



# KoinKoin

## THE ROAD SO FAR...

### BORDERLESS AFRICA | BORDERLESS WORLD

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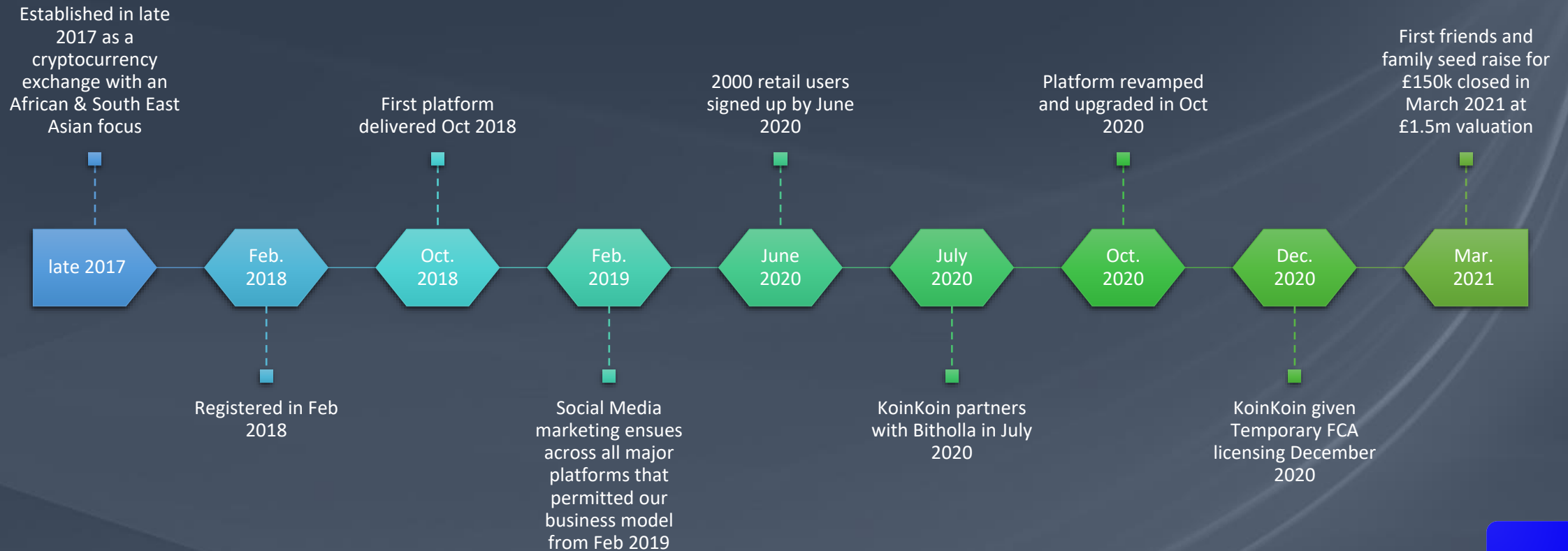
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# KoinKoin Origins



# KoinKoin TO THE MOON



KoinKoin C-Suite Meets the leadership at CBN by July 2021 to discuss digital assets and the road forward in Nigeria

July 2021

Aug. 2021

KoinKoin establishes digital assets OTC desk for the Nigerian market by August 2021

KoinKoin Partners with MiloPay to allow retail users to purchase crypto without use of their bank accounts and to deliver crypto-checkout to online merchants in November 2021

Nov. 2021

Jan. 2022

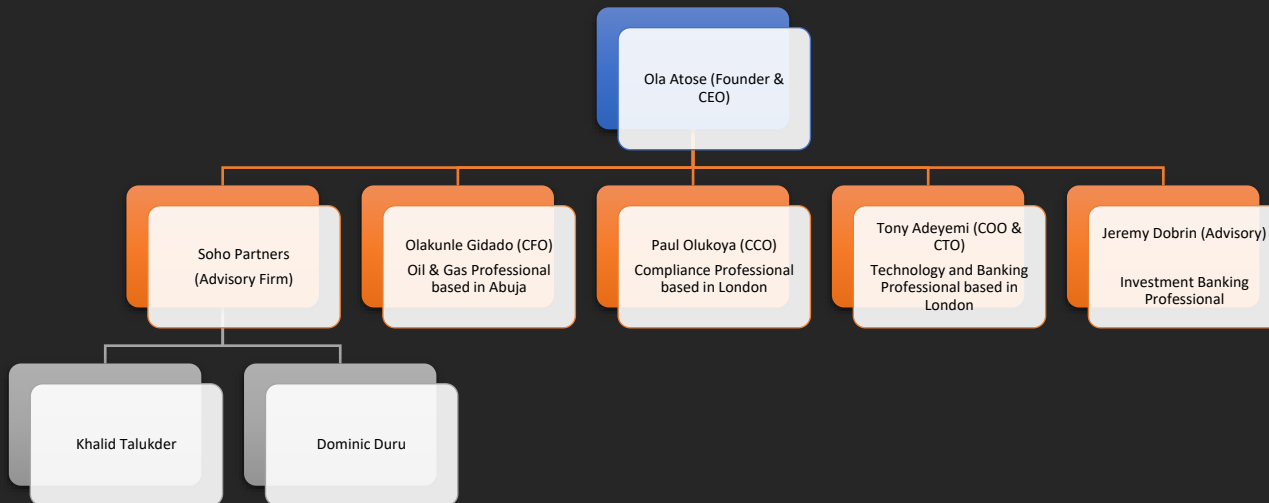
**KoinKoin turns over approximately £20m by February 2022**



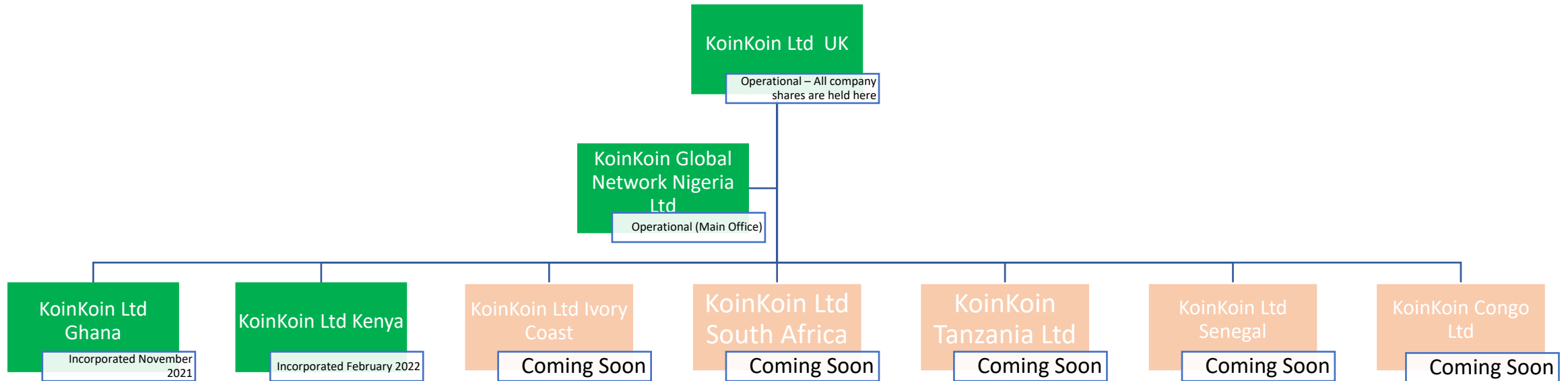
\*Updated 28-Apr-2022

# KoinKoin C-Suite & Corp Structure

- KoinKoin is registered in 4 jurisdictions:
  - UK (Parent Company)
  - Nigeria
  - Ghana
  - Kenya
- The UK entity is the parent company vested in.
- KoinKoin is expected to expand to include other jurisdictions and countries in Africa in the coming months
- KoinKoin is expected to recruit more staff as the business grows



# KoinKoin C-Suite & Corp Structure





# Achievements

## Turnover from July 2021 – Jan 2022 – ~ £20M

- This is majorly from our **OTC** business which has taken on several international corporate clients in Nigeria over the past few months via KoinKoin Global Network Ltd registered in Nigeria
- This is indeed good news – KoinKoin is now showing some growth and we expect a further 500% increase in Naira flow over the coming 6 months.
- KoinKoin Global Network Ltd Nigeria signs agreement with one of the largest betting companies in Nigeria to deliver USDT on a regular basis
- KoinKoin Ghana Ltd is also active and has turned over **£2m** since operations began in January 2022

## KoinKoin Ltd has partnered with MiloPay

- MiloPay offers technology which permits our users to buy crypto using Mobile Telecoms units thereby circumventing the banks and putting KoinKoin at pole position to deliver crypto to the retail market legally in a variety of African countries.
- In addition, KoinKoin+MiloPay will be offering a crypto checkout solution to online merchants across Nigeria and Ghana in the coming months

## KoinKoin Global Network Ltd Nigeria office opens in Lagos

- Offices now open in Lagos as we focus to expand our OTC business in West Africa and build stronger relationships with local OTC clients



# Next Steps

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## 2<sup>nd</sup> Funding Round to proceed by Feb 2022

- Given recent development and revenues from our OTC business, it is time to step things up and seek more funding

## Finesse & Optimise technology

- Deliver new smartphone application by April 2022
- Allow exchange to be easily accessible via feature phones by June 2022

## Promotion and Marketing

- Major markets promotions to proceed in Nigeria and Ghana to start
- Promotional plan must be developed for an Africa wide campaign (Borderless Africa, Borderless World) by Summer of 2022



# Fund Raising – Initially for KoinKoin's OTC Business (Optionality)

- Option 1 – Raise £5m for KoinKoin's OTC Liquidity (For Operations in Nigeria and Ghana)
  - Based on performance – KoinKoin Ltd UK will offer 10% of the company in options after 1 year - these options will be excisable within a period set by the company (typically until the company is sold or funds are raised at a higher valuation)
  - Fixed valuation of company to be offered will be £50m
- Option 2 – Raise £1m for KoinKoin's OTC Liquidity (For Operations in Nigeria and Ghana)
  - Based on performance – KoinKoin Ltd UK will offer 2% of the company in options after 1 year – these options will be excisable within a period set by the company (typically until the company is sold or funds are raised at a higher valuation)
  - Fixed valuation of company to be offered will be £50m
- Option 3 – Raise any amount from £1m up to £5m for KoinKoin's OTC Liquidity (For Operations in Nigeria and Ghana)
  - Get 10% of the company's profit on a monthly basis
  - Option to pull liquidity (callable loan) (3 weeks notice required) – investor will be allowed to keep all profit with no options on shares.
  - In one years time, the investor will have the option to buy no more than 5% of company shares at fixed valuation of £50m





# Projected Profits (1 yr)

| OTC Liquidity (£) Provided | Projected Margin | Annualised Projected Profit (£) | Annualised Investor Profit at 10% (£) | Notes  |
|----------------------------|------------------|---------------------------------|---------------------------------------|--|
| 1,000,000.00               | 0.25%            | <b>120,000.00</b>               | <b>12,000.00</b>                      | <i>Conservative estimate based on a single deal worth £1m weekly – please bare in mind that we are seeing a bit more than this currently</i> |
| 2,500,000.00               | 0.50%            | <b>600,000.00</b>               | <b>60,000.00</b>                      | <i>This is a more likely scenario although margins may be a bit slimmer, based on a weekly deal size of £2.5m.</i>                           |
| 5,000,000.00               | 1.00%            | <b>2,400,000.00</b>             | <b>240,000.00</b>                     | <i>This is a possibility given the growth we are seeing right now</i>  |

# Sales Forecast & Overall Revenue Summary (Year 1 – 3)

This is based on the KoinKoin retail market investing OTC profits into hiring, development and marketing

## Crypto Retail

| Customer Base          | Year 1    | Year 2     | Year 3     |
|------------------------|-----------|------------|------------|
| Customers Base         | -         | 6,929,000  | 20,787,000 |
| New Customers          | 6,929,000 | 13,858,000 | 41,574,000 |
| Customers Base – Total | 6,929,000 | 20,787,000 | 62,361,000 |

| Revenue @ 20% User Participation                              | Year 1            | Year 2            | Year 3             |
|---|-------------------|-------------------|--------------------|
| <i>Fiat for digital assets or digital assets for fiat Trx</i> | £703,560          | £1,758,900        | £4,397,250         |
| <i>Digital Assets to Digital Asset Trx</i>                    | £703,560          | £1,758,900        | £4,397,250         |
| <i>Peer to Peer Tx (for <u>£0.0125</u> fee)</i>               | £351,780          | £1,055,340        | £3,166,020         |
| <b>Total Revenue</b>  | <b>£1,758,900</b> | <b>£4,573,140</b> | <b>£11,960,520</b> |

| Per Month Growth Rates for Year 1 | GR   |
|-----------------------------------|------|
| Month 2                           | 100% |
| Month 3                           | 100% |
| Month 4                           | 25%  |
| Month 5                           | 20%  |
| Month 6                           | 17%  |
| Month 7                           | 14%  |
| Month 8                           | 13%  |
| Month 9                           | 11%  |
| Month 10                          | 10%  |
| Month 11                          | 9%   |
| Month 12                          | 8%   |

| Annual Growth Rates for Year 2 and 3         | GR       |
|--|----------|
| Fiat Transactions                            | 150%     |
| Crypto to Crypto Transactions                | 150%     |
| Peer to Peer Transactions                    | 200%     |
| Annual Growth Rates for Year 2 and 3 (Users) | GR Users |
| User Growth                                  | 100%     |
| User Growth                                  | 100%     |

## Crypto OTC

| OTC Liquidity (USD)  | Year 1             | Year 2               | Year 3               |
|----------------------|--------------------|----------------------|----------------------|
| 2,500,000.00         | 600,000.00         | 1,200,000.00         | 2,400,000.00         |
| <b>Total Revenue</b> | <b>£600,000.00</b> | <b>£1,200,000.00</b> | <b>£2,400,000.00</b> |

*Conservative estimate based on a single deal worth £2.5m weekly – please bare in mind that we are seeing a bit more than this currently*





# Valuation

- KoinKoin Ltd UK current valuation of £50m is based on a number of factors inclusive of the company's turnover and earnings projection:
  - KoinKoin Global Network Ltd Nigeria – a subsidiary of KoinKoin Ltd UK established in 2018 has been bootstrapping from the onset
  - There are other mid-size companies in our industry and the African region led by VCs like Jump Capital. A good example of such a company is Bushaa – who like KoinKoin were established in 2018 and have just managed to raise £4.2m seed funding (<https://techpoint.africa/2021/11/23/bushaa-4-2m-seed-funding/>)
  - Yellowcard.io is also another Africa-focused exchange who have raised £15m till date with full focus on the African region
  - AZA Finance (BitPesa) have raised over £50m since 2014 are one of the largest Crypto OTC exchanges operating Africa
- KoinKoin Ltd UK will seek Series A funding mid 2023 at £200m based on our trajectory and turnover growth of over 6000% since July 2021

# Risks to Investor Money

| Risk                            | Mitigation  | Risk Meter (H/M/L) |
|---------------------------------|---|--------------------|
| Regulatory risk from CBN or BOG | We are working very closely with the regulators in the region and we know them personally – any risk to the business does not stop us from refunding investor funds   | High               |
| Cyber-risk to crypto funds      | All funds are kept in accounts that require 2-factor authentication – KoinKoin enforces 2-factor authentication on all accounts that hold client and/or investor money  | Medium             |
| Local Banking Risk              | KoinKoin banks with local banks in Nigeria and Ghana and will opt to hold USDT over local currency to mitigate risks to banking infrastructure  | Low                |
| Fiat risk (PV less 3%)          | Sufficient demand exists for NGN and GHS locally, KoinKoin will opt to hold USDT to ensure investor money does not lose value. We estimate loss of liquidity to be no more than 3% based on daily spread and local central banking policies, in all cases, KoinKoin will remain diligent and opt not to trade if buyback rates are not set upfront by NGN or GHS liquidity providers. | High               |
| Loss of all funds               | KoinKoin will provide in-depth monthly reports so investor can have an intimate view on funds to determine continued viability of the business. KoinKoin will also provide ad-hoc reports to the investor where necessary. Online access to bank accounts can also be provided for additional investor comfort.   | Low                |