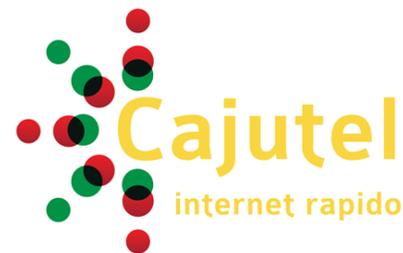


Executive Summary



Cajutel sarl is a Guinea-Bissau company under Swiss ownership. Its major shareholder also owns DataCell ehf, which built and operated a crypto mining datacenter and assisted Wikileaks in credit card payments in 2010. Furthermore he started Icell ehf, a mobile operator in Iceland in 2007 and operated Emax a rural area wireless internet access network using 4G technology and Backbone ehf which operates a encrypted backbone network in multiple continents and is laying fiber. The know how on how to operate a wireless network in harsh environments can be easily transplanted into other countries. In this project we are envisaging to build up a countrywide access network for Guinea-Bissau and with a future expansion to neighboring countries to allow the large public to be able to access the internet. Customers who have never had access to the internet before ever. This is a pretty unique situation to touch such a virgin market and gives us the opportunity to grab the market completely. Our vision is to build the most cost effective broadband access network and to provide state of the art communications for its customers and thus create a big boost to the education and economy. CAJUTEL will bring affordable, reliable internet communication to the local market and is focused to provide the best performing mobile data network for Guinea-Bissau and Guinea. CAJUTEL will be the fastest internet provider in the area for the public, outperforming the existing operators offering by a factor of 10x to 100x with an at least 30% cheaper price. This enables internet technologies not present in West Africa simply due to lack of bandwidth and too high prices. It makes it affordable for the general public to get access to the internet. Thats why only less than 2% have access today. So there's 98% available to be grabbed by us.

People

ANDREAS FINK, CEO



Andreas has 25 years of experience in telecommunications. In 1992 he has started up an internet provider named Ping Net GmbH in Switzerland, in the very early days of the internet. Ping Net GmbH was the first ISP focusing on individuals in the country. It became 1998 a full featured telecommunications company before it was sold to World Online International a pan European internet service provider which went IPO shortly after. Andreas worked for Cisco Systems in the area of SS7 signaling and telco switching until in 2001 he started Global Networks Switzerland AG (now SMSRelay AG) which develops and builds GSM infrastructure for mobile operators and provides messaging services. Global Networks Switzerland AG also have established a GSM network in Antarctica. In 2003 Andreas has launched BebbiCell AG, a mobile virtual network operator (MVNO) initiative with combined GSM/VoIP services offerings which was successfully sold a couple of years later. In 2007 he aquired a GSM License in 2007 and built a network there. In 2010 purchased the failing e-max network in Iceland to converge it into mobile high speed network for the country. e-max has been sold in September 2013 to 365 ehf, the new 4G LTE license holder in Iceland and will serve as the base of their network rollout. The e-max network had over 500 base stations covering a big portion of the population, especially in the rural areas.

DAVID VINE, CTO



David is of British origin but has lived the last 25 years in various west african countries. He currently holds a Guinea Bissauian passport and a British one. He has build TV and radio broadcast stations and MMDS relays in Senegal and Guinea-Bissau and knows very well on how to build low cost networks and how to deal with African government and institutions. He is well networked within the region which is vital for this project. He currently lives in Dakar, Senegal, but is in the process to move to Bissau to handle this project.

Network & Infrastructure

At the time of writing, CAJUTEL is in process of acquiring all the needed licenses for its operation and is working on a draft rollout plan and all the contacts needed to start operation nation wide. The plan is to cover 75% of the population with highest speed internet access within 2 years. The network infrastructure is in the final stage of being chosen based on previous experiences of the various vendors picked. Network planning is done in house and completed for the first phase of the network.

Marketing & Sales

CAJUTEL has a well thought through marketing plans to address the needs of the local market. The main differentiators to the other operators are speed, availability and service quality. Given there are currently only very weak low level players in the market, we are early field players backed up with over 25 years of experience. This gives CAJUTEL a very good handle to address the local market quickly. The marketing message will be heard loud and clear and people will understand in a split second and we can take the market by storm. The demand is there, the competitors are almost non existent. It's gaining market share by acquiring new customers in a market which just have started to feel the need for the service. A unique position. Its similar to what AOL did in the US when the internet boom started, except, that this boom will be 10x faster growing due to the wide availability of modern affordable technology.

Sales will be through direct sales in different of sale locations of CAJUTEL and through partner companies such as computer vendors, Kiosks and the like. Word of mouth marketing is very easy and will spread like a wildfire in such underserved markets.

Market Potential

Even though the market in Guinea-Bissau is relatively limited (there are 2million potential customers), and the business case is aiming for a very pessimistic 5% population share in 4 years it still provides a high return of investment and a high profitability. Adding Guinea with 10 times the population and very similar situation increases the potential by a factor of 10. The key element in this is to keep the operating costs down to the minimum while grabbing as many new customers as possible during the time people start to use internet for the first time. The whole CAJUTEL business case is optimized that way. This will give CAJUTEL a competitive edge which the existing operators have no way of matching without similar investments. As these players ar big companies and have slow processes, we will outperform them by large, meaning our infrastructure will be amortized by the time they get to the market and we have a competitive advantage they can't easily catch up.

Funds Requested

At this time, CAJUTEL is looking for an investment of 30M\$ to cover Guinea-Bissau and Guinea (the big plan) or a minimum of 12M\$ for the slower building plan to only cover Guinea-Bissau.

Use of Funds Requested

The funds will be used to build up the initial network and to fuel expansion an operating losses for a year until the break even point is reached from where on CAJUTEL can fund its own expansion.

Financial Projection

Break Even: less than a year, Return of Investment: under 4 years

Values in USD	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
No of customers at end	31'455	88'472	199'257	422'843	848'324	1'686'605
Market Share	0.27%	0.76%	1.72%	3.65%	7.31%	14.54%
Total sales	\$9'393'000	\$31'740'006	\$60'619'092	\$100'850'029	\$161'554'713	\$283'779'772
Cashflow projection						
at beginning of year	\$29'500'000	\$4'806'083	\$900'787	\$16'440'448	\$44'504'344	\$82'397'279
at end of year	\$4'806'083	\$900'787	\$16'440'448	\$44'504'344	\$82'397'279	\$139'450'786
Infrastructure Buildup Costs	\$22'273'600	\$13'382'400	\$13'382'400	\$13'243'000	\$11'709'600	\$11'709'600
Staff Related Costs	\$962'628	\$1'419'491	\$2'206'035	\$3'664'569	\$6'489'633	\$11'943'576
Network Operating Costs	\$6'152'989	\$12'528'579	\$13'500'086	\$23'589'554	\$43'937'380	\$81'895'564
Total General Operating Costs	\$74'000	\$200'400	\$457'100	\$962'900	\$1'933'900	\$3'816'200
Total Marketing Costs	\$4'623'700	\$8'114'432	\$15'533'810	\$31'326'109	\$59'591'265	\$117'361'326
Operating Expenses	\$11'813'317	\$22'262'902	\$31'697'031	\$59'543'132	\$111'952'178	\$215'016'665
Capital Expenses	\$22'273'600	\$13'382'400	\$13'382'400	\$13'243'000	\$11'709'600	\$11'709'600
Cash at end of year	\$4'806'083	\$900'787	\$16'440'448	\$44'504'344	\$82'397'279	\$139'450'786
Hardware Assets	\$19'303'352	\$26'160'171	\$31'280'007	\$34'963'474	\$36'384'888	\$37'446'227
Equity	\$100'245	\$2'751'417	\$23'134'212	\$54'553'484	\$93'791'056	\$151'620'991
EBITA	\$-2'420'317	\$9'477'104	\$28'922'061	\$41'306'896	\$49'602'535	\$68'763'107
Net income	\$-5'899'755	\$2'406'360	\$18'072'002	\$27'859'725	\$34'566'546	\$51'118'603
Average Return Per User	\$48.78	\$46.56	\$36.55	\$27.30	\$21.37	\$18.88
Earnings per customer	\$-187.56	\$27.20	\$90.70	\$65.89	\$40.75	\$30.31
Profit per customer per month	\$-15.63	\$2.27	\$7.56	\$5.49	\$3.40	\$2.53
Profit Margin	-32.04%	4.87%	20.68%	20.11%	15.89%	13.37%