

What is the real potential of Cobo for shareholder value?

Spark Networks – owns ‘Elite Singles’ & ‘Silver Singles’. Here is a picture of year end 2018 Financials

1. Revenue for first 6 months of 2018 was \$42 million Euros
2. Cash Balance was \$6.7 Euros (they are writing off a lot of expenses so not pay tax)
3. Here is the most important number, Avg. paying Subscriber number (364,825) people

These guys are making over \$50 million Dollars (US) every 6 months on just 346,825 users.

The company is public trading symbol is: NYSE: LOV. It is currently trading slight above \$10 per share serving one ‘special’ group of the dating class. <https://www.marketwatch.com/>

Cobo could sign up 1 million users in one year, and @\$0.99 cents for chat, almost all the users would be paying users, producing \$900,000 in revenue per month, with over a 70% net return.

The total subscribers these guys have is 4,122,092 - They are converting less than 8% of their customers to paying subscribers.

We could reach 5 million users within 2 years and have over a 90% conversion rate for monthly paying customers, because they are not paying for the dating service, they are paying to talk to each other. (That is the genius of Cobo and is Business Model) remember we can host 126 million users for \$175 per month.

With our margins, our low price for users, and our colorful, unique and extremely fun interface, The Worldwide Exchange as a publicly traded stock, with Cobo as our flagship product could trade as high as \$20 - \$50 in the next 2 years.

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Share

Key Metrics - Half Year

	Six months ended			Growth Rates %	
	6/30/2018	12/31/2017	6/30/2017	1st Half 2018 vs.	
	1st Half 2018	2nd Half 2017	1st Half 2017	2nd Half 2017	1st Half 2017
Revenue	€53.0 Million	€43.5 Million	€42.1 Million	21.8 %	25.9 %
Contribution ¹	€20.4 Million	€17.5 Million	€14.6 Million	16.5 %	39.7 %
Net loss	€(1.1) Million	€(3.9) Million	€(1.7) Million	(70.4)%	(32.7)%
Adjusted EBITDA ²	€2.4 Million	€4.2 Million	€2.4 Million	(42.6)%	2.6 %
Cash Balance	€8.1 Million	€8.2 Million	€6.7 Million	(2.0)%	19.8 %
Total Registrations ³	5,352,521	4,329,541	4,122,092	23.6 %	29.8 %
Avg. Paying Subs ⁴	489,024	393,979	364,825	24.1 %	34.0 %
Monthly ARPU ⁵	€ 18.07	€ 18.41	€ 19.24	(1.8)%	(6.1)%

Six Months Ended June 30, 2018 Financial Results

Revenue: For the six months ended June 30, 2018, total revenue was €53.0 million, an increase of 25.9% compared to the six months ended June 30, 2017, and a 21.8% increase from the six months ended December 31, 2017. The year over year growth was attributable to the 34.0% increase in the number of average paying subscribers offset by the 6.1% decrease in Monthly ARPU. Spark contributed 91.3% of the year over year revenue increase through the addition of Jdate, JSwipe and Christian Mingle following the close of the Affinitas / Spark Merger in November 2017.

Revenue in the six months ended June 30, 2018 includes €9.9 million of post-merger revenue from Spark, net of a €289 thousand write-off of contract liabilities relating to the Affinitas / Spark Merger.

Contribution: Contribution was €20.4 million for the six months ended June 30, 2018, an increase of 39.7% compared to the six months ended June 30, 2017, and a 16.5% increase from the six months ended December 31, 2017. Our contribution margin increased to 38.5% from 34.7% in the six months ended June 30, 2017, and decreased from 40.3% in the six months ended December 31, 2017. The margin expansion year over year was primarily driven by revenue growth in North America. North America contribution margin increased to 36.4% from 15.8% in the six months ended June 30, 2017 and from 36.0% in the six months ended December 31, 2017.

Contribution in the six months ended June 30, 2018 includes €8.2 million of post-merger contribution from Spark, net of a €289 thousand write-off of contract liabilities relating to the Affinitas / Spark Merger.

Net Loss: Net Loss was €(1.1) million in the six months ended June 30, 2018, a €557 thousand reduction from the Net Loss in the six months ended June 30, 2017 and a €2.7 million reduction from the Net Loss in the six months ended December 31, 2017. The reduction in Net Loss was primarily due to year over year and sequential increases

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Management Team

Steven O. Butler CEO/President/Director

University of Southern California

Drexel Burnham Lambert – Beverly Hills, CA. (asst. to trader)

Smith Barney - Beverly Hills, CA. (FC)

Prudential Securities – Beverly Hills, CA. (FC)

Private Investment Banking – 1999 – 2007 (Investment Banker, & Broker-Dealer Principal)

The Worldwide Exchange - 2007 – Present (President, CEO, Chairman of the Board, Designer and Project Manager for Cobo & Px2)

CFO – Dan Smith (resume upon request)

Investment Request

Funds requested \$1 million

Investment vehicle: Subordinated Convertible Note

- Private Equity / 144 shares

. Nevada Corporation

. Main office - Playa Vista, Ca.

. Product - Digital Mobile App

. Use of proceeds: National Ad Campaign

. App configuration - Ec2 Instance Medium

Capacity: host 126 million user accounts

Revenue: Monthly subscription - for 'chat'

Model: New Dating - already in Apple App Store - tested - fun - unique approach

- Free to download - Free to create account - Free to search - Free to send frost contact

Then subscription - \$.99 cents per user for 30 days of unlimited chat with entire database -

Monthly cost to company to maintain configuration - \$175

Business Model

Our dating app allows you to download for free, sign-up for free, search for free, configure and employ a magical mathematical dating matching algorithm for free, but when you want to talk to someone to get the action started, you have to pay. However, you only pay \$.99 cents. Then you get 30 days of unlimited 'chat' within the app with anyone in the world on the dating app. But it cost us less than a penny (\$.01) to provide chat per customer per month. We have a 'chat' app disguised as a dating app. It's pure gold, because people are prompted to pay exactly when they are at the emotional height of hope and euphoria, however the cost is less that 4 quarters they could find in the cup holder of a car.

This is a simple business, where you rent space for \$.99 cents per month, with a maximum of 126 million spaces for a carrying cost of \$175 per month. That is the business that I am in and all I need is money to advertise the spaces to find the clients. Your \$1 million-dollar investment would be used to advertise the spaces on Television and other media streams like videos on social media. Within 1 year, the value of your holdings in the company could be worth \$10 million or more.

You have found an opportunity of a lifetime. Our company in Playa Vista, Ca. is on the verge of unleashing a billion-dollar value in the open market within the next year. A \$1 million-dollar investment could have a liquidation value of over \$10 million - \$dollars. The investment is a Private Investment and is illiquid for at least one year, but the company \$100 million dollars, and the product is currently in the Apple App Store. The numbers are amazing as to how this opportunity works.

The Summary

One of the benefits of being late to the party is that you get to know who is already popular and why. Today's dating app world consist of a few power houses and some also rans. Cobo combines the addictive nature of swipe technology, the comfort of pre-selected notification, the desire to use scientific algorithm matching, with a wonderfully colorful user platform that is easier to use, more compact, and more fun than the other competitors. Our search results not only include the ability to swipe, but a simple tap on the user image brings it to full screen viewing and tapping on our 'unique' bags or baggage handler icons, drives the user directly to the 'chat profile' of the profile returned in the search. This presents the personal message of the profile being searched and allows the searching user to 'immediately' initiate a 'chat' or to tap and save or to return to the search results and simply swipe right to save or swipe left to discard.

Our mathematical matching algorithm is named ELQ II. The user answers 5 simple questions that attempt to give us a mathematical output, that secretly is calculated by a 'proprietary' formula that tags that profile for search within 1 of 4 emotional present quantitative goals that are the primary drivers for dating. When turned on in the profile the user will be matched with profiles similarly tagged in the search results. The category result from an individual looking for sex to marriage. The numbers are internal, and the answers are restricted to the user's account profile page and is not revealed to the public. The simplicity of the number of questions to answer, allows the search to reflect that users' present love state and finds someone who is ON THAT PAGE AT THAT VERY MOMENT. The result brings about a very high probability that the conversation they have and or meeting will at least be people seeking the same thing at the same time, while allowing the users to change their minds in as little as .30 seconds; which is the approximate amount of time it takes to change all the answers.

In addition, Cobo.Dating App is beautiful. It is full of color, it has 3 folders to easily organize saved profiles, chats, and those who chose you! A user may initiate a 'chat' from almost anywhere within the user pages of the application.

Cobo is only our primary product. Px2 Visual Classified Ads app is a bonus. Imagine a bull work application that has the reach and usage of Craigslist, but has class, digital acumen, ease of use and video to buy or sell goods, items, or services. That is our little baby. Each post cost only \$1.99 cents for 30 days of public access and can be placed as many times as the user wants to pay, within any zip code or city that is listed in the choices for posting. We currently are using approximately 30 U.S. Cities combined with many categories to segment and support ease of search and refinement of posting. Because of the use of a WordPress backbone, the application employs Oembed technology that allows the posting of a video within the post by simply copying and pasting the page url of any video posted on YouTube or Vimeo. The app also allows for direct upload of videos that are physically saved on the users' digital mobile phone. The profit margin and capacity is very high and the load is easy to manage.

The current development of both products is complete, and both are already located for download in the Apple App Store. The financial success is now just a function of marketing. We are seeking, the final investment needed to launch a national ad campaign to fully release the shareholder value we fell is embedded in the release and use of these two amazing digital mobile products.

Target Markets

Our dating app uses a zip code search to identify a radius from 10 – 300 miles of the identifier. It effectively creates dating communities within the application and allows our users to change locations for search simple by entering 6 numbers. Our application is set-up to create profiles for females, males, and includes a non-gender LGBTQ profile platform. We currently have a United States database of zip codes installed in the search database, but plan to install a World Postal Code database prior to launching our major advertising campaign. The dating community as a customer base for social interaction on a digital mobile platform has exploded and is resulting in multi-billion-dollar valuation for even moderately successful businesses. Our theme of 'list a 'bag' and find a 'baggage handler' allows Cobo to be a cross-segment dating app with the variant multiples easy to identify and include just by adding a 'catchy metaphor' for a 'bag' listing. For Instance, "My bag is country and needs a cowboy to carry it". We can target market and maintain a broad appeal within the theme of the application. The value of this cannot be over stated. All verticals are available.

Customer Segments

In fact, Americans are increasingly using dating apps to aid their love lives, and the trend only seems to be gaining momentum. According to [Pew Research Center](#), attitudes towards online dating have been becoming increasingly positive over the past decade, with 59% of Americans agreeing with the statement "Online dating is a good way to meet people" in 2015 compared to 44% in 2005. It has now become epic!

Valuations Potential

[Match Group](#), which is publicly traded and includes Tinder along with other dating apps, has a market cap of only about \$13.5 billion. IAC overall, which is controlled by media magnate Barry Diller and which also includes brands such as Angie's List and The Daily Beast in addition to the services that make up Match, has a market cap of about \$16 billion. On an investor call about the earnings report, Match's CFO told investors it now expects Tinder to generate \$800 million in revenue this year, which he called a "phenomenal achievement."

Headed by a 28-year-old woman, Bumble, by letting women make the first move, has amassed over 22 million registered users, to closest competitor Tinder's 46 million, and at more than 70% year-over-year growth, to Tinder's roughly 10%, it's closing the gap quickly. Bumble began monetizing via in-app purchases only in August 2016 and will cross \$100 million in sales this year, **a figure that--aided by the introduction of tailored, hyperlocal advertising--is projected to double in 2018.**

She turned down a \$450 million buyout offer from the Match Group earlier this year, and sources maintain that Match approached the company again this fall to discuss a valuation well over \$1 billion.

She did all this after her ex-boss and ex-boyfriend Justin Mateen called her, excuse this language: a "whore" and "gold digger" and bombarded her with threatening and derogatory text messages. Justin Mateen invented Tinder. She sued him and the company. The suit was settled for \$1 million dollars and she used that to start her own Billion Dollar dating app.

We are looking for at least \$1 million dollars to advertise our dating app. Our strategy will be to place a .30 second commercial on television, as well as placing billboard advertising, radio advertising, bus bench advertising, and aggressively placing ads and videos on social networks. We can attack smaller, but popular metropolitan cities like Atlanta, Mobile, Washington D.C. and other cities like this with high numbers of young professionals and millennials where the cost to advertise is much less expensive than the two larger media markets of New York and Los Angeles. However, Los Angeles is my home and I will want to run ads and place Billboards in Los Angeles to establish the brand.

Competitive Advantage

Our dating app is designed uniquely in style and theme, however, incorporates the best of the rest. Our feature rich app has only one price for an in-app purchase, which is only attached to the core feature of all apps, 'Chat'. We win on price. Our matching system ELQ is 'free'. The ability to view people who like you is 'Free'. Set up is quick and easy and 'Free'. We will empower single or seeking women, provide a target rich environment for dating men and encompass the driving demographic of the LGBTQ community. <https://itunes.apple.com/us/app/cobo-dating-app/id1155298685?ls=1&mt=8>

Financial Projection

With the product we have, and insatiable appetite for love or just for the adrenaline rush of searching people looking for love or sex, without it being pornographic on a socially acceptable platform like a dating app; we could be doing \$10 - \$100 million dollars in annual income with 2 years or less with as little as a \$1 million-dollar advertising budget. A valuation of a Billion Dollars or more for the shareholders of this company is very well within in reach as a publicly traded entity or in a 'Private Transaction'. We just need to let the people know about the product.

Imagine owning 15% percent of the company with 10 million shares, at only \$10 per share of a publicly traded stock price, your investment would be worth \$100 million dollars.

Conclusion

We have a winner!

Please review product and company information: <https://theworldwideexchange.net>