

CONFIDENTIAL



London DE Limited

Goldman Sachs 10,000 Small Businesses UK

Business Growth Plan

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Executive Summary

Incorporated on 9 December 2013 London DE Limited was established as a UK-based supplier of responsibly sourced coloured gemstones to the global marketplace, supplying all levels of the supply chain with loose stones and fine jewellery. Over the past 10 years, LDE has become an industry award-winning operator within the industry. London DE today is a high-profile, rapidly growing international jewellery and gold trading business with offices in Hatton Garden, London; The Dubai Multi Commodities Centre Freezone in the UAE; and Bogotá, Colombia. London DE has also developed a B2B platform for buying and selling ethically sourced gold, diamonds, emeralds, rubies, and sapphires on a wholesale basis. Over the past decade, having built relationships within the jewellery industry, opportunities have arisen with trusted gold suppliers for London DE to monetize it as a trading activity in its own right. Having previously undertaken successful funding London DE is now looking to raise further finance to enhance its position in the market and to progress this gold project opportunity.

The company cater to the entire supply chain, offering loose stones, exquisitely crafted jewellery pieces, and gold bullion bars and coins. The Company has established an office and production centre in Colombia, one of the foremost regions of the world for emerald production, the Dubai DMCC and has its head office in Hatton Garden, London's centre for gemstone trading. Through its online presence, LDE has created an environment facilitating sales channels with wholesalers and retailers, as well as directly to end-of-chain retail customers, with attractive margins on its trading activities. London DE's focus on sourcing and trading the highest-grade gemstones of the rarest and finest quality has led to The Company becoming an award-winning business recognised for both the quality of its product as well as for its ethical business model. The coloured gemstone sector has seen consistently strong global demand over the last two decades. In recent years, emeralds, rubies and sapphires in particular have continued to achieve significant price increases, with prices at auction setting new records. By the time cut and polished stones reach a shop window as part of finished jewellery they may have changed hands 10 times with each participant looking to make a margin.

The Directors of LDE view this process as inefficient, preferring to buy gemstones close to their source, capturing as many stages of the supply chain as possible. By doing this London DE intends to create a swift and efficient process from mine-to-market whilst retaining robust margins. As a result of its jewellery and gemstone trading activities around the world, London DE has been able to access responsibly sourced gold at a substantial discount to the LMBA spot price. This has presented an opportunity to open an additional channel to market in the supply of gold directly to refineries. London DE's sister company, London Gold Exchange (LGX), was founded in January 2021 to facilitate market penetration into retail (B-C) gold sales opportunities: londongoldexchange.com The corporate mission of London DE is to deliver precious gemstones, jewellery, and gold to both business and retail markets in a smarter, more cost-effective way than our competitors. We achieve this through our relationships high in the precious metal and precious gemstone supply chains, combined with an experienced team operating via a lean business model.



Overall Business Proposition

THE GEMSTONE BUSINESS MODEL

London DE Gemstone Trading Model It is the belief of the Directors that London DE's "Mine-to-Market" gemstone trading model eliminates a number of inefficient areas of the traditional gemstone supply chain.

London DE's model begins by buying loose stones from a dealer who sources close to the local, independent mines, as well as manufacturing it into finished polished gemstones. The final product is marketed at each level of the chain; gem wholesaler, jewellery manufacturer, jewellery retailer and retail customer, capturing as many stages in the supply chain as possible.

Gemstone Wholesaler - LDE can trade directly with international wholesalers, enabling sales engagement at multiple levels of the supply chain.

Jewellery Retailer - London DE can sell loose stones directly to jewellery retailers and manufacturing jewellers, enhancing sales volume.

Direct Retail Enquiry - The loose gemstone is bought by London DE. At this point, London DE can export the stone and sell it to the retail customer.

THE GOLD BUSINESS MODEL

The gold is sourced from several locations around the world, including Colombia, West Africa, Papua New Guinea, and the Solomon Islands. In each case the company buys from local artisanal mining sources and exports via a licenced partner to an approved, ISO Certified refinery in Australia, UAE, Colombia or UK.

Throughout the process, payment to the seller (supplier) is only made once the gold has been shipped to the refinery, assayed and certified. This process ensures the safety and security of investors' funds. In each case, the refinery's account is with a major international bank, from where the funds are blocked until the assay and certification has been completed. Once the gold has been assessed and payment sent to the seller, there are two sales channels available:

1. Direct sale to the refinery The refinery purchases the gold at LMBA Spot price -1%. This is the Business to Business (B-B) channel and can absorb an almost unlimited volume of gold.
2. Sale via London DE Based in London, our head office focuses on the sale of gold bullion and minted coins. Potential buyers are welcome to visit our Hatton Garden office to discuss purchasing gold.



WATCH TRADING

There are two aspects to our watch trading opportunity:

1. Pre-owned luxury watches – supplied via a white label agreement with a leading watch wholesaler. This route enables us to generate a commission by leveraging the stock held by a third party. This will be embedded in our new Shopify ecommerce platform (due to go live on 1st June 2023).
2. JV with a start-up watch manufacturer – the founders of this company have invested in London DE and will be marketing via londonde.com and our social media. The first Swiss timepieces will be delivered by Q4 2023.

Vision For the Business

Purpose Statement (why) –

We exist to create ethically sourced beauty via a mine-to-market, vertically consolidated business model to add value along the supply chain, both B-B and B-C, across the jewellery, gemstone and gold markets.

Vision Statement (long term goals) –

Market leadership across multiple verticals from mine-to-market within the jewellery, gemstone, and artisanal gold sectors.

Values Statement (beliefs / principles / culture) –

Transparency, initiative, decentralised decision making and teamwork. (Recruitment should be aimed primarily on cultural fit).

Opportunities for Growth

1. Consolidating our gold route to market – a B-B opportunity, in which we are acting as an intermediary between artisanal gold miners and a refinery in Australia
2. Developing cross border opportunities from our Bogota office to the USA, focused on the sale of Colombian loose emeralds and fine jewellery both B-B and B-C.
3. Expanding our operations in the Dubai DMCC (Free Zone), both in terms of gold trading and jewellery opportunities.
4. Developing the Gold (B-B)
5. Developing the Gold (B-C) via LGX
6. B-C Jewellery
7. B-C Luxury watches (pre-owned and new)

The above are all conjoined by the principle of mine-to-market and ethical sourcing.

Market segmentation by contribution to net profit:

Jewellery B-C (including watches) – 30%

Jewellery B-B – 20%

Gold B-B – 30%

Gold B-C – 20%

Customer Segmentation

B-C = people looking for luxury watches, bespoke jewellery and fine jewellery, including engagement and wedding rings. Collectors of jewellery and gemstones. Once established, we will also begin to sell gold bullion and graded gold coins to retail customers.

B-B = gold refineries, to whom we supply Dore gold (part refined gold). We also supply loose stones and jewellery to manufacturing jewellers and jewellers.

We operate from mine-to-market so we can guarantee the ethical integrity of our supply line along its entire length, whilst also ensuring value for money by cutting out the middlemen! We have a consultative sales process, taking into account the needs of the customer and placing them at the top of our priorities. Our B-B customers come to us because we are reliable, ethical, value for money and we can provide for their needs.

Products and Services

How are you planning to innovate your product or service development to achieve growth?

1. Shopify ecommerce platform

Live by June 2023. This will enable us to generate additional revenue from the 'click and buy' functionality of the new website, in addition to the 'brochure' website lead generation.

2. Launch of bullion bars and graded UK minted coins

Via LGX (London Gold Xchange), the B-C gold offering (www.londongoldxchange.com)

3. API – working with a partner on the development of an API for coloured stones, jewellery, bullion bars and gold coins.

This has been under discussion and early stage development for the past 3 years and it will facilitate a substantial increase in B-B channel opportunities.

4. Launch of a jewellery store in the West End (potentially a concession in Selfridges)

This is achievable by Q4 2023 – Q1 2024. Talks have been conducted with Selfridges and the managing agents of the Burlington Arcade.

5. Retail concessions in Dubai (potentially in hotels and shopping malls)

We have a subsidiary and trading licence in the Dubai Multi-Commodities Centre (DMCC) Free Zone. We are looking to exploit this as a potential channel to market for B-C and B-B jewellery and gold.

6. Cross border trade opportunities between Bogota and USA

Utilising our offices in Bogota to execute cross border trade with B-B and B-C customers in the USA (Miami is a mere 3.5 hours flight time from Bogota).

Summary of Growth Opportunities

1. Gold B-B

Expansion of trade from Colombia, West Africa and South East Asia originating from legally operated Small Scale Artisinal Mining (SSAM) operations, selling to gold refineries in London (from 2024), Andorra, Bogota, Dubai and Brisbane. We have established relationships with refiners, gold sellers and intermediaries in these locations.

2. Gold B-C

Development of the LGX brand, supplying bullion bars, graded UK minted coins and potentially silver bars and coins in due course.

3. Jewellery B-C

Our original mine-to-market business model, sourcing stones from close to their original and supplying them to the retail consumer market, in the UK and around the world.

4. Coloured stones B-B

Development of the API and its marketing to business customers will be the launch pad for the B-B channel drive.

5. Cross Border LATAM – US B-B/B-C

Utilising our offices and connections in Bogota to service the US and wider LATAM market. The US accounts for the majority of the exports of Colombian emeralds and gold and more widely half of the world's diamonds, gemstones and gold, making it by definition the largest mature market (where as the Asia Pacific market is the fastest growing).

6. Dubai (MENA) – China B-B/B-C

London DE opened its Dubai office in the DMCC (Dubai Multi Commodities Centre) Freezone in January 2022. Dubai is home to one of the fastest growing luxury markets and it is at the crossroads of east-west trade in fine jewellery, gemstones and gold.

LDE's relationships with DMCC based gold refineries, coupled with its direct links to the source of investment grade Colombian emeralds, uniquely places it in one of the key commercial opportunity axes the world.

Dubai is gaining a reputation as one of the key gateway cities to the Asia-Pacific market place and recent agreements with the Israel Diamond Exchange in Ramat Gan have facilitated the growth of precious stone trading in the Dubai Diamond Exchange at an unprecedented rate.

In 2022, two Colombian emerald tenders were held at DMCC and these are planned to become a more frequent event in future. In May 2022, London DE organised and hosted the International Colombian Emerald Conference (ICEC) in the DMCC (Dubai Multi Commodities Centre).

Here they brought together some of the leading figures in the Colombian emerald market, including the then Colombian Ambassador to the UAE, His Excellency Mr Jaime Amin, for a summit on the opportunities for the international growth of the Colombian emerald market.

This high profile event attracted significant media and PR coverage, further cementing LDE's position in the Middle East. The success of this event has led to plans to hold similar conferences in future in London and Bogotá.

7. Bangkok – China B-B/B-C

Bangkok is one of the key gateways to China and the Asia Pacific. It is also one of the principle global hubs for the trade of coloured gemstones, including beryl (emerald and aquamarine) and corundum (ruby and sapphire), as well as diamonds and precious metals. Opening a operation here would enable London DE to penetrate the broader coloured gemstone market more deeply and embed itself on one of the key trade routes between east and west.

8. Pre-owned and bespoke watches B-C

The watch market has experienced rapid growth over the past 5 years, in which many luxury timepieces have more than doubled in value! There are two aspects to the watch market opportunity for LDE:

1. Pre-owned luxury watches, white labelled via one of the largest wholesalers in the UK.
2. Partnership with a new Swiss watch brand, positioned in the market at a similar price point to Rolex.

Growth Goals for the Business

1. 3 year summary forecast

Revenue source	Description	2024	2025	2026
Gold sales	Turnover	£36,430,319	£48,633,217	£65,322,788
	Gross Profit	£2,185,819	£2,917,993	£3,919,367
	Net Profit	£728,606	£972,664	£1,306,456
Jewellery sales	Turnover	£2,729,210	£4,588,963	£6,899,244
	Gross Profit	£1,637,526	£3,212,274	£4,829,471
	Net Profit	£327,505	£803,069	£1,690,315
	Total Turnover	£39,159,529	£53,222,180	£72,222,032
	Total Gross Profit	£3,823,345	£6,130,267	£8,748,838
	Total Net Profit	£1,056,112	£1,775,733	£2,996,771

- 2. Expand on existing spoke-hub (London-Dubai/Bogota) to include Bangkok by 2024 and a US (NY, Miami or LA) by 2025.**

- 3. Establish watch trading company 2023**

- 4. Float the business by 2026**

- 5. Complete EMBA by 2026**

Sales and Marketing Strategies

Market Definition

THE GOLD MARKET

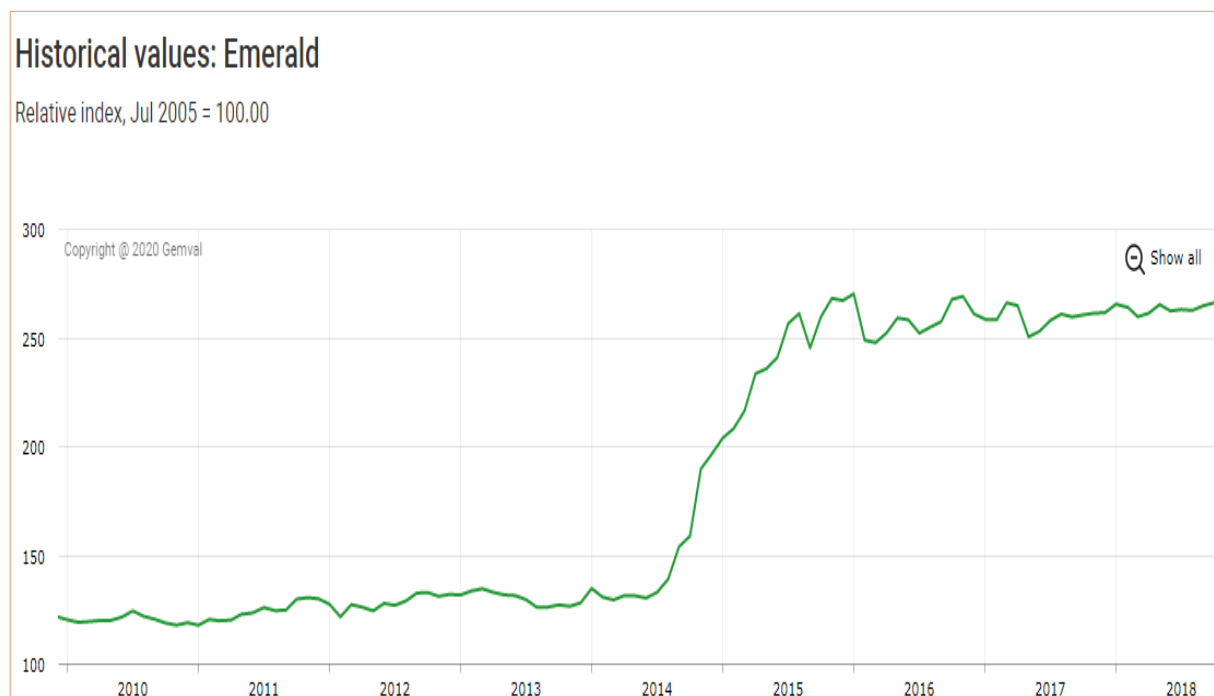
We are focusing on this because gold has the third highest average daily trading volume at circa 145.5 billion US dollars. Gold is not used as a currency today, but its role as money makes it superior to any currency. In fact, gold has been money longer than any currency in history. It has been a store value for at least 3,000 years, whilst the longest currencies in history have only been around for around 1,200 years.

One of the crucial promises of money is that it serves as a long-term store of value. Gold fulfils this promise better than any fiat currency. To get a better understanding of this, just look how much purchasing power all major government currencies have lost compared to gold. Its liquidity is often sourced during periods of stress in the markets, similar to the conditions occurring at present. There are also many benefits of gold, when it is owned in its physical form: Gold has been revered as a symbol of wealth and prosperity for millennia.

It has been a stable way to pass on and preserve the value of wealth from one generation to the next. A central bank or nation will often hold gold reserves in order to store value as a guarantee to redeem promises to pay depositors or to secure a currency. The United State has the largest gold reserves of any country, amounting to over eight thousand metric tons. Gold offers buyers protection on their finances, especially in today's unstable world. Inheritance Tax: Gold can be given as a gift as part of a tax efficient way of inheritance planning.

Gifts of up to £3,000 per tax year can be made exempt from inheritance tax
No CGT: Unlike many other investments, there is no Capital Gains Tax to pay on profits of UK Sovereign and Britannia coins, as they're deemed to be legal tender
No VAT: There is no VAT to be paid on investment gold
Pension Tax Relief: Tax relief of up to 45% is available on qualifying gold bars, which are bought as part of a pension.

THE GEMSTONE MARKET



Demand for coloured gems has increased in recent years as people have opted for more colour when choosing their jewellery. The Coloured Gemstone Market is expected to witness market growth at a rate of 6.20% in the forecast period of 2021 to 2028 according to a Data Bridge Market Research Report on Coloured Gemstones. London DE believes it is imperative to adhere to stringent buying guidelines and to source only the best gemstones that meet the quality standards and expectations of the luxury market for fine jewellery.

London DE specialises in the finest quality gemstones and does not deal in commercial grade stones. Based on their experience, the Directors estimate the following percentage increase in the price chain: The Directors believe that as with many products and commodities, it is commonplace for goods to change hands several times before they reach the end buyer. The Directors estimate that this can mean a higher cost of goods to the end buyer if a margin is made at each stage of the process.

LDE's model means they trade at both ends of the supply chain, with several exit points to make the sale; as described in the diagrams on page 14-15, London DE has the opportunity to trade at each sales window London DE achieves the best possible quality gemstones via strict in-house assessment criteria covering Colour, Clarity, Cut and incorporating Laboratory Guidelines. The Directors are confident that London DE has a solid supply chain from mine-to-market, with supply chain partners operating under stringent buying guidelines and processes. The Directors feel that this, combined with a final lab certificate of approval, results in complete customer assurance. In addition to coloured gemstones, any diamonds sold by London DE are Kimberley Process compliant, meaning that they are certified conflict-free.

THE LUXURY WATCH MARKET

The luxury watch market has boomed over recent years. With prices increasing rapidly at the higher end of the market, a significant opportunity has opened up. London DE is set to exploit that opportunity with a tie in with one of the leading wholesalers of luxury pre-owned watches. This is a white-label, with negligible marketing, advertising or administration costs associated to it.

Simultaneously, we are involved in a JV with a start-up Swiss watch manufacturer on an exclusive basis. This will give London DE multiple channels to market in this vibrant sector.

Market Competition

We operate in a highly competitive market place but we do have an arsenal of USPs to support our positioning!

Some of our main jewellery competitors include:

77 Diamonds

<https://www.77diamonds.com/>

Fenton

<https://fentonand.co/>

Taylor and Hart

<https://taylorandhart.com/>

Boodles

<https://www.boodles.com/>

Some of our main gold competitors include:

Bullion By Post

<https://www.bullionbypost.co.uk/>

Bullion Vault

<https://www.bullionvault.co.uk/>

Buy Bullion

<https://buy-bullion.co.uk/>

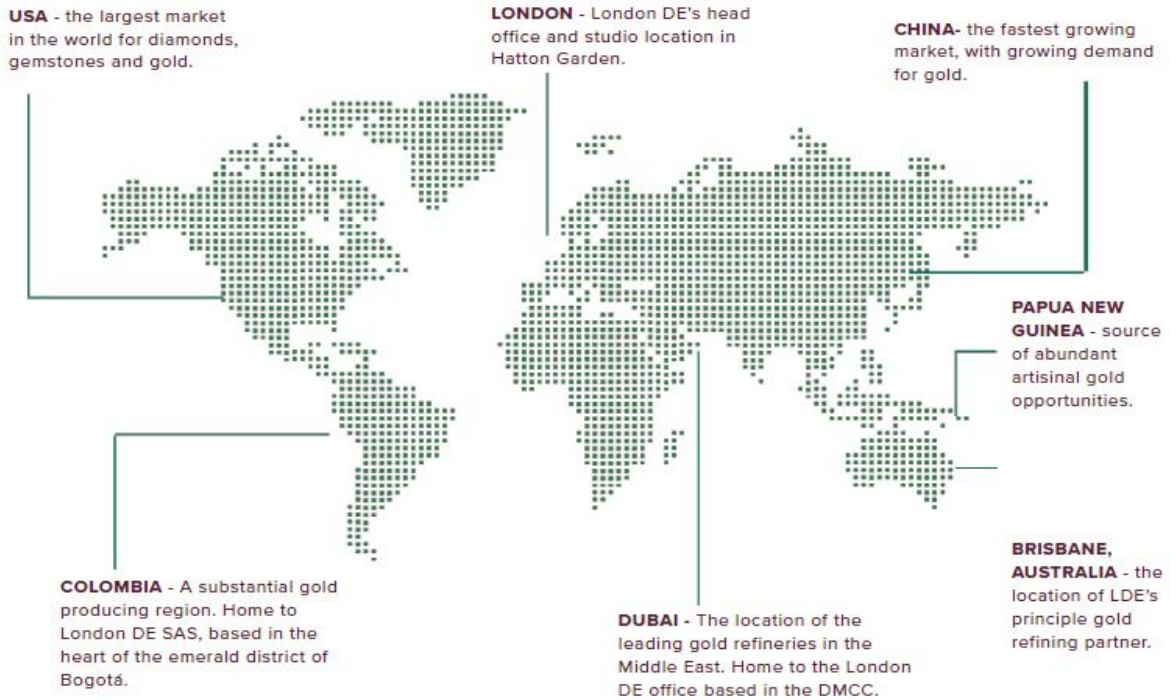
Baird & Co

<https://www.bairdmint.com/>

Customer Segments

This is the geographical distribution of our customers segments and key stakeholders:

MAP OF THE WORLD GOLD MARKET HUBS



MAP OF THE WORLD GEMSTONE MARKET HUBS

USA - the largest market in the world for diamonds, gemstones and gold.



LONDON - London DE's head office and studio location in the Diamond District, Hatton Garden.



CHINA - the fastest growing market for luxury goods, diamonds and coloured gemstones

COLOMBIA - Home to the world's most highly prized emeralds. Also home to London DE SAS, based in the heart of the emerald district of Bogotá. Also a substantial gold producing region.



DUBAI - Home to the London DE office based in the DMCC giving direct access to one of the fastest-growing luxury retail markets in the world.



Your Customer Value Proposition(s)

- 1. Ethical sourcing**
- 2. Mine-to-Market**
- 3. Consultative personalised experience**

Pricing Strategy

We have traditionally been working on 100% mark-up but we aim to increase this to 300-500% for retail jewellery.

Gold is sold B-B to refineries at a margin of approximately 4% and to B-C customers for around 6% margin.

Sales and Marketing Plan

1. Redevelopment of the existing website into a Shopify ecommerce platform.

Work commenced on this in February 2023 and it is planned for completion, by an external agency, in late May 2023. This will fully refresh our website and also provide a far greater degree of ecommerce integration, specifically aimed at the smaller ticket items in our inventory.

2. Organic SEO

Completed by our inhouse marketing team, focussed on blogging, social, content creation, backlinks and social proof (reviews).

3. Paid SEO

Google Ads and social ads, managed by our outsourced digital marketing partners Stargazer Digital.

4. PR

Competition entry (such as the Retail Jeweller Awards, IOD Awards, NAJ Awards etc) in multiple categories. We are also in regular communication with leading SME and industry journalists to provide powerful written and verbal content.

5. Luxury watch JV

We are about to enter a partnership with a UK based start up manufacturing bespoke watches with Swiss mechanisms. As part of this initiative, we are also entering a white label collaboration with a wholesaler of pre-owned luxury watches.

6. Brand Building

We are building relationships with a number of key influencers in the jewellery and watch space, including members of the England Cricket Team. We are driving brand recognition and developing a recognisable brand image.

7. Ethics and values

These are at the core of what we do and a major part of the mine-to-market concept we have been developing over that past 10 years.

8. Networking

We are taking every opportunity to expand our network both via social media and in terms of in person connections.

Operational Considerations

We operate a mine-to-market business model. This requires us to have full oversight of the entire length of our supply chain. In the case of Colombian emeralds, this is achieved by way of a physical presence in country, with our office and workshop in Bogota. Elsewhere we have to rely more heavily on third parties to insure the integrity of our supply chain, which can be more challenging.

In order to scale the business, it will be helpful to establish more 'boots' on the ground in the key locations of our operations. Currently we have offices in London, Bogota and Dubai but we are targeting the establishment of an office in Bangkok on the SE Asia gemstone trading route and potentially in Singapore. As we source more gold from Africa, it may become necessary to set up a small trading office in Accra, Ghana, and potentially elsewhere in the continent.

Resource Map

Stock is the main material we need to build when it comes to the coloured gemstone trading. Unlike many businesses, our stock is an appreciating asset so it pays to hold as much as possible at any one time! We conduct inhouse manufacturing operations in our workshop in Bogota, where we produce some of our emerald jewellery. The remainder of our jewellery is produced by third parties in the UK. We are keen to establish a workshop in Bangkok to focus on ruby, sapphire and emerald jewellery creation, specifically aimed at the Asia Pacific market. In order to build the stock, we need to raise capital as outlined below.

Financing Growth

Current Sources of Finance

Sales minus the cost of sales.

Loan Note capital (debt-equity conversion)

Business Lending.

Equity release.

Funding Required for Growth

Sales minus the cost of sales.

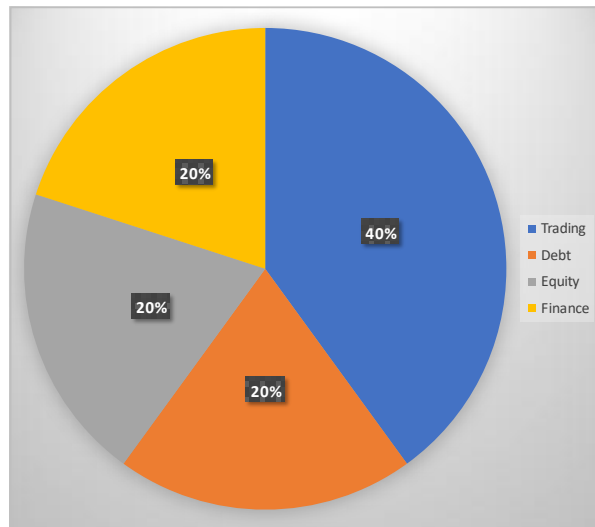
Loan Note capital (debt-equity conversion)

Business Lending.

Equity release.

Financing growth 2023- 26

- Trading revenue (sales) = 40%
- Fixed income Debt (P -P) = 20%
- Equity (private placement) = 20%
- Commercial Finance = 20%



Financial Plan

As part of this plan we require a three year Profit & Loss statement and accompanying cashflow forecast. This can be included either at Appendix 4 or as accompanying spreadsheets.

Please detail below the highlights of your financial plan for growth.

1. Gold price remains relatively stable. It is forecast to remain stable / grow steadily for the foreseeable future.
2. Gold is high volume, low margin, whereas the gemstones and jewellery channel is higher margin, lower volume.
3. Supply side logistics – we are operating in relatively volatile regions of the world, including remote parts of South East Asia, West Africa and South America. As such there are environmental threats, such as extreme weather events, natural disasters etc that can impact our sourcing.
4. Significant funding is required to execute this plan, largely from HNW / UHNW angel investors. Whilst we are experienced in raising capital, having already funded the business with almost £5mn of external investment to date, this can be hard to predict to a high degree of accuracy.

5. In order to achieve the funding required, we are utilising three investment channels, in addition to sales revenue:
 1. Fixed Income Debt (Convertible Loan Notes)
 2. Equity Release (private placement)
 3. Commercial Finance (asset / stock finance)

Risks for the Business

1.

Due to the international nature of our business and the market in which we operate, fluctuations in foreign exchange rates will always represent a challenge. Some of the countries we deal with, including Colombia, have volatile currencies and as such we have to plan ahead and maintain a reserve in order to mitigate the risks presented by this. We have very good banking facilities and FX brokers in place so I am confident that we can continue to overcome any difficulties this may present.

2.

Competition within our industry is fierce and the barriers to entry into the market are relatively low. It is for these reasons that we have carefully differentiated ourselves from our rivals by establishing clear USPs. We are the only emerald specialist jeweller in the UK with subsidiaries in Dubai and Bogota, with direct links to the emerald mines of Muzo, Chivor and Coscuez. This gives us an open channel to the finest emeralds in the world, whilst ensuring the ethical integrity of the supply.

3.

The pandemic caused a good deal of disruption to virtually all sectors of the gemstone supply chain. As such, it is more challenging to source certain stones now than it was at the start of 2020 and it is hard to predict how long this situation will continue for. We have strong relationships with mine owners and top-tier dealers, placing us in a strong position to continue to operate without any significant difficulties in the coming months. This is another key strength of our business model.

Leading the Business

Leadership Roles

My aim is to lead the business from a strategic perspective, whilst delegating detailed tactical leadership to SMEs (Subject Matter Experts) across the business. Crucially, I want to head hunt a Managing Director for the Jewellery and a Managing Director for the Gold trading businesses within 3 years. Simultaneously, I would like to build a board of directors and the Holding Company (top company) Level to assist in the strategic direction of the Group.

Company Culture

Our culture is inclusive, supportive and professional. We encourage professional and personal development through study and on the job training. Our core values are honesty, integrity and fairness.



We encourage our employees to take on additional training opportunities with organisations including the IOJ, GEM-A and the Gemmological Institute of America (GIA).

Organisational Plan

Our current head count will be expanded from 15 to 39 over the next 3 years. This is necessary to manage the anticipated growth and expansion of the business. We are also likely to open at least one or two more offices to enable us to penetrate the Asia Pacific market and deepen our customer and supplier base.

Organisational Chart Changes

Current Chart (2023):

			LDE Holdings Ltd (UK)		
			I		
	LDE SAS (Colombia)	LDE DMCC (UAE)	LDE Limited (UK)	London Gold Xchange (UK)	Luxury Commentator (UK)
	Regional Manager	Regional Manager	MD	Intern	Intern
	Admin Assistant		Sales Manager		
	Sales Manager		Marketing Manager		
	Master Jeweller		Officer Manager		
	Jeweller		Intern		
	Jeweller		Intern		
15	6	1	6	1	1

Future Chart (2026):

			LDE Holdings Ltd (UK)		
			I		
			CEO		
			Marketing Director		
			Sales Director		
			Finance Director		
			Operations Director		
			I		
	LDE SAS (Colombia)	LDE DMCC (UAE)	LDE Limited (UK)	London Gold Xchange (UK)	Luxury Commentator (UK)
	Regional Manager	Regional Manager	MD	MD	Editor
	Admin Assistant	Marketing Manager	Sales Manager	Sales Manager	Assistant Editor
	Sales Manager	Sales Manager	Sales Consultant	Sale Consultant	Admin Assistant
	Sales Consultant	Sales Consultant	Marketing Manager	Marketing Manager	
	Master Jeweller		Marketing Assistant	Marketing Assistant	
	Jeweller		Officer Manager	Officer Manager	
	Jeweller		Intern	Intern	
	Jeweller		Intern	Intern	
	Jeweller		Intern	Intern	
39	9	4	9	9	3

Responsible Business

Diversity, equity, and inclusion

We are committed to Diversity and Inclusivity and this forms part of our Responsible Jewellery Council (RJC) audit process.

Environmental, Social, Governance (ESG)

We are committed to ESG, both in terms of the letter and spirit of these standards. As such, we are part of the Fairmined initiative, the RJC and our mine-to-market ethical transparency policy.



RESPONSIBLE
JEWELLERY
COUNCIL



London DE's focus on sourcing and trading the highest-grade gemstones of the rarest and finest quality has led to The Company becoming an award winning business recognised for both the quality of its product as well as for its ethical business model. The coloured gemstone sector has seen consistently strong global demand over the last two decades. In recent years, emeralds, rubies and sapphires in particular have continued to achieve significant price increases, with prices at auction setting new records. By the time cut and polished stones reach a shop window as part of finished jewellery they may have changed hands 10 times with each participant looking to make a margin.

Exit Strategy

I plan to remain part of the business for the long term and have no plans to sell for the foreseeable future. I am however keen to explore the option of appointing Managing Directors to each core pillar of the business, in order to allow me to step back from the day to day management tasks to focus on the strategic leadership and direction of the group.

To these ends, I aim to appoint an MD to each of the main companies, which currently include London DE Ltd, London DE DMCC, London DE SAS, London Gold Xchange and Luxury Commentator. I will then sit as Group CEO at the head of the Top Co, London DE Holdings.



Road Map for Growth

The most critical actions in the next 3 months

1. Re-asses the business' financials and develop clearer forecasts
2. Hire a back office manager / PA to cover the administrative functions more carefully.
3. Set up a dashboard with clear KPIs
4. Conduct quarterly informal appraisals and annual formal appraisals with all staff.
5. Re-appraise the business growth plan quarterly.

3-12 months

1. Establish an office and production centre in Bangkok
2. Develop cross-border trade between Bogota and the USA, focussed in particular on LA, Miami and New York (possibly leading to eventually establishing an office in one or more of these locations).
3. Developing strategic presence in West Africa, potentially opening an office in Accra, Ghana.
4. Hire an FD, ahead of the anticipated growth in turnover beyond the threshold for fully audited accounting.
5. Expand the sales and marketing team to drive sales growth.

12 - 18 months

1.

International expansion is our primary objective. The key growth markets for coloured gemstones are to be found in North America, the Middle East and Asia Pacific. We are working with a leading industry consultancy on a detailed marketing and digital marketing strategy. This is focused on enabling us to operate throughout our target markets with ease. We are also building our inhouse marketing team in order to develop and optimise our website, PR, digital strategy and social media pages.

2.

Consumer appetite is rising for ecommerce & 'clicks and bricks' functionality. Demand for effective ecommerce solutions was already increasing before the COVID-19 pandemic, which has served to further enhance its expansion. The growth in the spending power of younger consumer generations is also a key driver behind this. Furthermore, advances in digital tech, such as tablets, smartphones and internet speeds, have combined to make the online experience more enjoyable and easier to navigate.

3.

The rise in the importance and prevalence of ethically sourced jewellery has had a profound effect on our industry. It also creates an opportunity for nimble and vibrant young companies to make their mark! We were delighted to have been finalists in the 2019 Retail Jeweller Awards as "Ethical Jewellery Brand of the Year." In 2020 we furthered this by becoming members of the RJC (Responsible Jewellery Council) and Fairmined. We follow a 'mine-to market' approach to ensure ethical integrity.

4.

Appoint an MD for each pillar of the business.

5.

Appoint a Board of Directors to manage the 5 key business departments (Finance, Sales, Marketing, HR and Operations)

Appendix 1: Business Model Canvas

Please use Strategyzer BMC or Lean Canvas as appropriate.

- **Key Activities**

- Sales growth
- Geographical expansion

- **Key Partnerships**

- JV with luxury watch brand (agreed)
- JV with jewellery valuations specialist (agreed)
- Collaboration with wedding planner (yet to be established)
- Partnership with gemstone cutters in Bogota (under negotiation)

- **Key Resources**

- Fundraising (outlined above)
- HR – growth in the headcount from 14 – 39 in 3 years.
- Sales growth
- Geographical expansion of the footprint of the business into new territories

- **Cost Structure**

- Mostly funded with investment capital
- Fixed overheads are relatively static
- Economies of scale will help reduce the cost of acquisition of materials.

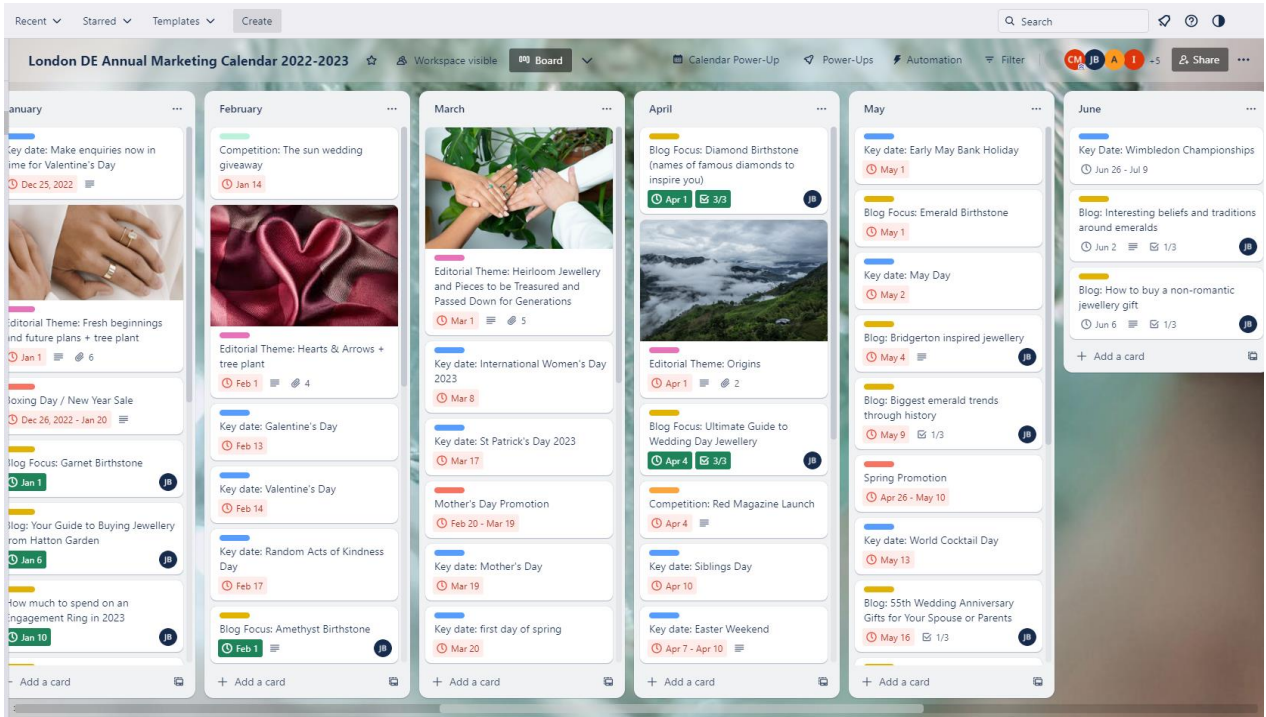
Appendix 2: Dashboard for Growth

- **Sales revenue**
- **Gross Margin**
- **Net Margin**
- **CPA**
- **CTR**
- **CPC**
- **ROI on advertising spend**

The above is collected and presented at monthly management meetings. Weekly operational meetings discuss the immediate tactical priorities for the business, whilst strategic goals and growth objectives are discussed by the senior management team at the monthly meetings.

Appendix 3: Marketing Plan

Insert one or more marketing plan templates as appropriate.



We currently use the Trello system for our 6 monthly marketing plans, which are prepared by our inhouse Marketing Manager and reviewed monthly.

Digital Marketing Plan: Company Name: LDE Campaign Title: Digital

<p><i>Digital marketing SEO</i></p> <p>GET: Who?</p> <ul style="list-style-type: none"> How Retail B-B Jewellers B-B Cash 	<p>Strategy: See</p> <p><i>I want to see people who are interested in Behaviour Shifts Moments/Signals purchasing jewellery</i></p>	<p>Strategy: Think</p> <p><i>I want to discard Behaviour Shifts Moments/Signals and learn the buying patterns & behaviours of my potential clients.</i></p>	<p>TACTICS</p> <p>See:</p> <ul style="list-style-type: none"> Buying intent
<p>TO: What?</p> <ul style="list-style-type: none"> Ethical sourcing Customer Survey 	<p>Strategy: Do</p> <p><i>Sales funnel - how Behaviour Shifts Moments/Signals to keep people engaged</i></p>	<p>Strategy: Care</p> <p><i>Lifetime guaranteed Behaviour Shifts Moments/Signals upstart sales guarantees</i></p>	<p>Think:</p> <ul style="list-style-type: none"> Engagement Sales funnel
<p>BY: How?</p> <ul style="list-style-type: none"> Education Support 	<p>OKRs: Objectives & Key Results</p> <p>See: <i>Effective brand positioning</i></p> <p>Do: <i>Conversion rates</i></p> <p><i>CPA CPE CTR</i></p>	<p>Think: <i>Behaviours & buying signals</i></p> <p>Care:</p>	<p>Do:</p> <ul style="list-style-type: none"> Product positioning <p>Care:</p> <ul style="list-style-type: none"> Create engaging content

Marketing Plan Template

Our digital marketing plan is being executed in collaboration with our third party SEO specialists Stargazer Digital Limited, in conjunction with our own inhouse marketing team.

Appendix 4. Financial Plan

Revenue source	Description	2024	2025	2026	2027	2028
Gold sales	Turnover	£36.43mn	£48.63mn	£65.32mn	£89.63mn	£105.70mn
	Gross Profit	£2.19mn	£2.92mn	£3.92mn	£5.38mn	£6.34mn
(B-B = 90% / B-C = 10%)	Net Profit	£728K	£972K	£1.31mn	£1.79mn	£2.11mn
Jewellery, watch & gemstone sales	Turnover	£2.73mn	£4.59mn	£6.90mn	£8.01mn	£10.23mn
	Gross Profit	£1.64mn	£3.21mn	£4.83mn	£5.60mn	£7.17mn
(B-B = 20% / B-C = 80%)	Net Profit	£327K	£803K	£1.69mn	£1.96mn	£2.51mn
Totals:	Total Turnover	£39.16mn	£53.22mn	£72.22mn	£97.63mn	£115.93mn
	Total Gross Profit	£3.82mn	£6.13mn	£8.75mn	£10.98mn	£13.51mn
(B-B = 55% / B-C = 45%)	Total Net Profit	£1.06mn	£1.78mn	£2.01mn	£3.75mn	£4.62mn

Our financial forecast for the next five years is outlined above, and a detailed P&L for the next 3 years can be found below. This does not take into account some potential new markets we are interested in penetrating, such as the silver market, as we do not have any reliable data on this as yet.

It is important to note that gold is a high value, low margin commodity, whereas the jewellery, gemstones and watches are lower volume, higher margin transactions.

Business Growth Plan

London DE Limited - Profit & Loss - 2024										
	Total	%	Jan - Mar	%	Apr - Jun	%	Jul - Sep	%	Oct - Dec	%
Sales										
Sales	39,159,529	100.0	460,331	100.0	3,536,648	100.0	15,865,585	100.0	19,296,965	100.0
Total Sales	39,159,529	100.0	460,331	100.0	3,536,648	100.0	15,865,585	100.0	19,296,965	100.0
Direct Costs										
Costs of Goods Sold / Purchases	34,847,740	89.0	327,629	71.2	3,192,091	90.3	14,229,234	89.7	17,098,786	88.6
Sales Commission	491,028	1.3	23,017	5.0	125,333	3.5	156,333	1.0	186,345	1.0
Gross Profit	3,820,761	9.8	109,685	23.8	219,224	6.2	1,480,018	9.3	2,011,834	10.4
Overheads										
Salaries and Wages	579,124	1.5	130,225	28.3	145,333	4.1	151,233	1.0	152,333	0.8
NI & Employee Benefits	128,206	0.3	26,350	5.7	32,856	0.9	34,500	0.2	34,500	0.2
Pension	13,719	0.0	3,168	0.7	3,224	0.1	3,458	0.0	3,869	0.0
Rent / Licenses	23,112	0.1	5,778	1.3	5,778	0.2	5,778	0.0	5,778	0.0
Rates	6,687	0.0	0	0.0	2,229	0.1	2,229	0.0	2,229	0.0
Utilities	423	0.0	484	0.1	535	0.0	540	0.0	540	0.0
Repairs and Maintenance	2,203	0.0	545	0.1	645	0.0	233	0.0	780	0.0
Insurance	3,260	0.0	3,260	0.7	0	0.0	0	0.0	0	0.0
Motor & Travel	5,653	0.0	1,086	0.2	2,023	0.1	1,256	0.0	1,288	0.0
IT & Computer Costs	14,841	0.0	8,826	1.9	2,214	0.1	1,245	0.0	2,556	0.0
Telephone	1,188	0.0	288	0.1	300	0.0	300	0.0	300	0.0
Postage	600	0.0	150	0.0	150	0.0	150	0.0	150	0.0
Office supplies	620	0.0	85	0.0	125	0.0	186	0.0	224	0.0
Advertising	58,265	0.1	8,632	1.9	9,633	0.3	20,000	0.1	20,000	0.1
Marketing & Promotion	48,321	0.1	3,455	0.8	4,866	0.1	20,000	0.1	20,000	0.1
Accountancy Fees	2,000	0.0	500	0.1	500	0.0	500	0.0	500	0.0
Professional fees	2,500	0.0	2,500	0.5	0	0.0	0	0.0	0	0.0
Training and Development	1,837	0.0	256	0.1	158	0.0	568	0.0	855	0.0
Bank charges	388	0.0	97	0.0	97	0.0	97	0.0	97	0.0
Interest Payable	9,348	0.0	2,337	0.5	2,337	0.1	2,337	0.0	2,337	0.0
Loan Note interest	1,843,188	4.7	255,633	55.5	337,555	9.5	500,000	3.2	750,000	3.9
Subscriptions	1,000	0.0	250	0.1	250	0.0	250	0.0	250	0.0
Miscellaneous	6,048	0.0	1,324	0.3	1,265	0.0	1,563	0.0	1,896	0.0
Depreciation	3,724	0.0	931	0.2	931	0.0	931	0.0	931	0.0
Total Overheads	2,756,255	7.0	456,160	99.1	553,004	15.6	747,354	4.7	1,001,413	5.2
Profit Before Tax	1,064,506	2.7	(346,475)	(75.3)	(333,780)	(9.4)	732,664	4.6	1,010,421	5.2
Corporation Tax	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Net Profit	1,064,506	2.7	(346,475)	(75.3)	(333,780)	(9.4)	732,664	4.6	1,010,421	5.2

Business Growth Plan										
London DE Limited - Profit & Loss Account 2025										
	Total		Jan - Mar		Apr - Jun		Jul - Sep		Oct - Dec	
		%		%		%		%		%
Sales										
Sales	53,220,196	100.0	10,563,369	100.0	12,563,343	100.0	15,515,585	100.0	14,577,899	100.0
Total Sales	53,220,196	100.0	10,563,369	100.0	12,563,343	100.0	15,515,585	100.0	14,577,899	100.0
Direct Costs										
Costs of Goods Sold / Purchases	46,661,157	87.7	9,507,032	90.0	11,181,375	89.0	13,110,669	84.5	12,862,080	88.2
Sales Commission	425,633	0.8	125,333	1.2	125,333	1.0	156,333	1.0	18,634	0.1
Gross Profit	6,133,406	11.5	931,004	8.8	1,256,635	10.0	2,248,583	14.5	1,697,185	11.6
Overheads										
Salaries and Wages	957,997	1.8	157,866	1.5	215,866	1.7	278,566	1.8	305,699	2.1
NI & Employee Benefits	224,973	0.4	45,233	0.4	52,486	0.4	62,355	0.4	64,899	0.4
Pension	27,413	0.1	5,699	0.1	6,036	0.0	7,045	0.0	8,633	0.1
Rent / Licenses	90,778	0.2	5,778	0.1	25,000	0.2	30,000	0.2	30,000	0.2
Rates	6,687	0.0	0	0.0	2,229	0.0	2,229	0.0	2,229	0.0
Utilities	423	0.0	484	0.0	535	0.0	540	0.0	540	0.0
Repairs and Maintenance	2,203	0.0	545	0.0	645	0.0	233	0.0	780	0.0
Insurance	5,633	0.0	5,633	0.1	0	0.0	0	0.0	0	0.0
Motor & Travel	50,000	0.1	5,000	0.0	10,000	0.1	15,000	0.1	20,000	0.1
IT & Computer Costs	35,000	0.1	5,000	0.0	10,000	0.1	10,000	0.1	10,000	0.1
Telephone	2,000	0.0	500	0.0	500	0.0	500	0.0	500	0.0
Postage	1,000	0.0	250	0.0	250	0.0	250	0.0	250	0.0
Office supplies	1,000	0.0	250	0.0	250	0.0	250	0.0	250	0.0
Advertising	260,000	0.5	20,000	0.2	80,000	0.6	80,000	0.5	80,000	0.5
Marketing & Promotion	260,000	0.5	20,000	0.2	80,000	0.6	80,000	0.5	80,000	0.5
Accountancy Fees	2,000	0.0	500	0.0	500	0.0	500	0.0	500	0.0
Professional fees	2,500	0.0	2,500	0.0	0	0.0	0	0.0	0	0.0
Training and Development	2,000	0.0	500	0.0	500	0.0	500	0.0	500	0.0
Bank charges	388	0.0	97	0.0	97	0.0	97	0.0	97	0.0
Interest Receivable	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest Payable	9,348	0.0	2,337	0.0	2,337	0.0	2,337	0.0	2,337	0.0
Loan Note interest	2,320,000	4.4	225,000	2.1	645,000	5.1	700,000	4.5	750,000	5.1
Subscriptions	1,000	0.0	250	0.0	250	0.0	250	0.0	250	0.0
Miscellaneous	80,000	0.2	5,000	0.0	25,000	0.2	25,000	0.2	25,000	0.2
Depreciation	3,724	0.0	931	0.0	931	0.0	931	0.0	931	0.0
Total Overheads	4,346,067	8.2	509,353	4.8	1,158,412	9.2	1,296,583	8.4	1,383,395	9.5
Profit Before Tax	1,787,339	3.4	421,651	4.0	98,223	0.8	952,000	6.1	313,790	2.2
Corporation Tax	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Net Profit	1,787,339	3.4	421,651	4.0	98,223	0.8	952,000	6.1	313,790	2.2

Business Growth Plan		London DE Limited Profit & Loss Account 2026									
	Total	%	Jan - Mar	%	Apr - Jun	%	Jul - Sep	%	Oct - Dec	%	
Sales											
Sales	72,220,196	100.0	14,563,369	100.0	15,563,343	100.0	19,515,585	100.0	22,577,899	100.0	
Total Sales	72,220,196	100.0	14,563,369	100.0	15,563,343	100.0	19,515,585	100.0	22,577,899	100.0	
Direct Costs											
Costs of Goods Sold / Purchases	62,875,702	87.1	12,961,398	89.0	13,695,742	88.0	17,027,348	87.3	19,191,214	85.0	
Sales Commission	593,344	0.8	125,333	0.9	125,333	0.8	156,333	0.8	186,345	0.8	
Gross Profit	8,751,150	12.1	1,476,638	10.1	1,742,268	11.2	2,331,904	11.9	3,200,340	14.2	
Overheads											
Salaries and Wages	1,392,754	1.9	310,566	2.1	325,633	2.1	356,222	1.8	400,333	1.8	
NI & Employee Benefits	296,386	0.4	68,966	0.5	72,588	0.5	75,866	0.4	78,966	0.3	
Pension	50,100	0.1	9,688	0.1	12,563	0.1	13,586	0.1	14,263	0.1	
Rent / Licenses	120,000	0.2	30,000	0.2	30,000	0.2	30,000	0.2	30,000	0.1	
Rates	6,687	0.0	0	0.0	2,229	0.0	2,229	0.0	2,229	0.0	
Utilities	423	0.0	750	0.0	750	0.0	750	0.0	750	0.0	
Repairs and Maintenance	4,000	0.0	1,000	0.0	1,000	0.0	1,000	0.0	1,000	0.0	
Insurance	7,500	0.0	7,500	0.1	0	0.0	0	0.0	0	0.0	
Motor & Travel	100,000	0.1	25,000	0.2	25,000	0.2	25,000	0.1	25,000	0.1	
IT & Computer Costs	40,000	0.1	10,000	0.1	10,000	0.1	10,000	0.1	10,000	0.0	
Telephone	2,000	0.0	500	0.0	500	0.0	500	0.0	500	0.0	
Postage	1,000	0.0	250	0.0	250	0.0	250	0.0	250	0.0	
Office supplies	1,000	0.0	250	0.0	250	0.0	250	0.0	250	0.0	
Advertising	340,000	0.5	80,000	0.5	80,000	0.5	80,000	0.4	100,000	0.4	
Marketing & Promotion	340,000	0.5	80,000	0.5	80,000	0.5	80,000	0.4	100,000	0.4	
Accountancy Fees	2,000	0.0	500	0.0	500	0.0	500	0.0	500	0.0	
Professional fees	2,500	0.0	2,500	0.0	0	0.0	0	0.0	0	0.0	
Training and Development	2,000	0.0	500	0.0	500	0.0	500	0.0	500	0.0	
Bank charges	400	0.0	100	0.0	100	0.0	100	0.0	100	0.0	
Interest Receivable	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Interest Payable	9,348	0.0	2,337	0.0	2,337	0.0	2,337	0.0	2,337	0.0	
Loan Note interest	3,900,000	5.4	750,000	5.1	900,000	5.8	1,000,000	5.1	1,250,000	5.5	
Subscriptions	1,000	0.0	250	0.0	250	0.0	250	0.0	250	0.0	
Miscellaneous	120,000	0.2	30,000	0.2	30,000	0.2	30,000	0.2	30,000	0.1	
Depreciation	3,724	0.0	931	0.0	931	0.0	931	0.0	931	0.0	
Total Overheads	6,742,822	9.3	1,411,588	9.7	1,575,381	10.1	1,710,271	8.8	2,048,159	9.1	
Profit Before Tax	2,008,328	2.8	65,050	0.4	166,887	1.1	621,633	3.2	1,152,181	5.1	
Corporation Tax	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Net Profit	2,008,328	2.8	65,050	0.4	166,887	1.1	621,633	3.2	1,152,181	5.1	

Current Organisational Chart:

			LDE Holdings Ltd (UK)		
	LDE SAS (Colombia)	LDE DMCC (UAE)	LDE Limited (UK)	London Gold Xchange (UK)	Luxury Commentator (UK)
	Regional Manager	Regional Manager	MD	Intern	Intern
	Admin Assistant		Sales Manager		
	Sales Manager		Marketing Manager		
	Master Jeweller		Officer Manager		
	Jeweller		Intern		
	Jeweller		Intern		
15	6	1	6	1	1

We currently employ 15 people, 9 full-time and 6 part-time. They are located across our three offices: London, Bogota, Dubai.

Luxury Commentator is not expressly mentioned in this growth plan, as it is a small side project to attract PR attention to the main group and will remain a peripheral business activity for the foreseeable future. In time, it may develop into a more integral indirect marketing and PR funnel for the overall group but at this stage it is unclear exactly how that may take effect.

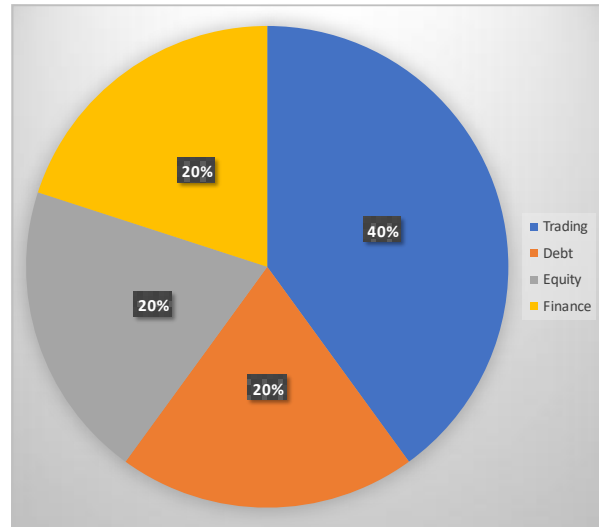
Organisational Chart – 2026:

			LDE Holdings Ltd (UK)		
			CEO		
			Marketing Director		
			Sales Director		
			Finance Director		
			Operations Director		
	LDE SAS (Colombia)	LDE DMCC (UAE)	LDE Limited (UK)	London Gold Xchange (UK)	Luxury Commentator (UK)
	Regional Manager	Regional Manager	MD	MD	Editor
	Admin Assistant	Marketing Manager	Sales Manager	Sales Manager	Assistant Editor
	Sales Manager	Sales Manager	Sales Consultant	Sale Consultant	Admin Assistant
	Sales Consultant	Sales Consultant	Marketing Manager	Marketing Manager	
	Master Jeweller		Marketing Assistant	Marketing Assistant	
	Jeweller		Officer Manager	Officer Manager	
	Jeweller		Intern	Intern	
	Jeweller		Intern	Intern	
	Jeweller		Intern	Intern	
39	9	4	9	9	3

The intended headcount in 3 years' time will be 39, comprising 33 full-time and 6 part-time employees. We have yet to ascertain the exact composition of the staffing requirements for the new office in Bangkok, which we intend to open in 1-3 years.

Financing growth 2023- 26

- Trading revenue (sales) = 40%
- Fixed income Debt (P -P) = 20%
- Equity (private placement) = 20%
- Commercial Finance = 20%



We have already raised almost £5mn in debt and equity. Over time we would like to drive the main investment activities towards equity, commercial finance and trading revenues, in order to reduce the overall debt interest liability.

Appendix 5: Risk Register

1.

Due to the international nature of our business and the market in which we operate, fluctuations in foreign exchange rates will always represent a challenge. Some of the countries we deal with, including Colombia, have volatile currencies and as such we have to plan ahead and maintain a reserve in order to mitigate the risks presented by this. We have very good banking facilities and FX brokers in place so I am confident that we can continue to overcome any difficulties this may present.

2.

Competition within our industry is fierce and the barriers to entry into the market are relatively low. It is for these reasons that we have carefully differentiated ourselves from our rivals by establishing clear USPs. We are the only emerald specialist jeweller in the UK with subsidiaries in Dubai and Bogota, with direct links to the emerald mines of Muzo, Chivor and Coscuez. This gives us an open channel to the finest emeralds in the world, whilst ensuring the ethical integrity of the supply.

3.

The pandemic caused a good deal of disruption to virtually all sectors of the gemstone supply chain. As such, it is more challenging to source certain stones now than it was at the start of 2020 and it is hard to predict how long this situation will continue for. We have strong relationships with mine owners and top-tier dealers, placing us in a strong position to continue to operate without any significant difficulties in the coming months. This is another key strength of our business model.