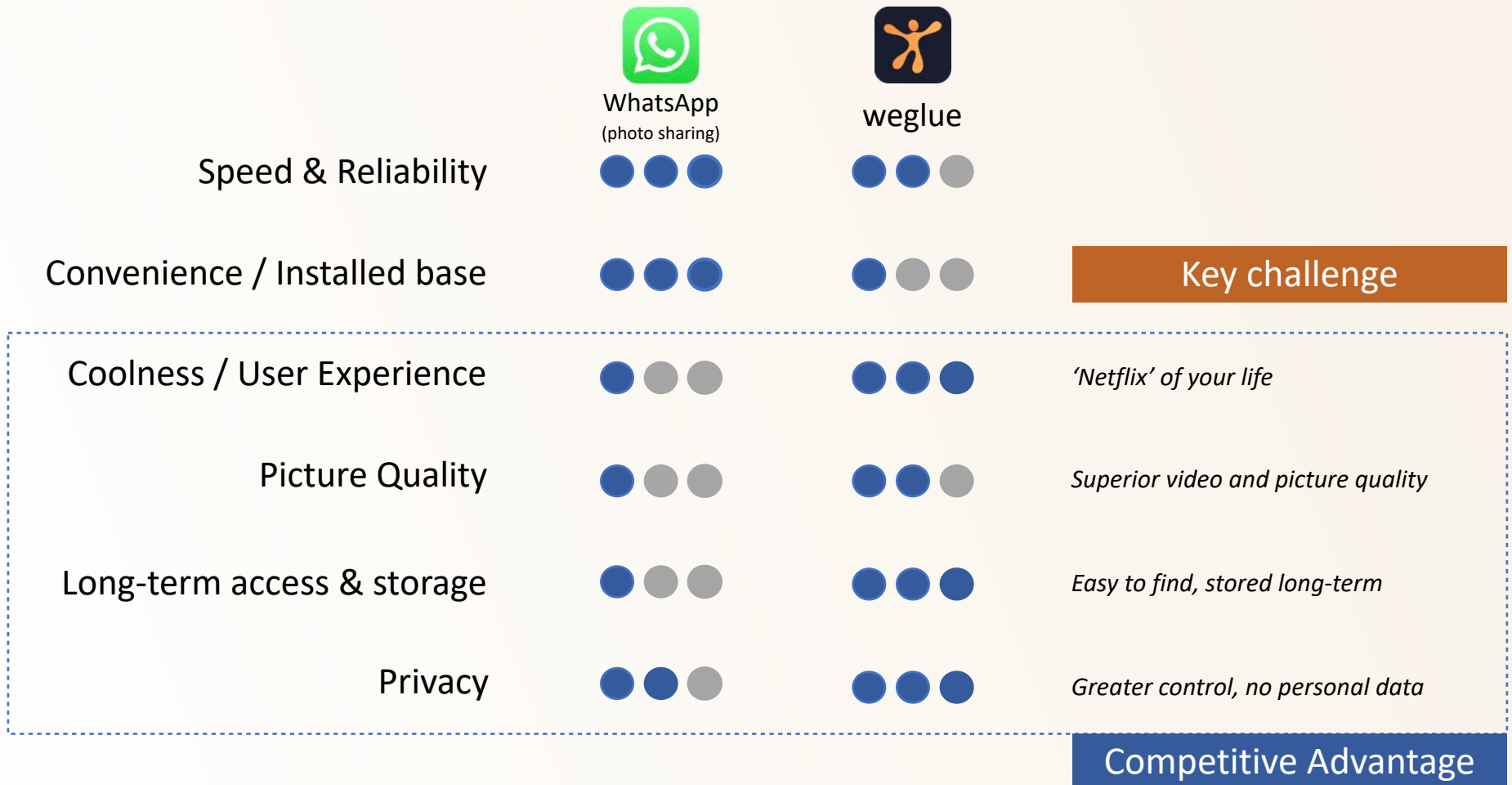
Technical and non-technical skills

- Strategy consulting in over 25 countries
- Experience in large M&A transactions
- Expert in software development & digital strategy and regulations
- Telecoms Engineer & MBA





Unique proposition stems from the aggregation of various App verticals



Focus on WhatsApp (and similar messaging apps) as leaders in pics exchange



'Netflix' of your life

A radically new way to Live, Record and Watch your special moments with friends and family.

The chapters and movies of your life always available on your mobile phone, TV or any other platform.

Your best moments, even better

Look for a magician to your child's birthday party, watch her videos and invite her to your movie

Pro movies at your fingertips

Add to your movie collection a professionally edited movie with only one-click, at affordable prices and your money back guarantee if you don't like the outcome

Collaborative user content

Trip to Paris?
Watch our selection of movies from our public content section and get ideas and amazing takes for your movie



POTENTIAL GROWTH PATH

*The App for special moments
with family and friends*



1. **Awesome user experience:** Fast, Reliable, Safe, Simple, Cool

2. **Exploit in-built Virality...** while preserving robust user experience during launch phase (initial network of small size)

3. **Freemium model** with low focus on monetisation during early phases - keep options open for future B2B & B2C monetisation

4. **Lean Operating Model** - scalability with reduced fixed costs



Dec 22

Jun 23

Dec 24

Dec 26

LAUNCH

Available in **English and Spanish** speaking markets

Refinement of **user experience & virality**

Measuring and improving key **acquisition metrics**

SCALING UP

Ramp up in **User acquisition spend**

Organisation Build up

Expansion into **additional geographical markets**

CRITICAL MASS

Sustained **User Growth**

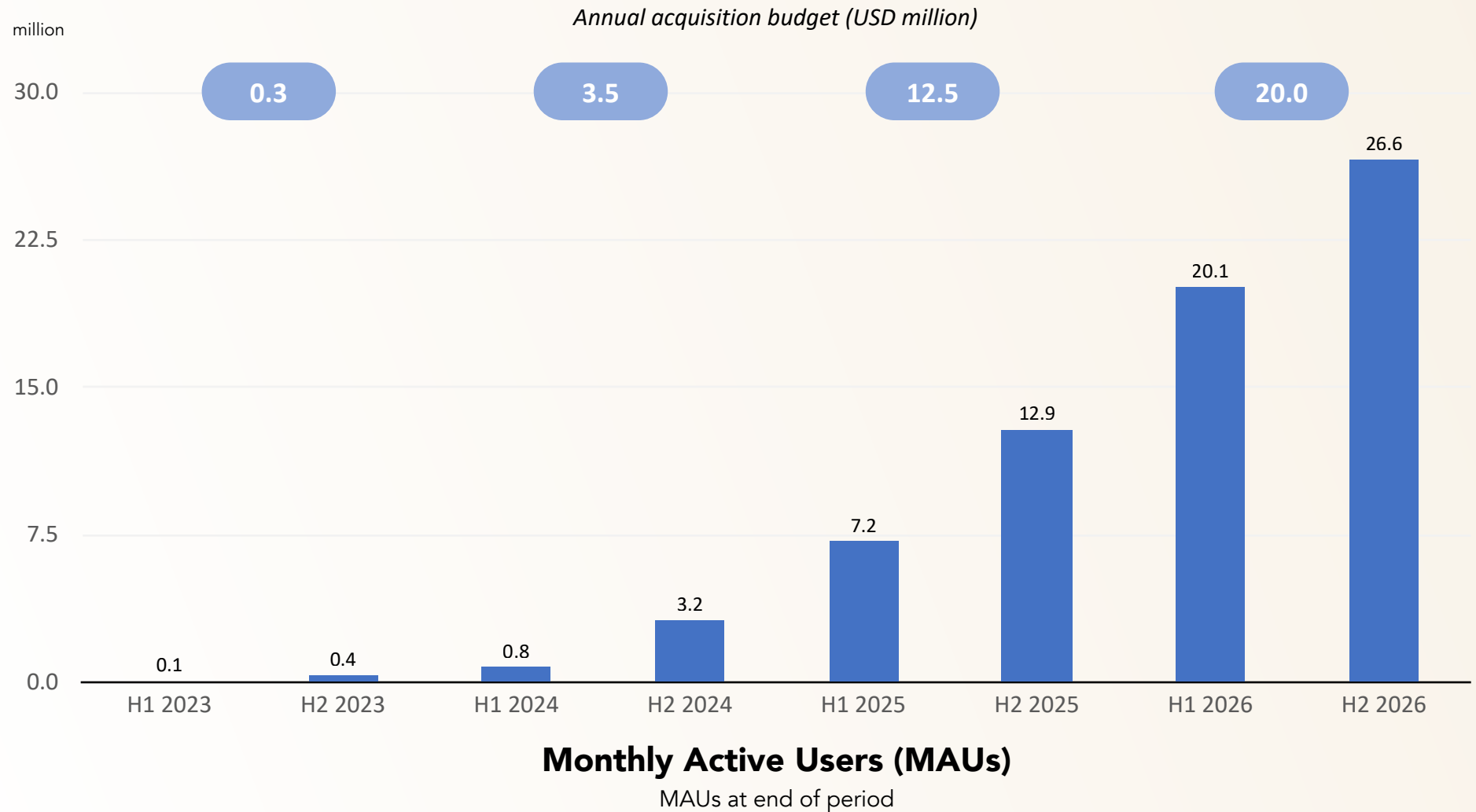
New Product **Features**

Focus on **B2B** solutions

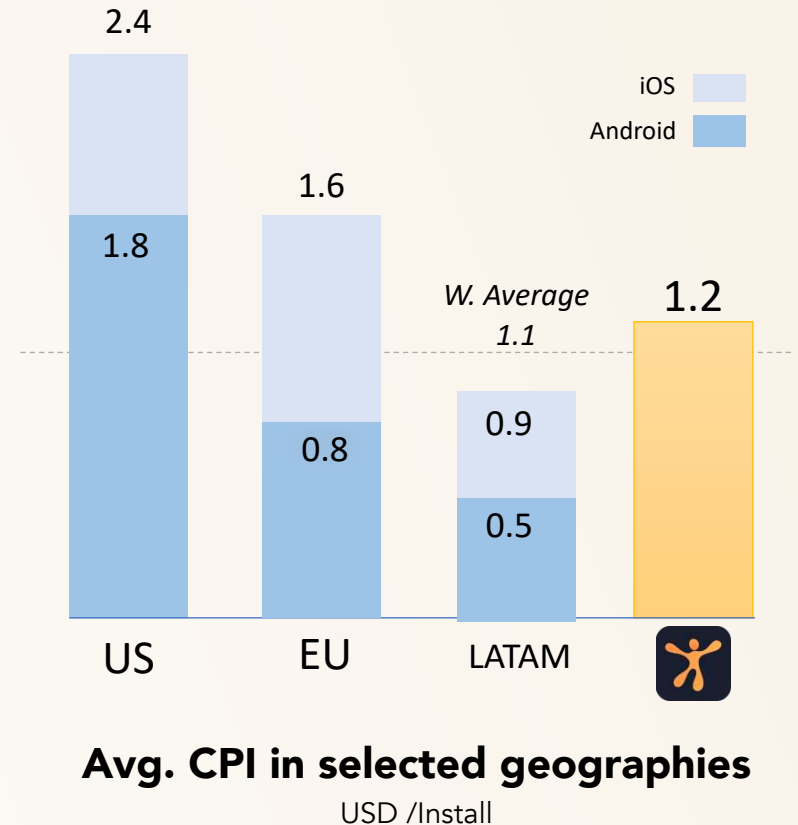
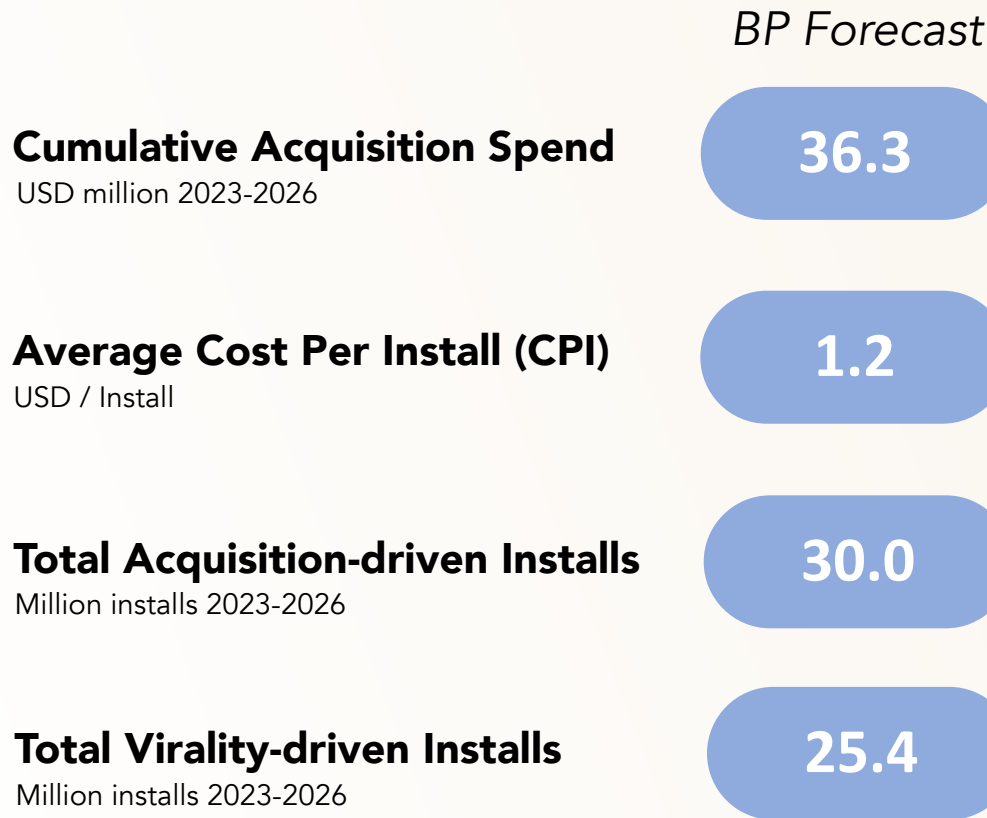
TARGET MILESTONES**100k MAUs****3M MAUs****25M MAUs****ARPU 0.5 USD/quarter****100 USD million YTR**



	Q4 2024	Q4 2026
Monthly Active Users - MAUs millions	3.2	26.6
ARPU USD / Quarter / MAU	0.6	1.4
REVENUE USD million / Quarter	1.6	35.3
FCF USD million / Quarter	-3.3	5.7

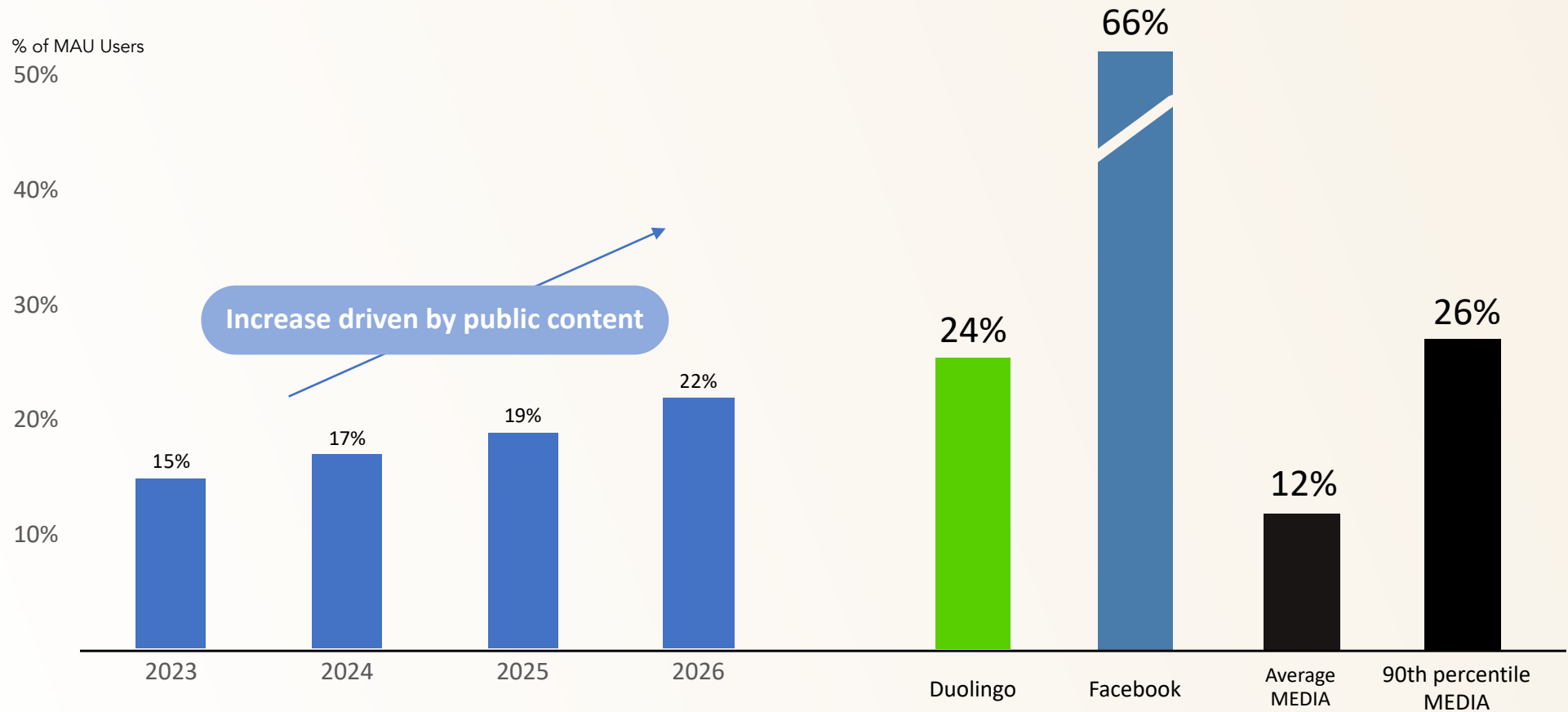


Targeting over 25 million MAUs by End of 2026



Benchmark Source: Own elaboration based on AppBrain, iron Source and other sources, 2022

CPI at average across target geographies. Conservative virality assumptions

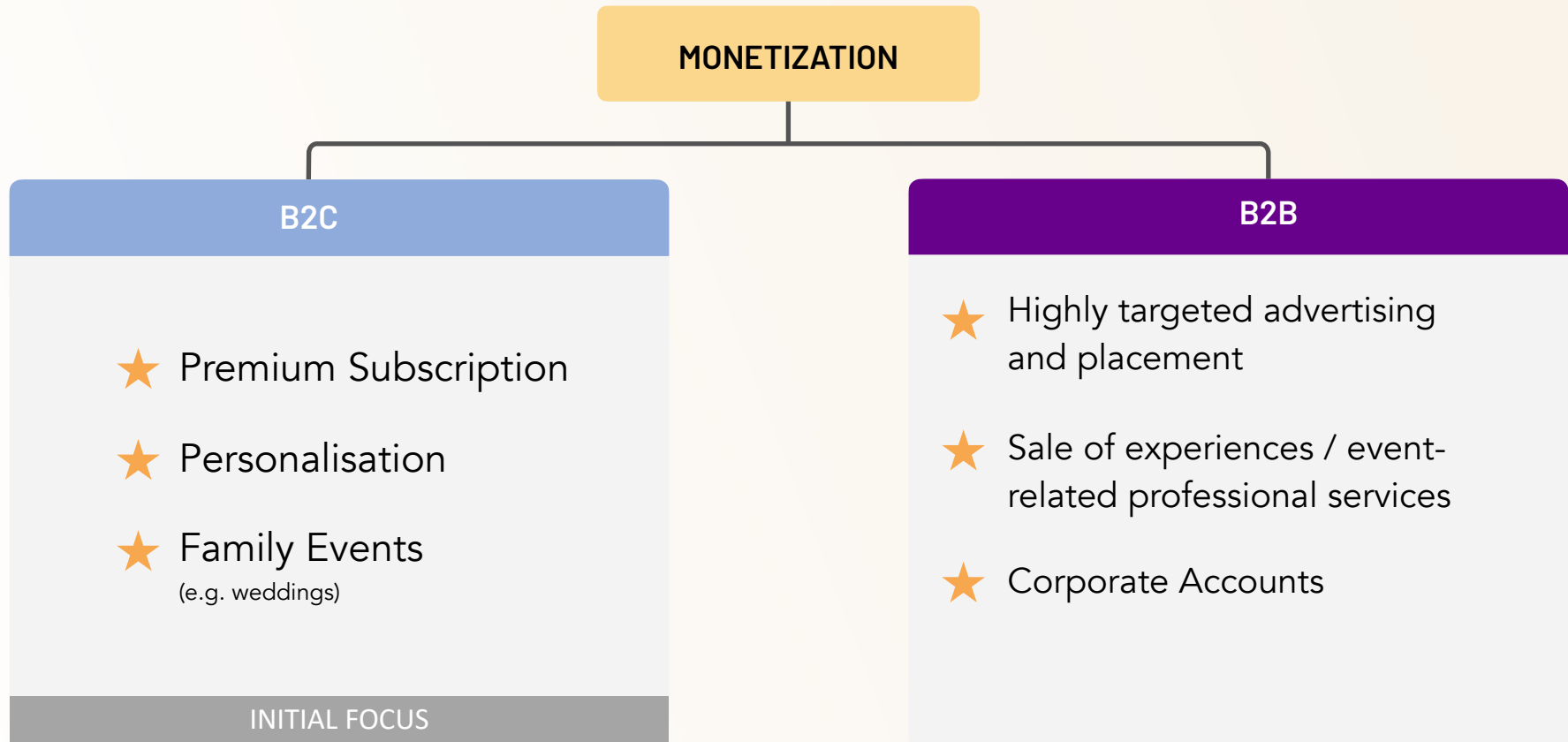


Ratio DAU/MAU forecast

Daily Average Subscribers / MAU

Benchmark Source: Company Annual Reports 2021 and MixPanel

Intended to be used with some intensity on and around special occasions





MAIN DIRECT IMPACT

Engagement

Virality

Monetisation

Q4 2022

EVENTS*Facilitation for larger private events as Weddings*

Q1 2023

EXCLUSIVE MOVIE STYLES*Spectacular styles only available for Premium Users*

Q2 2023

PERSONALISATION*Unique movies with simple mass customisation*

H2 2023

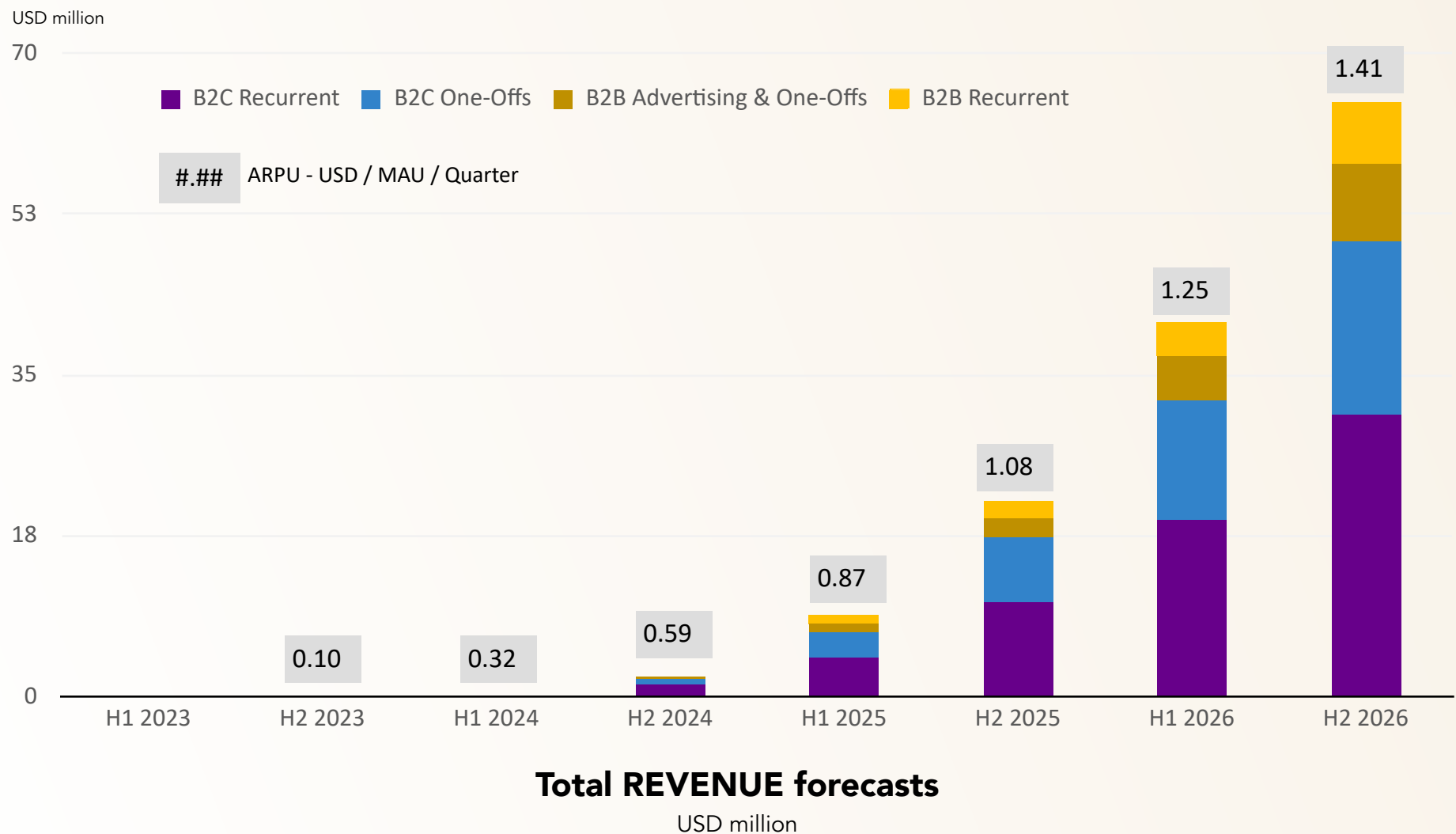
PUBLIC MOVIES/EVENTS*Content available to a broader range of users*

2024

PRO SERVICES AND EXPERIENCES*Intermediation in purchase of relevant services and experiences*

2024

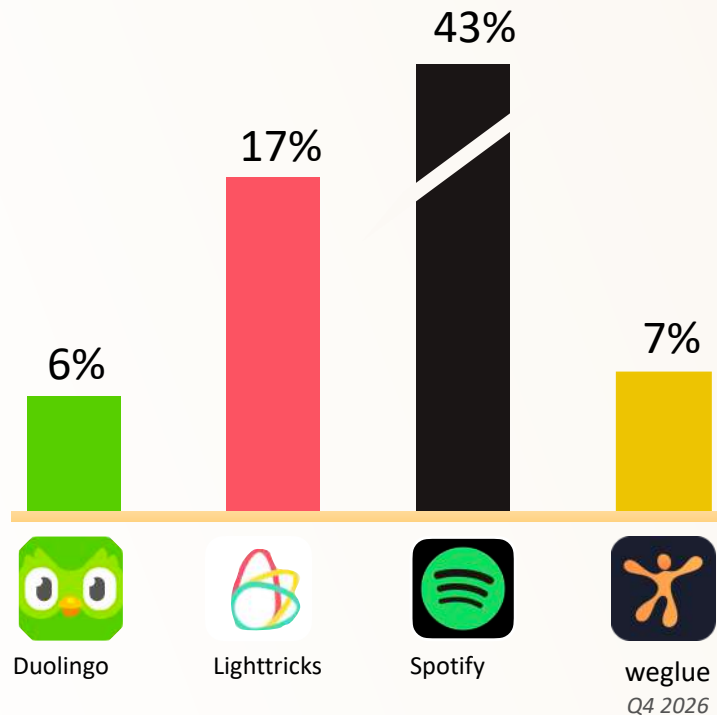
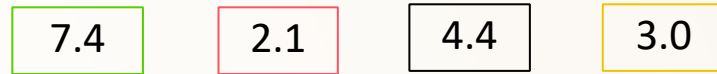
DEDICATED B2B SOLUTIONS*Dedicated solutions for event-focused companies*



Yearly Revenue surpassing USD 100 million in 2026



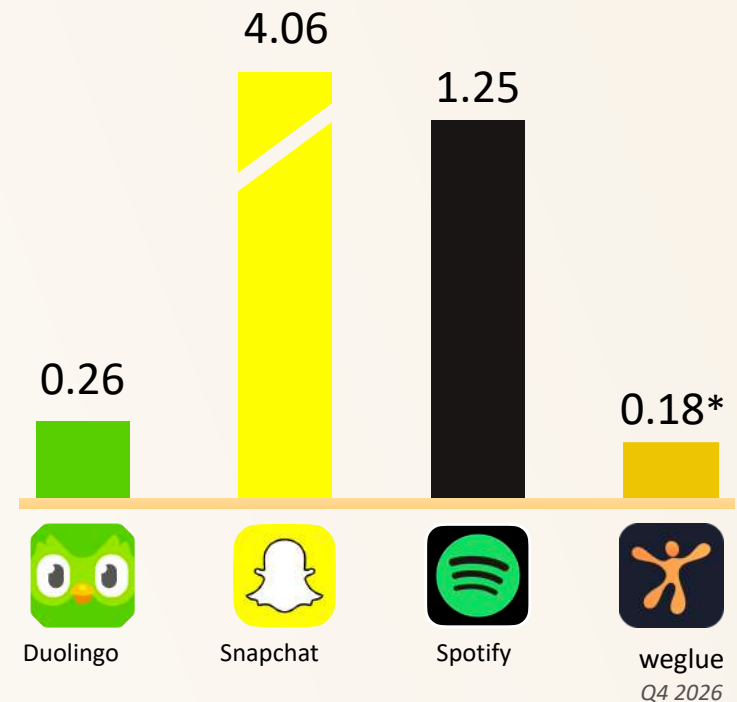
Premium ARPU USD / month



% Premium Subscribers

Subscribers / MAU

% of Revenue from Advertising



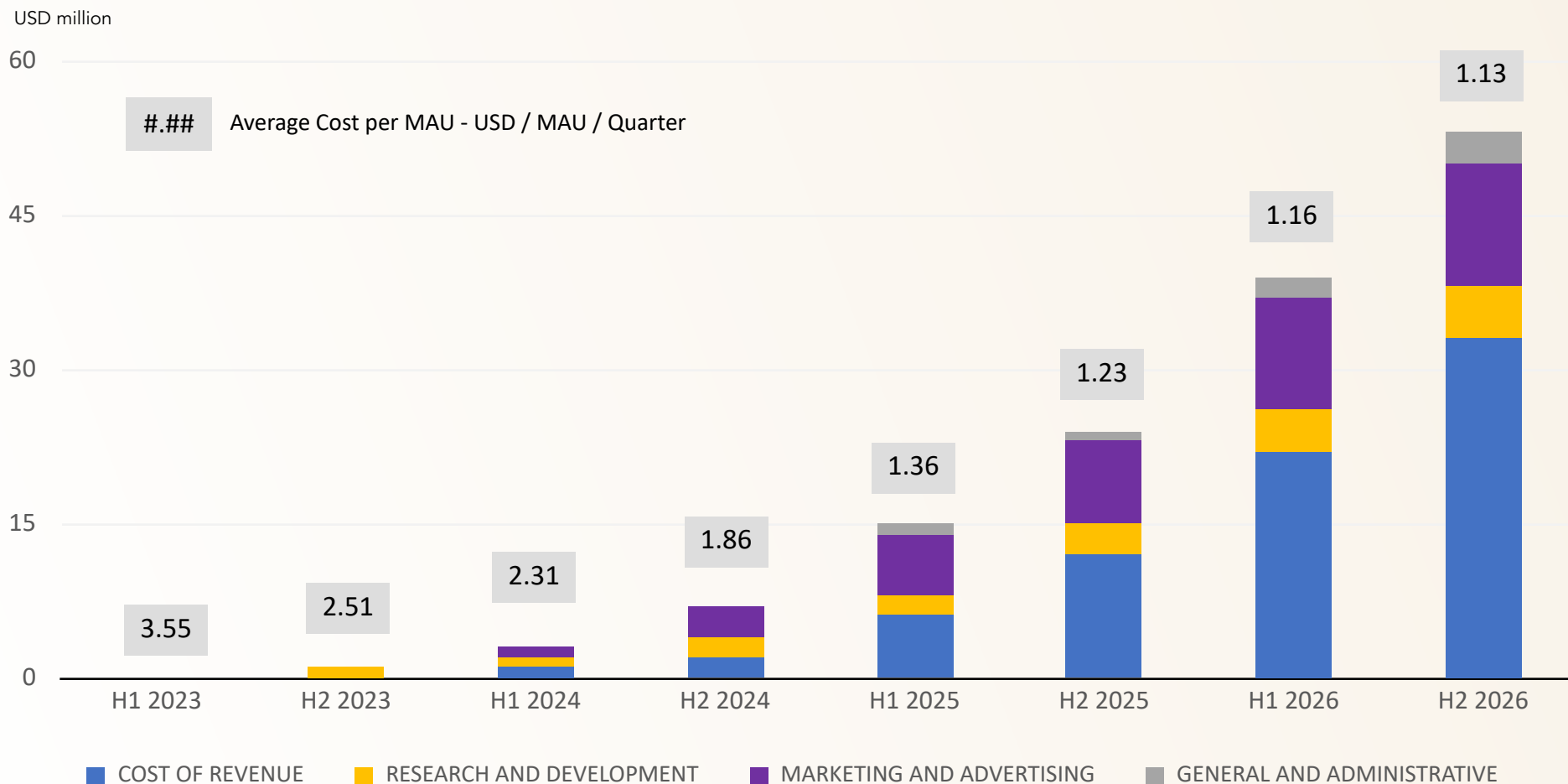
Advertising ARPU

USD / ad-receiving MAU / Quarter

Benchmark source: Spotify, Snapchat, Duolingo, company Annual reports 2021. Lighttricks - company sources and Sensor Tower.

* Advertising ARPU for weglue incorporates all non-recurrent B2B revenue.

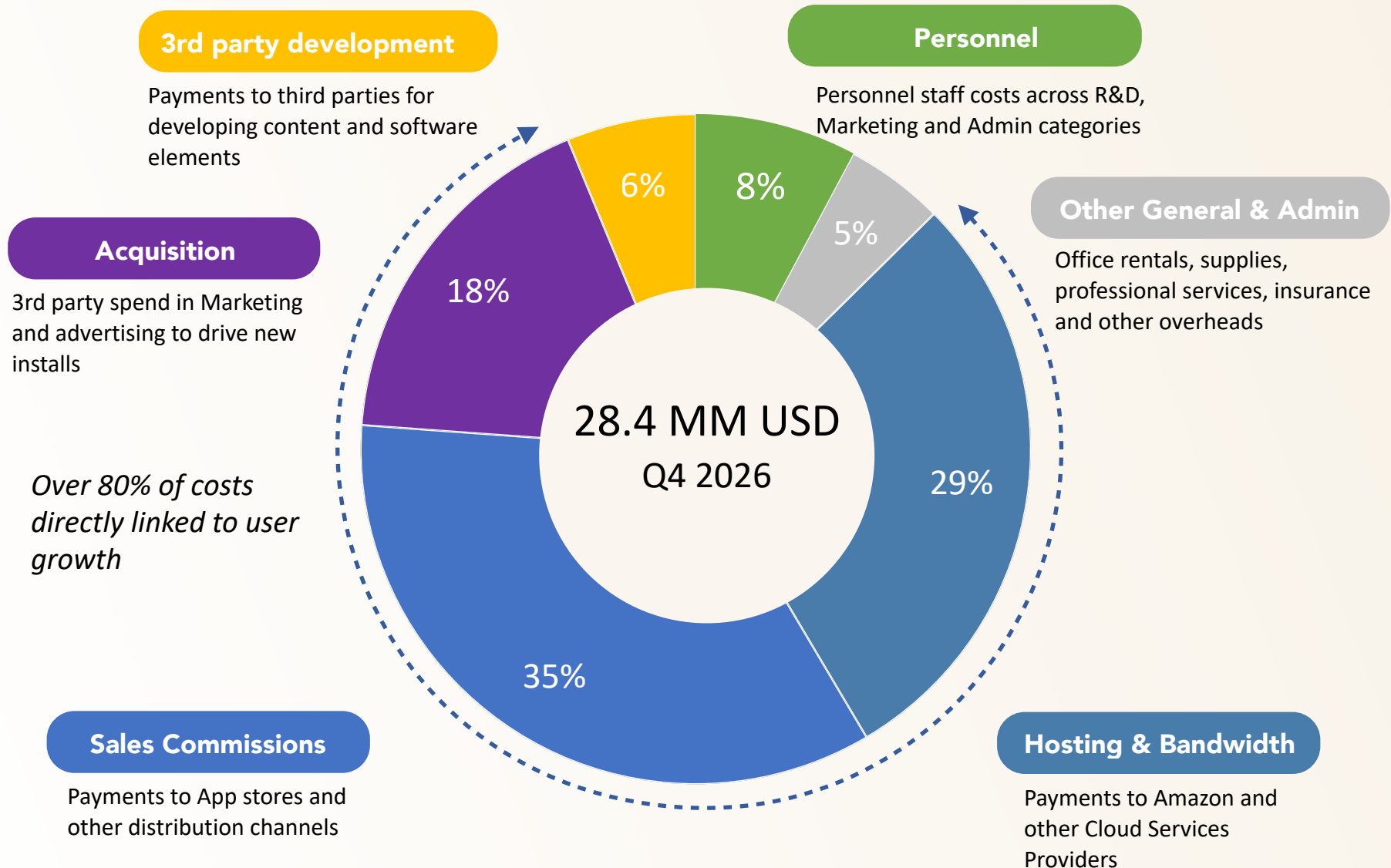
Conservative monetisation assumptions



Total OPEX + CAPEX forecast

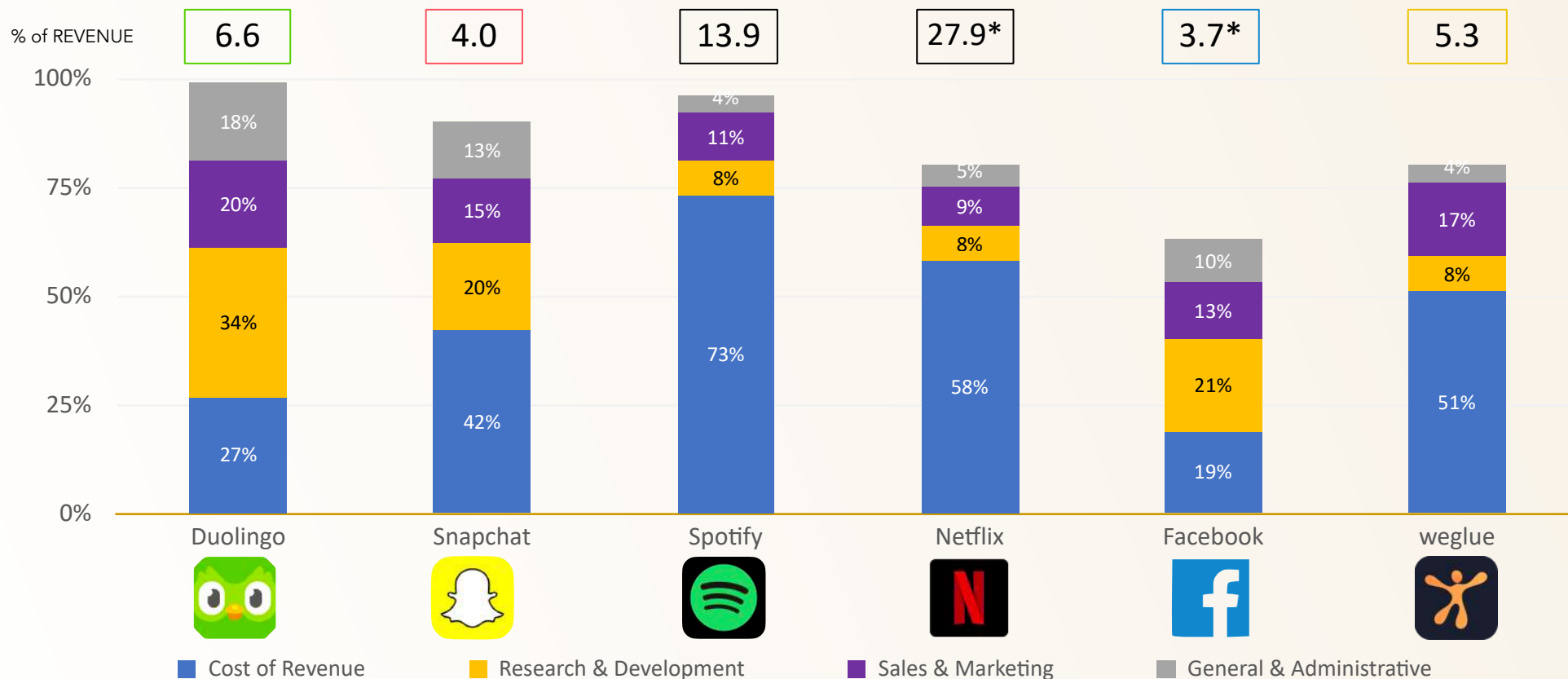
USD million

Declining average unit cost as economies of scale kick-in





Average Cost per DAU - USD / quarter



OPEX + CAPEX by cost type

Percentage of Revenue

Benchmark source: own elaboration based on annual reports 2021 and other sources for estimation of DAU.

Costs for Duolingo, Snapchat and Spotify exclude stock-based remuneration and IPO-related costs for comparability purposes

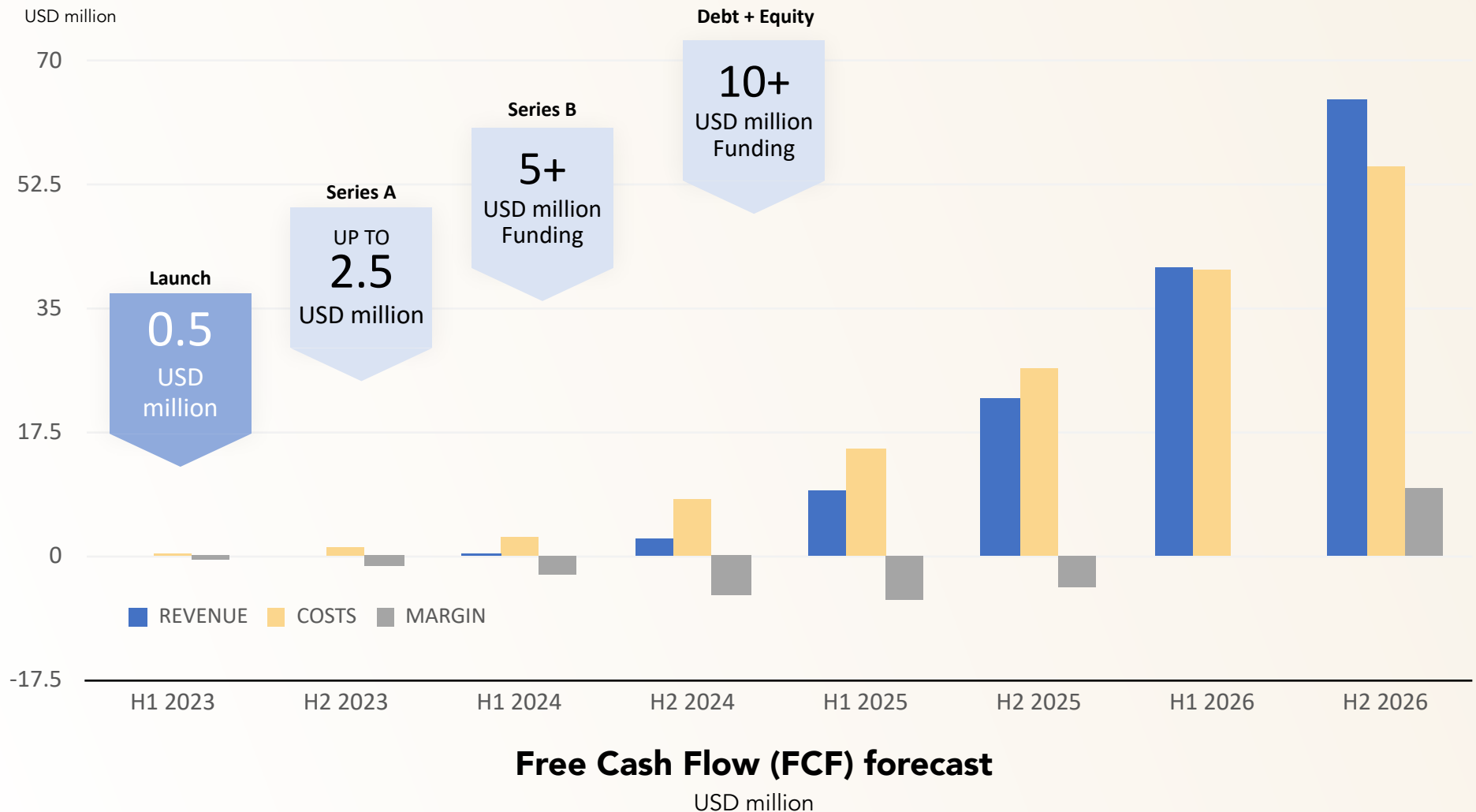
* Netflix value represents average cost per subscriber. Facebook value represents estimate average cost across Facebook, Instagram and WhatsApp apps

Reasonable cost assumptions reflecting expected intensity of use



<i>In USD '000s</i>	<i>1H 2023</i>	<i>2H 2023</i>	<i>1H 2024</i>	<i>2H 2024</i>	<i>1H 2025</i>	<i>2H 2025</i>	<i>1H 2026</i>	<i>2H 2026</i>
REVENUE	5	43	343	2,263	8,737	21,320	40,872	64,753
<i>B2C Recurrent</i>	5	43	216	1,156	4,328	10,206	19,151	30,734
<i>B2C One-Offs</i>	-	-	100	678	2,718	7,014	13,193	18,729
<i>B2B Advertising & One-Offs</i>	-	-	23	225	880	2,164	4,815	8,615
<i>B2B Recurrent</i>	-	-	5	204	810	1,935	3,713	6,675
<i>Cost of Revenue</i>	56	207	509	1,742	5,445	12,013	21,617	33,109
GROSS MARGIN	-51	-164	-165	521	3,292	9,307	19,255	31,644
<i>As % of revenue</i>			-48%	23%	38%	44%	47%	49%
OPERATING EXPENSES	312	979	2,119	5,399	8,438	12,364	16,628	19,605
<i>Research & Development</i>	161	533	1,177	1,798	2,440	3,120	3,689	5,301
<i>Marketing & Advertising</i>	79	349	772	3,355	5,505	8,300	11,288	11,771
<i>General and Admin.</i>	73	96	169	245	493	944	1,651	2,533
NET MARGIN	-363	-1,143	-2,284	-4,878	-5,146	-3,057	2,627	12,039
<i>As % of revenue</i>			-665%	-216%	-59%	-14%	6%	19%
<i>Variation in Working Capital</i>	80	176	254	845	1,254	1,893	2,408	2,456
FREE CASH FLOW	-443	-1,301	-2,496	-5,586	-6,034	-4,241	219	9,583
CUMULATIVE FREE CASH FLOW	-443	-1,744	-4,239	-9,825	-15,859	-20,100	-19,881	-10,298

Peak Funding Requirements around USD 20 million - FCF positive 2026



Recurrent revenue sources allows for incorporation of debt by end of 2024



Illustrative potential exit targets (non-exhaustive)



Strengthening B2C segment and developing marketplace for video editors



Increase engagement and sales of add-on services to travellers



Leverage advertising platform, content contracts (e.g. music) and customer base



Enabling sales in B2C segment while leveraging existing assets base



B2C market place for freelance services related to events and experiences



Integrate user content and increase subscriber retention



Diversification and strong synergies with existing physical album business



Refurbish the way users buy, use and enjoy experiences



Expand reach for content procurement and provide new ways to monetise existing assets

PHOTO & VIDEO EDITING

EXPERIENCES MARKETPLACE

USER CONTENT & SOCIAL

MAIN FOCUS OF INTEREST

Sitting at the intersection of several verticals opens up multiple exit options



WE'RE SEEKING A USD 500.000 FINANCING ROUND IN EXCHANGE FOR A 10% STAKE IN THE COMPANY

Following this investment round, the company shares would be distributed as following:

80% to company founders and business angels already invested in the company

10% to seed investors

10% Option Pool (shares currently owned by company founders set aside to hire and reward key employees – these shares will not dilute the seed investors' stake in the company)

INVESTMENT TERMS

We expect the investment terms to include the signing of a Shareholders agreement with standard investor rights, covenants and protections, including right to name a Board Member [or non-voting assistance, as preferred by the investor], Pre-emption rights, Right of First-Refusal, Co-Sale/Tag Along, and Straight Liquidation preference.

The company Statutes and the Shareholder Agreement will incorporate strengthened governance rules, including Reinforced majority for key decisions, Information Rights, Non-compete and Conflict of Interests.

FOR FURTHER QUERIES PLEASE CONTACT:

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The Chapters of your Life