



# BUSINESS PLAN for Venture Capitalists



Dear Investors,

We are pleased to present our business plan to you today. We, that is the kernel team of A-WEAR. A-WEAR (LLC) was founded in 2023 in Austria by six motivated friends and colleagues with accumulated 50 years experience in business at reputable organizations in order to take joint action against the widespread and yet hardly punished Spiking of drinks and all its possible consequences. While our few competitors mostly only offer cumbersome test kits, we produce sustainably and socially responsible, an elegant, high quality solution through test strips, which can be used quickly and discreetly with the help of accessories and charms, and can be purchased individually or as bundles with the accessories.

Austrian aid organizations and government officials, a strong evaluation of the market, various target group surveys, valuable partnerships and a sophisticated marketing and distribution system strengthen us. Therefore, we are already starting our product launch from Vienna in the coming months.

We expect a turnover growth 45% in the next three years based on our growth strategy, which focuses on customer acquisition and the expansion of the distribution network due to the heavy market development plan we will implement and we plan to expand to Germany by Q4 year three.

Due to our detailed and sophisticated preparation, we expect sales of 5 mil.€ by the end of Y1 at the beginning and reach our break-even point already in the third quarter of the first year. Through self-financing, we already have capital of 2.5 mil€ at our disposal. In order to give our business the last missing push, we ask you to invest 2.3 mil€ in us, which will pay for itself in an investment return from the second year onwards.

On the following pages we will show you that we are exactly the right team and the right company for your commitment. Therefore, be A-WEAR and let our concept speak for itself.

A stylized, handwritten signature of the word 'A-WEAR' in black ink.

# GENERAL DESCRIPTION



When Heinke was partying with her roommate in Vienna in 2018, the music was loud, the drinks delicious and the mood great, until her flatmate acted weird. She started slurring her words, and collapsed in the middle of the dance floor. At first glance, everyone thought she might have consumed too much alcohol, however, she became a victim of Spiking.

Spiking is the process of adding drugs to a drink with the effects varying depending on the amount added and consumed. It is associated with confusion, drowsiness, nausea, headaches, blurred vision, and loss of control. Spiking can make the victim hospitalised, and may even lead to death. The substances used for Spiking are colourless, odourless, and tasteless, making it difficult to notice. The perpetrator tries to make the victim compliant and bring it under their control. Hence Spiking substances are also called “Rape Drugs”.

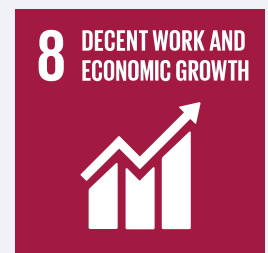
In 2020, there were 60 reports to the police in Austria for spiked drinks. Spiking substances are hard to detect in the body of victims, after 24 hours of consumption, which makes it difficult for victims to file a complaint, and holds the perpetrator rarely accountable for the crime. As the number of unreported cases are immensely high, the Austrian government has heavily displayed strong campaigns countrywide creating awareness about it.

After her experience, Heinke, the founder of A-WEAR, searched for a way to protect herself, but she couldn't find a suitable solution. So she decided to invent a product which is elegant, discreet, quickly reusable, protective and sustainable, that makes it easy and convenient for people to test their drinks.

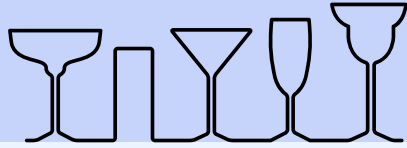
Established in 2023, A-WEAR is now helping people to detect spiking substances and provides them with safety. A-WEAR starts its business journey in Austria because the founders have seen a need there through their own experiences, feedback from helping organisations, a validation round and conversations and support from Austrian government executives, and because of the sustainable resources available in the EU.

With our groundbreaking approach of testing for Spiking, we will be penetrating the market at a very high rate.

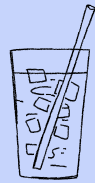
Our business should generate revenue in Y1 Q3 and have a market turnover growth of 45% by Y3. This will enable us to act sustainable, provide paying forward activities, that help serve our company purpose and contribute to our communities, and deliver on the UN SDGs. For the first 2 years we will donate 10% of one month sales to those in need at the organisation “Weißer Ring”. Starting year 3 we will announce that on all sales every month for every 10 units sold we will giveaway 1 unit to those in need.



# VISION



***“We envision a future where everyone can enjoy any social event worry-free - without the concern of getting spiked”***



# MISSION

***“At A-WEAR we are dedicated to use our latest technology for the creation of stylish solutions to serve our communities and promote a casual culture to test against spiked drinks”***

# CORE VALUES

**At A-WEAR, we always follow our five core values:**

## **Social responsibility**

We are committed to the social and economic progress of the community in which we operate, and therefore work together with people with disabilities. Our social responsibility is reflected in our products through the discreet and quick way in which our customers can use them and the protection they receive by doing so.

## **Quality**

We pursue the highest quality, both in each of our areas of activity and in our products. Our charms and bracelets, in every price range, are made of the highest quality materials and are durable and elegant.

## **Customer focus**

All designs and distribution plans are aligned to the needs and wishes of our customers, whose feedback we regularly obtain. Good customer relations are essential to us.

## **Sustainability**

We recognise that our activities have an impact on the environment and act accordingly through the targeted selection of sustainable and reliable partners and sustainably sourced materials in our value chain, as well as the reduction of waste, both in the production process and in the use of our products.

## **Passion**

We foster a work environment that is characterised by commitment and enthusiasm for our culture. Our products are not simply lifestyle products, but have the purpose of protecting human lives. That's why everyone in the A-WEAR team gives one hundred percent.



# OUR PRODUCTS

A-WEAR focuses on two main products. The first one is single use test strips that rapidly detect low concentrations of five different spiking substances in drinks. Secondly, we sell compatible high-quality, socially responsible, drop-shaped charms that function as a locket for the test strips and make their use discreet and hassle-free. The charms, which are sustainably 3D laser melted by our carefully selected partners, are opened in the middle and a test strip is placed inside. By closing and locking the clasp, the test strip is fixed and is thus discreet, but always ready for use either on the wrist or on the key ring.



The charms, which are produced in a 3D laser printing process, can be opened like a locket and enclose a test strip. Customers either put the test strips in their charms before leaving home, or carry the test strips in a handy little transport box and can either put them in the charm later, or simply use them as an exposed test strip.

They can easily test for spiking substances by hanging the charm in the drink or placing a drop on the test strip. When coming into contact with traces of spiking substances, the test strip changes its colour from blue to red. The customers either place the test strip in their charm before leaving home, or carry the test strips in a handy little transport box.

Unlike other test strips in the market that detect only two types of drugs, our test strips that detect five types of Spiking drugs can be purchased separately, either as one-off purchases (small transport box with 4 strips each) or as a subscription, where users are sent a certain number of test strips per month.

Furthermore, we sell our products in three different bundles (see table).

Although the test strips can be purchased individually, we recommend that our clients purchase them as a bundle. By using the charm, the use of the test strips is much more discreet, simple and elegant. A-WEAR products promote the habit to test drinks in an elegant, discreet and casual way. Therefore, we expect that in the initial period, the proportion of bundles purchased will exceed that of test strip packs.



Bundle name	Content	Price
<i>Elegance</i>	Silver bracelet, silver charm, 4 test strips	€24,5
<i>Style</i>	Nylon bracelet, silver charm, 4 test strips	€12,5
<i>Practical</i>	Key chain, silver charm, 4 test strips	€12,5
<i>Test strips</i>	4 test strips	€3,5

# OUR TEAM

*A-WEARs kernel includes six very talented and ambitious team members who individually play a role in A-WEARs future success story. Each of the team is a professional in his or her speciality and balances the weaknesses of others with special skills. The four women and two men have worked together before successfully (either as students for the same Masters programme, past job positions or planning events together). Each of them knows how the others react in stressful situations and that they still can rely on each other. This way, they shape a core team that achieves the maximum benefit for A-WEAR.*

*Our core team consisting of four members each holds 16.6% shares of the company. A shareholder agreement exists.*

## **Heinke Wolf - CEO**

Heinke is the visionary at A-WEAR. Her education includes a BA in Journalism, PR and Economics (Johannes Gutenberg University Mainz), as well as an MSc in international economy (University of Vienna) and an MSSc Entrepreneurship (Uppsala University). She gained professional experience as a Sustainability Professional, where she led and crafted Kontron AG global sustainability strategy implemented in 30 countries. She is the inspirational force behind A-WEAR that incorporates sustainability into the corporate culture.



## **Lujza Dugosova - CFO**

Lujza is our finance genius. She has a BSc in Economy (University of Bratislava) and an MSc in Economy (University of Vienna). After graduating, she worked in the headquarters of Kontron AG in various positions as an accountant and controller. She knows how to structure A-WEAR's financial flows like no other and ensures that the company reaches its planned break-even point and makes the best possible use of the investors' capital.

## **Wenjia (Vica) Zhao - CPO**

Vica brings the creative aspect to A-WEAR. She holds a BA in Architecture (Tianjin University) and MSSc Entrepreneurship (Uppsala University). In her professional career, she was responsible for marketing and project management for Fortune 500 companies. She also started two successful businesses in China and now contributes her knowledge to the success of A-WEAR. With her professional skills in data analysis and market research, she helps A-WEAR to not only listen to the wishes and needs of its customers, but also to implement those in an astonishing way.





### **Hussam Sinada - CSO**

Hussam is our Marketing Master Mind. He has a BBA in business administration (American University in Cairo), and an MSSc Entrepreneurship (Uppsala University). He has worked for Unilever for eleven years in Channel & Category development, and brand building in North Africa and Levant, managing the business in various regions and helping to grow it. He has also mentored finalists in the British Council Sudan business plan competition in 2019. He brings his experience and passion to the marketing strategy at A-WEAR.

### **Nazmeen Mohammed - R&D CHIEF**

Nazmeen is A-WEAR's lab genius. She holds a BSc in Food Science (Osmania University), a MSc in Food Science & Technology (Gitam University), and MSSc in Entrepreneurship (Uppsala University). Professionally, she has worked as an expert in new product development, research, food and beverages processing, as well as regulations, labelling compliance, quality assurance, quality control, and food safety. She is the connection to A-WEAR's partner laboratory and brings all her knowledge to the ongoing chemical development.



### **Michael Naysmith - CTO**

Michael is A-WEAR's innovator. He holds a degree in IT Development from the 42 Vienna Academy (famous IT school). He has worked for more than ten years as a production employee and in quality management at Takeda Pharma, and as an IT developer at Raiffeisen Bank Austria. Avocational, he works as a 3D printing specialist and knows the latest processes and technologies. At A-WEAR, Michael is not only the company's IT-guy but also links the latest 3D printing processes with A-WEARs products and therefore helps to operate cost-effectively.

## BOARD OF ADVISORS

*Furthermore, A-WEAR has managed to form a valuable Board of Advisors with high-profile members, that lets us stand out in the industry. These specialists offer additional expertise to A-WEAR that is lacking in the kernel. Through advice, collaboration, and valuable assets, the advisors provide guidance to lead A-WEAR in the best sense from the beginning.*



#### **Nicole Just**

*Partner at the Vienna Pharma Lab*  
Advise on R&D, chemical substances and new testing methods



#### **Dr. Daniel Schallmaier**

*Head of department of the emergency room clinic Vienna*  
Advise on test trials, medical questions and costs in series of Spiking



#### **Lisa-Marie Fassl**

*Business advisor and founder of health ub*  
Advise on strategic planning, upscaling and attraction of financing



#### **Christian Hase**

*Legal advice*  
Advice on any legal questions regarding Austria, but also the European market

# VALUE CHAIN

***At A-WEAR we link every part of the value chain, from primary to supporting activities, with our values to create a socially, environmentally and economically sustainable company. Our corporate blueprint our identity and our core values are in our firm infrastructure, procurement, R&D and HR management. Our activities, as well as our key partners, are aligned with a diligent Code of Conduct.***



## RESEARCH & DEVELOPMENT

Our core value customer focus is reflected in our R&D, where we adapt the designs and functionality based on our customers feedback. To create a social responsible and high-quality product, we constantly work with our partner, the Vienna laboratory, to rapidly develop test procedures that can detect further substances, based on the information about the latest developments we get from our partners "Women's Hotline Austria", the aid organisation "Weißer Ring", and our advisor from the Viennese hospital. With our passion we strive to create an even easier to use kind of test strip, that can be stuck to any possible surface, and hence be more versatile. This approach makes us stand out because we use the latest technology for the most effective test strips and create innovative solutions. However, since we hold no patents, our technology could be reduplicated.



## SOURCING AND MANUFACTURING

Our product is aligned to our core values. It is created with passion and customer focus and of high quality, social responsible and sustainable. These values are achieved in the selection of our materials. We pay special attention to the avoidance of conflict materials in the use of precious metals. Therefore, we work with some of the few responsible and certified suppliers and producers in Germany, as they are subject to the local supply chain law.

Sustainability is a part of every action we take, so we will have our charms produced using an innovative 3D laser melting process, which helps us reduce waste and is becoming more and more advanced so we might be able to eventually do it by ourselves. For the current time, we will partner with the German company C.Hafner, that is part of the Urban Mining Project (UMP), a member of the Responsible Jewellery Council (RJC) and an Affiliate Member of the London Bullion Market Association (LBMA). Through the UMP membership and the use of scrap metals, we avoid weaknesses like supply bottlenecks and create economies of scale due to the large number of pieces.





## SOURCING AND MANUFACTURING CONT.

The high quality bracelets and keychains, which could be substituted over the course of time with different jewellery, are sourced through the RJC certified German wholesaler Götze Gold who offers us bulk prices. We purchase the sustainable 100% recyclable stainless steel transport boxes for the test strips from ADV PAX Lutec GmbH, while benefiting from economies of scale. Both suppliers are regularly checked by us in due diligence processes.

The individual chemical components that we need for the production of our test strips are purchased from chemfidens service GmbH. We have deliberately chosen them from the various chemical suppliers because German legislation requires a high level of care and responsibility, which we strive for in our corporate values.

The strips are produced in a patented process by our partner laboratory in Vienna and forwarded to us from there. In workshops for people with disabilities, the various bundles are then packaged and prepared for further transport. This helps us on the one hand to assemble the individual parts of our production at low cost, and on the other hand this possibility creates social, inclusive jobs which underlines our responsibility towards the community we act in.

Since we have no own production or manufacturing sites, the switching costs in case of misconduct or better conditions are very low for us, just like the threat of forward integration on suppliers side, since we combine together very different parts, that do not address our suppliers main target groups.



## STORAGE

Our production partners and suppliers send their goods by train from Germany to Austria, directly to our partner laboratory and our cooperation workshops. We list DB Cargo as a partner here. Since We deliberately do not want to use a truck transport company, as they produce higher CO2 emissions, we partner with DB Cargo. and we want to avoid this. The very developed infrastructure of Vienna enables us to do this.

The manufactured bundles go from there to our warehouse on the outskirts of Vienna, where they are stored in recyclable cardboard boxes on reusable Euro pallets.

We calculate 6 weeks from production to storage, as the individual intermediate steps always take some time. Total cost of production is 2.2 mil.€ in Y1.



# DISTRIBUTION

**We will implement a strong go to market plan to reach 38 % direct distribution across customers in all channels in Y1. Our goods are distributed in three different ways, with A-WEAR taking on different roles, which makes us stand out compared to our competitors.**



## OUR B2B STRATEGY

Our top weighted customers will be DM, BIPA and Billa which are the three biggest supermarket chains in Austria, and the Austrian Chamber of Pharmacists which is the association of all Austrian pharmacies and coordinates the distribution of products among them. In order to have our products listed at DM, we negotiate at the highest level with the Managing Director of Marketing and Procurement, Sebastian Bayer and Managing Director of Product Management, Kerstin Erbe. DM has a turnover growth of 9,7% in 2022. For BIPA, which is part of the REWE group in Austria, we are negotiating with CEO Andreas Persigehl, who is increasingly directing BIPA's strategic focus towards sustainability and health protection. BIPA has a turnover growth of 7.5% in 2022.



To sell our products to Billa, we use a contact of our business advisor Lisa-Marie Fassl, who already works with the CEO of Billa, Marcel Haraszt. Billa achieved sales growth of 2.9%, is one of the largest players in Austria with a market share of 33.8%. We reach the Austrian Chamber of Pharmacists through personal contact with the first president Mag. pharm. Dr. Ulrike Mursch-Edlmayr. We have an advantage due to the current change in the law until 2024, which will give pharmacies even more competences, allow them to offer a greater variety of products and longer opening hours. This will make pharmacies even more present for consumers.

Our goal is to be represented with our products on the shelves in every drugstore branch and pharmacy. In order to be even more interesting for our partners, we not only produced 5000 instore display units but we also create a high recognition value and attention of the customers for our brand right from the start with our campaigns and our social media presence, as well as our own website. Even before the market launch, we inform potential buyers about our product and create a desire so that they go to the branches and ask if the product is already on sale.

We will focus on taking the role of the main supplier or wholesaler to directly manage these big accounts and ensure excellent service where we will forward the goods straight to their warehouses and support them with a strong in store visibility, offers and follow up on sales. After we are listed at the big customer accounts, to overcome the high operation costs resulting from covering their several stores and because they request long payment facilities, we will have a separate distributor, SISA distribution, to handle these customers

# DISTRIBUTION CONT.

Our other customers consisting of restaurants, bars and nightclubs, which act as a direct point of contact at the scene of the event, will be covered by a beverage distributor, HEINEKEN, with whom we sign a joint business plan deal to agree sales targets. Here we offer the operators the chance to be perceived as a responsible location while we are directly on the scene. We give them the support needed to drive sales via visibility, marketing and trade marketing tools and ship directly from our warehouses to their warehouse.

Having a distributor will remove resources from our team and help us cut overheads as we will use the sales, merchandising, logistics and finance teams to reach a large number of small customers. Furthermore, we will use Amazon as a partner to list our products online.

Our strong distribution network is one of our strength elements that will help us react to any future competitors.



## OUR B2C STRATEGY

We will focus on selling through our company website. Our logo, as well as a link to our website and the corresponding QR code, will be displayed on all promotional materials, as well as in the campaigns. Our social media channels will be made accessible to a wide audience through paid advertisements, as well as through partnerships with thematically appropriate influencers.

On our website, which is designed to create a sense of belonging to our brand and create a community between A-WEAR users through design elements, are different sections that highlight our core values, introduce our R&D partners, but also highlight the danger and emotional costs of spiking during the shopping process.

A visit to our website should feel like a complete package, where the visitor can clarify all open questions and then fulfil his need through buying our product on the shop page. We will then act as a retailer that forwards the goods directly to our customers.

This will include not only individuals, but also universities and bars that want to make our product available to their visitors, as is already the case with hygiene products.

Our buyers can conveniently purchase our product through different channels. We address a broad target group that buys a highly differentiated, sustainable product and has virtually no selection in the market for fast and elegant test strip solutions. Through the different bundles, we avoid a high price sensitivity. Furthermore, we offer our buyers next to the bundles not only the single purchase of 4-packs of test strips, but also subscriptions that keep them supplied with new test strips worry-free and without hassle.



# INDUSTRY ANALYSIS

A-WEAR produces an original innovation and with that creates its opportunity as an own niche market in a blue ocean in the industry of Personal Safety Accessories and Anti-Spiking devices.

Because public industry statistics are lacking, we completed our market analysis based on our own resources. In Vienna alone the yearly earnings of bars, restaurants and clubs for the year 2019 was around one billion euros. Based on an survey done with the assistance of one of the top research agencies Kantar we found the average Austrian citizen visits these establishments or meets with friends 2-3 times a month. From those we asked, 33% have either themselves or a friend of theirs been a victim of Drink Spiking. Over 50% are worried that they will be a victim of Spiking. During one-on-one interviews with those responsible in the Economic and Health sectors within the Austrian government we have found that Spiking in the last few years drastically rose, which means a growth in the demand and market for Spiking tests.

In Austria there is only one single competitor, which is very different in terms of handling, duration and design, it is also found at very limited drugstore outlets as they do not have distribution partners. The worldwide Spiking testing market is fragmented and the rivalry is rather low. The industry has technical requirements for testing reagents and our research shows that there are no more than ten competitors, mainly in the United States and the United Kingdom. We identified a small number of direct and indirect competitors whose exit barriers are medium, since they don't own large plants or hold patents.

Current products are often simple test strips or test kits, as seen in the well-known Corona test kits. These products mainly test if drinks contain GHB and KETAMINE while taking two long minutes to detect the results. A-WEAR's products however are social responsible due to the discreet and easy use and most importantly instantly detect five spiking substances in drinks. Furthermore, we are the first brand in that our competitor field to take sustainability into account, not only in the production but also after sales and built partnership with strong distribution partners.

## DIRECT COMPETITORS

PRICES IN € FOR BETTER VISIBILITY

We are competing with other companies selling test strips in the market. However, we can only compare ourselves to them in terms of the sole test strip product. Contrary to the other providers, we offer matching bracelets and charms in bundles that are intended for use with the test strips. Although the purchase of a bundle represents an initial cost, our customers buy the comfort and the discreet and simple use of the test strips, which sets us apart from the competition.

	A-WEAR	Xantus	Porod-med	CYD	TEST MY DRINK	UK Wristbands
<b>Pricing per test</b> (rounded)	<b>0,92</b>	2,98	12,31	4,58	1,41	1,72
<b>Tests per pack</b>	<b>4</b>	2	5	10	10	8
<b>Bundles</b>	<i>Elegance: Silver bracelet, silver charm, 4 test strips (€24,5) Style: Nylon bracelet, silver charm, 4 test strips (€12,5) Practical: Key chain, silver charm, 4 test strips (€12,5)</i>	-	-	-	-	-
<b>Geographical market</b>	Austria	Germany	Austria	UK	US	UK
<b>Test duration</b>	Immediately	1-2 minutes	1-2 minutes	1-2 minutes	1-2 minutes	1-2 minutes
<b>Substances detected</b>	<b>5</b>	2	2	3	2	2
<b>Product type</b>	Strips and additional jewellery components	Strips	Strips	Strips	Strips	Strips
<b>Design features</b>	Elegant & discreet	Paper wristbands	Test Kit	Test Kit	Test Kit	Paper wristband
<b>Sustainability</b>	Sustainable produced, waste reduced	-	-	-	-	-

## INDIRECT COMPETITORS

Regarding our indirect competitors, we are aware of their products as substitutes as they are fulfilling a safety task regarding spiking in different ways. However, in our opinion they differ due to worse usability, longer waiting times, difficult preparation or a stronger visibility.

**SPIKEY** - Their product is a bottle stopper for Spiking protection, which has to be stuffed into a bottle opening like a cork. The only opening that remains is just big enough for a straw. The disadvantage is that the bottle stoppers are very conspicuous, difficult to handle and awkward to transport.



**Nightcap** - Produces drink Spiking prevention scrunchie, that work in a similar way as SPIKEY. The protection is made of fabric that is worn as a scrunchie on the wrist and then simply pulled over the glass. So no one can put anything in the drink. Here too, however, the use is very conspicuous and awkward.



**Undercover** - The nail polish that can detect rape drugs (not on the market yet). The disadvantage here would be that it needs to be thought of the application way earlier before spontaneously meeting with others.



**Smart Straws** - Drinking straws designed to detect common rape drugs, by changing colour (not on the market yet, and might need to pivot due to banning of plastic in EU). These straws change their colour after coming into contact with Spiking substances. However, they are packed in foil, need cumbersome unpacking and people rarely bring their own straws while going out.



We are aware of our competitors and their long experience in the market. However, with our new approach of discreet testing aided by a charm and bracelet, we create a new product that makes us stand out from the field. Furthermore, our single sold test strips are cheaper than the competition. We are aware of the threat of our competitors taking over our concept, or new entrants enter the market, selling cheaper test strips. However, we stick out of the competition with our high quality, sustainable and highly differentiated product, our customer loyalty built upon trust regarding this delicate topic, and an emotional connection to our brand that we will build with our pay it forward activities planned. Furthermore, we create a very strong distribution model, that makes it hard for new competitors to enter the market.

# MARKET ANALYSIS

The increased number of reported Spiking cases in recent years is an indication that there is a huge necessity for our product in our newly created market. While the official number of reported cases for Austria was at 60 in 2022, our contacts from the women help organisation Vienna told us that until now alone in Vienna 80 victims sought their help. Furthermore, we lean on data from the European Monitoring Centre for Drugs and Drug Addiction which states that up to 20 percent of females are being assaulted by drug spiking every year to validate our assumptions. We estimated our market potential through online surveys, personal interviews, and statistical data available online.



# MARKET ANALYSIS<sub>con1.</sub>

## AUSTRIAN MARKET

Total population in Austria 2022



Age groups 15 to 60

Number of people that used or are willing to use Spiking test strips\*

Our potential customers  
13% market share

\*based on our research

## TARGET

### Primary target segment:

Women in the age of 15 to 60. According to our survey 69 percent of Spiking victims are women. They are more aware towards the issue, want to protect themselves and enjoy social events with an easy measure from being spiked. We are targeting them specifically with our advertorials and press kits, social media marketing, and our drive trials. We expect them to buy our initial *Elegance* and *Style* bundles aswell as the *test strip packs* afterwards mostly from our B2B partners but also online through our website.

### Secondary target market:

#### Men and diverse in the age of 15 to 60

Statistics show that also men and diverse are victims of Spiking. We expect them to buy our *Practical* bundle aswell as *test strip packs* from our B2B partners and online on our website.

#### Protective parents and grandparents

This group will purchase our product from our B2B partners to protect their families and loved ones. They are most likely to buy all three bundles (*Elegant*, *Style* and *Practical*) as they want to give their loved ones a nice present.

Our secondary target group will be reached with our strong partnerships and awareness campaigns.

#### Persona: Helen

Age: 31  
Profession: Consultant  
Income: High  
Location: Salzburg  
Hobbies: After work drinks, social gatherings, visiting vernisages



#### Persona: Mira

Age: 19  
Profession: Student  
Income: Low  
Location: Vienna  
Hobbies: Home parties, clubbing, going to concerts, going out with her friends



#### Persona: Moritz

Age: 27  
Profession: Dentist  
Income: High  
Location: Linz  
Hobbies: Game nights with friends, meeting new people



#### Persona: Magda und Klaus

Age: 83 & 86  
Profession: Pensionists  
Income: Medium  
Location: Graz  
Relationship: Grandparents



## POSITIONING

Our sustainable and social company offers the latest technology in and elegant design to quickly and discreetly detect spiked drinks at affordable prices.

### Pricing strategy:

After the study of our target audience needs and behaviour, a detailed competition analysis, and a research for material costs, we positioned ourselves with a range of products from very affordable to higher than the market price. Our test strips are the cheapest in the market in order to promote a testing habit. Our product launch campaign will not only focus on the product functionality but it will also communicate the economic benefit to consumers, comparing the emotional price and high medical cost in case of being a victim of spiked drinks and the sustainable and social approach behind A-WEAR.



# MARKETING PLAN

At A-WEAR we introduce a product to a relatively new market that is not known to most consumers and customers. To tackle this weakness, our strategy is directed towards educating consumers and customers about the functionality of our product with a strong, innovative advertising campaign on billboard and social media along with customer engagement and drive trials. To have a successful campaign, we must ensure we have a strong distribution model and strong visibility across channels to be available and easy to find to shoppers. Furthermore to have an emotional connection with our consumers and serve our communities, we will launch two strong pay it forward campaigns.

## 1 CREATE BRAND AWARENESS AND ATTRACT NEW CUSTOMERS

### **Strategy:**

Attract new users through brand education

### **Tactics:**

Intense diversified brand education campaigns on social media (TikTok, Instagram and Facebook), on own brand profiles and in cooperation with special influencers fit for target groups, where we educate possible buyers over the problem of Spiking, the emotional costs and our solution to this problem.

Frequent advertorials and press kits

Heavy intense awareness campaigns in the first year in all cities with focus on Vienna, Salzburg and Graz, where we can target the best audience for our product, since there are many young people and internationals who spread the word using their communication channels

### **Strategy:**

Drive trials and free sample distribution with partners

### **Tactics:**

Drive trials through heavy sampling campaigns across channels so the users can learn about the functionality of our product

Use our partnerships activities to drive trials

Seasonal activities such as sponsoring festivals and a number of popular events like the pride parade where we can be directly where our product is needed and connect our brand to big, important events for our target groups

## 2 CREATE A STRONG DISTRIBUTION MODEL

### **Strategy:**

Expand product availability at drugstores and pharmacies, bars, clubs, and restaurants through our team and distributors

### **Tactics:**

Strategic Partnerships

Strong channels of distribution

## 3 GROW PROFITS BY 20% PER YEAR

### **Strategy:**

Enhance the distribution reach in year 1 capitalizing on marketing campaigns and increase sales drop size via trade deals

### **Tactics:**

Introduce attractive loyalty schemes with distributors and traders

Seasonal activities such as customer promos and CSR campaigns, to be visible for new customers

Conduct regular consumer research and get feedback from surveys on A-WEAR website that helps us aligning our goals to the need of our target groups

Expand strong channels of distribution

## 4 CREATE CONSUMER LOYALTY

### **Strategy:**

Create a strong brand-consumer relationship, that helps identify the shoppers with our products and implements emotional value based switching costs

### **Tactics:**

CSR activities that help us to engage with customers directly where needed

Regular customer research on A-WEAR website to keep up with the market development

Lovingly designed packaging and personal, special details as a USP in shipping

# TACTICS

## **CSR - 80K€ in Y1**

With our Pay it forward programs we create a community feeling and strengthen consumer brand loyalty through two main activities:



## **Buy 3 give 1 campaign - 8K€ in Y1**

In every July of the first two years, we will give one free product from every three products sold to lower income classes.

## **10 % of sales go to helping victims campaign - 42K€ in Y1**

In December every year, we donate 10 percent of our revenues to our partner organisation "Der weiße Ring".



## **Buy 10, donate 1 - 1mil€ in Y3**

Starting year three, for every ten products sold every month, we will give away one product to those in need.

## **Seasonal activities - 51K€ in Y1**

We will have a heavy presence in the Vienna pride month with one booth at the viennese town hall square where we give out 30% of our sampling free trials and educate about our brand. In the last years half a million people attended the festivities in an open, friendly but also educational space.



## **Conduct regular customer research and feedback - 10K€ in Y1**

With surveys on our website and consumer connects we follow two objectives. On the one hand we want to connect with our customers and gain their direct feedback, while presenting us as an open and easily approachable company. That way we want to create switching costs based on value through proximity. On the other hand we can do market research without losing resources, that can be used to create better products and estimate new pricing strategies.



## **Strategic partnerships**

We sign two-year partnerships with the ministry of health, municipality of Vienna, the bar owner's association, and the universities and high schools. This is a great opportunity to promote our product and raise awareness of the problem.



## **Strong channels of distribution - 590K€ in Y1**

When awareness and brand education is created, it is extremely crucial for us that consumers should easily purchase and find our products easily across several sales channels. That's why we have a strong go to market distribution plan that includes trade (loyalty programs) and in store visibility and sales incentives that we share with our distribution partners (pharma, beverages, fmcg)



## **Drive trial - 170K€ in Y1**

We distribute 800,000 samples, to 20% of our target audience in Y1 in all cities, at universities, bars, clubs, metro stations and concerts to raise awareness and educate consumers about usage along with the assistance of our partners.

## **Advertorials & Press kits - 100K€ in Y1**

We educate our potential customers through landing a strong 8 months disruptive, innovative outdoor advertising campaign on billboards and famous publications that address our target group.



## **Social media - 70 K€ in Y1**

(Tiktok, Instagram and FB): We partner with local influencers (life-style influencers, makeup influencers, activists, doctors) to make 2 waves a year to educate about functionality of our product and raise awareness on the topic to reach 5 million people in Austria in H1.



## **Awareness campaigns with partners - 40K€ in Y1**

We make an emotional connection with consumers by placing our logo in all big awareness communications in the campaigns done with our partners, the Austrian ministry of health, municipalities of big cities in Austria and other major organisations that address the issue.



# STRATEGIC MARKETING

## MARKETING EXPENSES

IN THOUSAND EUROS

Activity	Samples (800k test strips)	Sampling campaign	Publications	In store display tools (5k units at 15€)	Buy 3, donate 1	10% donations	Social Media	Trade deals	Awareness campaigns and seasonal activities	Consumer connects	Total
Cost	240	80	15	75	7,6	42	70	516	40	8	494,9

## MARKETING CALENDAR

	Jan	Feb	March	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sampling												
Social Media												
Buy 3, donate 1												
10% donation												
Awareness campaign with partners												
Seasonal activities												
Billboards												
Consumer connect												

# TIMELINE

### YEAR 1&2

Marketing development to attract **NEW USERS**  
(400k users in Y1 and 500k users in Y2)  
Build a strong **DISTRIBUTION NETWORK**  
Reaching 3k customers by Y2 every month (36 % total coverage)  
Work with R&D on **STICKY TEST STRIPS**

Focus on **DUPLICATING THE MODEL**  
in the bigger market Germany in Y3

### YEAR 3

**25% TURNOVER GROWTH**  
**START A LEGAL ENTITY** in Germany

# ASSUMPTIONS

Before we turn to the finances and our calculations in the next part of our A-WEAR business plan, we list on this page the assumptions we used to calculate the financial ratios. Since we have a groundbreaking invention, we could not use an existing business case as a guide, but have to calculate on the basis of industry figures, market statistics and previous professional experience. We explain the exact procedure as follows:

## **PRODUCTION**

To reduce transportation and purchase costs we assumed to have one bulk shipment from Germany to Austria accounting for our FY sales forecast quantities.

We also assumed to transport the sales plan per distributor at the end of each month.

## **DISTRIBUTION AND SALES**

Sales forecast is based on a bottom up exercise per channel. We projected first year B2B sales to be a total of 4.8 mil.€ (average monthly sales 400 k€), selling four products monthly at 2200 customers that reflect around 34% from Austria's total pharmacy outlets, 32% of the drugstores and 24% of the bars and nightclubs. The average sale per customer will be around 148€. We assumed distributor a margin average 35% and a retail margin average 20% on all products while our online margin will be extra 55%.

We assumed that our B2C online sales will represent only 5% of sales in Y1, 10% in Y2 and 15% in Y3 as our main focus is B2B. We assumed the sales contribution per product as per consumers preferences from the research done. There is an extra 10% incentive that will be given to distributors and customers across channels to drive sales and distribution.

## **OVERHEADS**

We will have a team of twelve people including the founders to help support mostly two in sales and two in marketing specially that we have a busy calendar of marketing activities and will overlook our distributors through all Austrian cities. The rest of the team will support in finance, supply chain and IT. Founders will receive 1000 euros each every month as an incentive while employees will receive an average monthly salary of 2000 Euros.

We will rent a warehouse to store our products and an office for 2400 euros monthly. We will also buy laptops and used furniture for the offices to reduce costs.

## **SALES GROWTH**

We assumed 25% growth in sales in Y2 and 20% in Y3 capitalising on the strong sampling and marketing plans as we will create strong brand awareness and expand the market with the assistance of our partners' awareness campaigns.

## **MARKETING ASSUMPTION**

For sampling we will distribute 800k test strips in our sampling campaign. The cost of sample is calculated at the initial cost of production plus cost of goods sold and taking its fair percentage from operating expenses.

We plan to have a pay it forward campaign "Buy 3, donate 1" for one month in the first 2 years and then start having a pay it forward "Buy 10, donate 1" full year in year 3. We calculated the average monthly plan of selling strips and donated  $\frac{1}{3}$  of it.

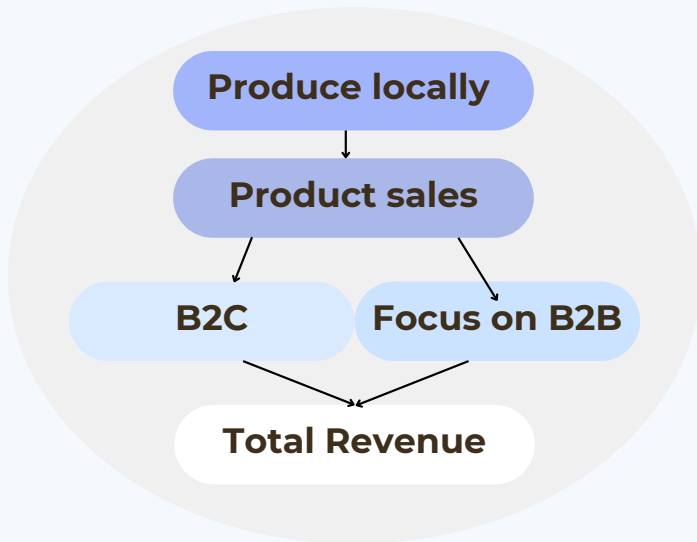
For the 10% donation campaign that we plan to have once a year, we calculate the average monthly sales and donate 10% revenues.

For the social media, website and flyers production budgets, costs are all based on quotations from marketing agencies and IT companies.

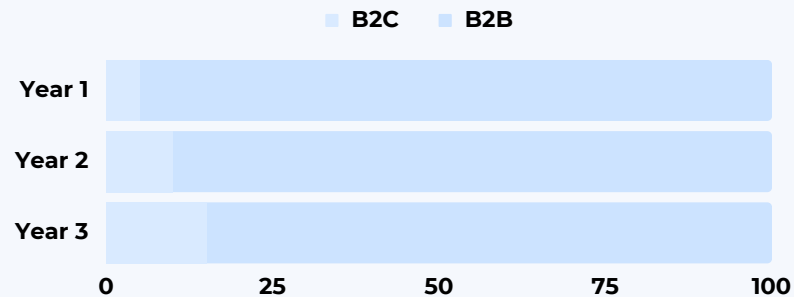
# SALES

At A-WEAR we use the B2C and the B2B strategy, as both variants bring us different advantages and benefits. We expect the majority of our revenue to be driven by B2B and anticipate only a small proportion of B2C customers. However, this share will grow steadily year on year through our various programmes and customer interaction on our website.

## REVENUE MODEL



## B2B TO B2C RATIO



For the first year we expect to generate 4.8 mil€ sales through B2B and 200k€ sales through B2C.

## B2B/B2C CONCEPT

Our B2B strategy will help us become known to a wide audience in the first year and grow steadily while we are still positioning ourselves as a brand in society. We use four different types of channels to target here, namely pharmacies, drugstores, and restaurants, bars and nightclubs, and Amazon.

By presenting our bundles and test strip packs in stores on the shelves, we can reach an immensely large audience. In our nightlife channel our test strips are sold over the counter. The structure and reach of the Amazon marketplace will help us grow quickly and get the test strips and bundles to our customers fast.



A-WEAR's B2C sales concept is based on the use of online sales channels. We primarily offer our products on our own website, and link all our partners pages and social media campaigns to our website for immediate orders. Furthermore, we use our website to connect with our consumers through creating a strong brand relationship and surveys. In the B2C context, we also have another advantage over B2B: we offer our buyers not only the single purchase of 4-packs of test strips, but also subscriptions that keep them supplied with new test strips worry-free and without hassle.

*For further details regarding our B2B/B2C approach please read the chapter "Distribution".*



# FINANCIALS

## INVESTMENT OFFER

Our initial startup capital collected evenly from the founders savings is 2.5 mil.€. The company will need to inject extra 2.3 mil.€ to secure the cash flow for first year operations. Most of the fund amount, 1.2 mil.€, will be used for our market development and go to market plans to educate and reach customers and create strong loyalty with customers and distributors via strong trade deals and the 1.2 mil.€ will be used to support our cash flow in year one. Our first year liabilities (operations expense , cost of goods sold and tax) is 4.8 mil.€. The business plan further explains our budgets and spending in more detail. We are requesting 2.3 mil.€ in return of 30% equity.

## Sales Projection

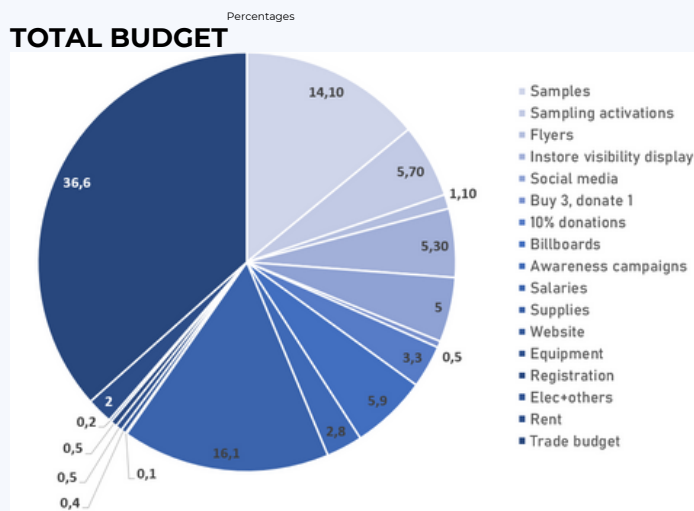
Based on a bottom up exercise per channel, we projected first year sales to be 5 mil.€, total 4.8 mil.€ from B2B (average monthly sales 400k €), selling 4 products monthly at 2200 B2B customers that reflect around 30% from Austria's total pharmacy outlets, 30% of the drugstores and 24% of the bars and nightclubs. The average sale per B2B customer will be around 148€ (2 pieces of silver bracelet, 4 pieces of key chain, 5 pieces of nylon bracelet, 20 packs of four test strips. We find the sales drop size per B2B customer realistic since we will target top weighted biggest customers at every channel. The sales figure is an average forecast between big customers sales and small customers sales per month. To support sales and have an attractive instore display for our products, we will provide 5k attractive visibility displays which cost 15€ each at weighted customers to attract shoppers attention. 5% of total sales in Y1, 200K EUR, will come from B2C via our website sales.

We will supply products by bulk as we will order our annual need of supply once at the beginning of year and will have one distributor monthly sales plans shipped to distributor warehouses at the end of every month.

We project sales to grow 25% in Y2 and 20% in Y3 as we will capitalize on the marketing activities and awareness campaigns done with partners.

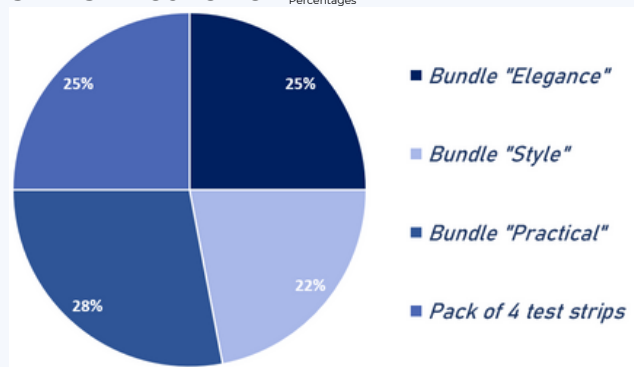
**BREAKEVEN: Q3 Y1**

**INVESTMENT RETURN: Y2**



Most of our operation cost budget in Y1, 82%, is going for the marketing and distribution plans to drive sales and land a strong effective market development plan. The rest of the budget is going for our operation costs and overheads and for establishing a strong website. For trade deals we pay close attention to ROI per activity to ensure efficient spending . Also to reduce cost we will buy good quality used laptops and furniture and we will also save on our team salaries since founders will work at lower salaries while we give average market salary for the rest of the supporting teams.

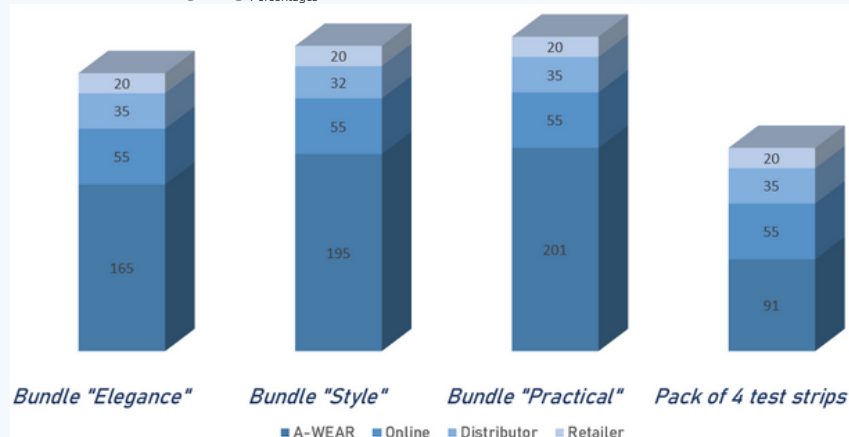
## SALES PROJECTION



The percentage is calculated based on the turnover contribution.

Although test strips contribute 25% of sales , it is the highest number of units sold compared to the rest.

## TRADE MARGINS



# FINANCIAL STATEMENTS

## INCOME STATEMENT IN EUROS

	YEAR 1	YEAR 2	YEAR 3
NET SALES	5.052.636,00	6.315.795,00	10.074.414,76
COGS	2.251.472,33	3.010.960,22	3.672.547,45
<b>GROSS INCOME</b>	<b>2.801.163,68</b>	<b>3.304.834,78</b>	<b>6.401.867,31</b>
OPERATING EXPENSE	1.468.926,30	1.588.663,38	3.672.547,45
<b>OPERATING INCOME</b>	<b>1.332.237,38</b>	<b>1.716.171,41</b>	<b>2.729.319,85</b>
INCOME TAX (21.4% FROM NET SALES)	1.081.264,10	1.351.580,13	2.155.924,76
<b>NET INCOME</b>	<b>250.973,27</b>	<b>364.591,28</b>	<b>573.395,10</b>

## CASHFLOW IN EUROS

OPERATIONS	YEAR 1	YEAR 2	YEAR 3
Net Income	250.973,27	364.591,28	573.395,10
Accounts receivable	-1.263.159,00	-1.578.949,00	-2.518.603,00
Inventory	-2.548.527,68	-1.789.039,78	-1.070.375,85
Prepaid expense	-	-	-
Other current assests	7.000,00	7.000,00	7.000,00
Depreciation expense	-	-	-
Accounts payable	1.468.926,30	1.588.663,38	3.672.547,45
Accrued expenses	105.456,00	246.655,50	246.655,50
Income tax payable	1.081.264,10	1.351,580.13	2.155.924,76
Other current liabilities	-	-	-
<b>TOTAL</b>	<b>2.913.619,68</b>	<b>3.558.490,28</b>	<b>6.655.522,81</b>
<b>INVESTING</b>			
Land, building and equipment	-	-	-
Other assests	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCING</b>			
Short term debt	-		
Long term debt	2.300.000,00	2.300.000,00	2.300.000,00
Capital stock	4.800.000,00	4.800.000,00	4.800.000,00
Other equity	-	-	-
Dividend payments	-	-25.521,39	-51.605.558,68
<b>TOTAL</b>	<b>7.100.000,00</b>	<b>7.074.478,61</b>	<b>7.048.394,44</b>
<b>CASH BALANCE</b>	<b>10.013.619,68</b>	<b>10.632.968,89</b>	<b>13.703.917,25</b>



## COME BE A PART OF OUR STORY

We offer you the opportunity to join us with your investment right from the start. We are happy to answer further questions and give you more information via:



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A stylized, handwritten signature of 'A-WEAR' in a cursive script.