



***ShareHood was born as a platform for buying & selling premium sneakers in a real time bid/ask as an alternative to traditional overly diversified stock market with blockchain technology.***

## 1. Executive Summary

ShareHood SL is a decentralized marketplace platform that facilitates a real-time bid-ask in a secure and transparent way. The purpose of the platform is allowing users to make transactions via blockchain by buying and selling vintage high-end assets throughout Europe in total safety.

Therefore, the company's objective consists in delivering a significantly improved access to the secondary market.

Founded by sneakers passionates and designed for sneakers passionates, ShareHood aims to create a network formed by people that share the same passion about the share market. ShareHood has been incorporated as a limited liability company in Madrid, Spain, where it enjoys the advantages of a favourable position within the European market. The choice of Spain as headquarter of operations is a strategical move to easily access a broader market. In fact, ShareHood will operate within all the Spain and in the next year the target is the EU27 countries, allowing European-based customers to get their assets promptly delivered at their addresses

ShareHood is estimated to reach its breakeven point on the first quarter of the second year of operations, after closing the first fiscal year reporting losses. This is due to the fact that between June and July of 2022 ShareHood will start adding some new features and new products to our website, such as bags, watches, collectibles and NFT's, which facilitates the return generation for our marketplace

## 2. Market Trends and Analysis

### 2.1 Target Market

Sneakers became an icon and a status symbol in the 1980's, when Nike converted sportswear into a lifestyle. This is the why the price of sneakers produced years ago are today higher than on the release date. Giants of the retail industry as Nike and Adidas have revolutionized the concept of fashion and

created a niche of aficionados that would buy whatever new releases they drop into the market. The sneaker industry has experienced a steady growth in the last two decades and the secondary market for sneakers has grown to become a 1 million dollars sector. This is due both to the shift in consumer preferences towards athletic shoes and higher disposable income after the recession caused by the 2008 financial crisis. Recent research shows that athleisure and health trends are likely to continue sustaining footwear sales growth. Sports footwear sales are increasing faster than aggregate footwear sales, especially in leading markets such as Europe and the US. At the same time, the athleisure trend makes consumers more likely to target sneakers and shoes with sportive design. In addition, footwear sales forecasts estimate that athleisure and health trends will continue driving the industry, also thanks to the progress of ecommerce. Moreover, there were some news that Nike is preparing “CryptoKicks” “a blockchain-based sneakers, these shoes can be used to attach cryptographically secured digital assets to a physical product, in this case a sports shoe.”

In addition, technology is creating a mix between footwear and other industries. Adidas’ partnership with Kanye West is one example of music and entertainment brands blended with sneaker design.

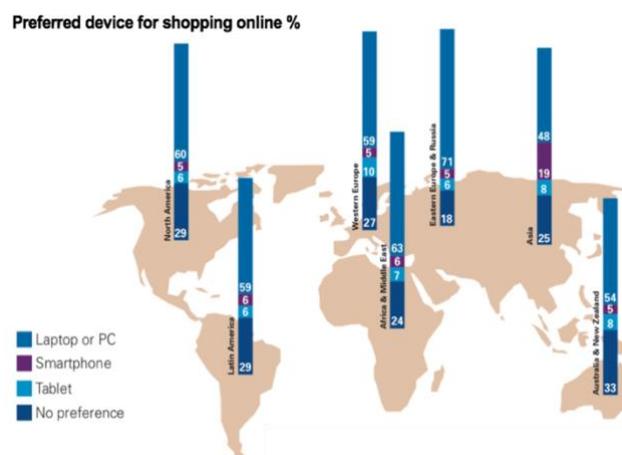


Figure 3. 1. Where most recent purchase were made  
Source: 2017 Global Online Consumer Report, KPGM

Besides, Europe is the continent where most online purchases are completed on an online-only retailer, after Asia. This gives an interesting insight about European consumer preferences and how the ecommerce market is destined to growth supported by advances in the online retail. The retail sector will continue growing strongly in Europe driven by geographical expansion and internationalization trends.

Looking at the informational society service providers, it is certain that platforms have gained weight. Platforms are today the leading form of organisation of modern digital markets.<sup>1</sup> They are the foundation of the digital revolution because they contribute to the establishment of new economies that rely on the

<sup>1</sup> Online Platforms: How to Adapt Regulatory Framework to the Digital Age? Internal Market and Consumer Protection, European Parliament, pp. 2  
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interaction of big clusters of users. Bi-polar business models where demand and supply meet straightforward on a website run by the supplier are losing dominance. Multi-brands platforms are able to offer different goods to a wide customer segment due to the huge differentiation of their products.

## 2.2 Market study

Since the COVID-19 pandemic started in 2020 the “virus” has positively influenced the footwear online market growth. Demand for casual and athletic footwear in Europe demonstrated to be steadily growing due to the rise of athleisure and health trends and the growing popularity of sports footwear.<sup>2</sup> The shift towards fitness and wellness is fostering sales growth in the sports and sneakers footwear category. The athleisure trend pushes consumers to look for designer sneakers or sneakers that include sport elements. The incremental demand for this specific type of footwear is in turn destined to boost online footwear sales. High-performance, comfortable, mass-market and functional sports footwear affirmation is indeed a major driver of the sector’s growth.<sup>3</sup> Athletic footwear is therefore one of the main categories within the global footwear ecommerce market.

The European footwear market forecast indicates a moderate compound annual growth rate of 11,4% between 2019 and 2025.<sup>4</sup> European B2C ecommerce sales have been steadily increasing since 2011. Clothing and footwear category alone accounts for the 33% of total online B2C sales and forecasts indicate that this figure is destined to growth in Europe in the next years.<sup>5</sup> European consumers buy more footwear (and clothing) than in any other region and Europe also presents the highest internet penetration and E-GDP globally.<sup>6</sup> The major drivers of growth are identified in healthy lifestyle trends, improved ecommerce, and eco-fashion footwear growth. Ecommerce continues to gain popularity in Europe, and its turnover has shown signs of continued growth during recent years. It increased by 13,4% to €407,4 billion in 2015 and by 15% to €530 billion in 2016.<sup>7</sup> Europe has in fact the higher frequency of online purchases compared to any other region. Interestingly, it is estimated that 57% of European consumers purchase goods online, while only 16% of SMEs sell on the internet and only 7.5% sell online across borders.<sup>8</sup> Moreover, the average number of online transactions (per person per year) in Europe (and North America) is second only to Asia.<sup>9</sup> After reading the whole European ecommerce report, we noticed that all the European customers are asking for more and more tracking information about the product, the transaction and the shipping. To resume, data quality is the most valuable perk for the user in a marketplace.

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<sup>2</sup> Deep Dive: Global Footwear Ecommerce: Growing by Leaps and Bounds

<sup>3</sup> CBI Product Factsheet: Performance Sports Footwear in Europe, pp. 8

<sup>4</sup> CBI Ministry of Foreign Affairs, pp. 74

<sup>5</sup> European B2C E-commerce Report 2016, Ecommerce Europe, pp. 31

<sup>6</sup> Global Ecommerce Report 2019, Ecommerce Foundation, pp 24 and 33

<sup>7</sup> European B2C E-commerce Report 2019, Ecommerce Europe

<sup>8</sup> A guide to e-commerce in Europe, Enterprise Europe Network, EU Commission

<sup>9</sup> The truth about online consumers 2017, Global Online Consumer Report, KPGM, pp. 4

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Ecommerce is one of the principal priorities for European policymakers and a major share of retail growth is derived from the boom of the ecommerce sector. In this sense, the European Commission launch of the Digital Single Market initiative in 2015 has empowered cross-border ecommerce by creating new business opportunities. The European Digital Single Market aims to remove limitations to the free movement of goods, services and capital. The European Commission has committed its strategy to simplifying consumer regulation regarding online purchasing, allowing consumers to conclude negotiations based on common EU data protection rules and removing existing barriers to cross-border ecommerce. This, according to Eurostat, resulted in an increase in the share of online purchases. In 2015, the 16% of all EU28 citizens purchased goods or services online from sellers based in other countries belonging to the EU28. This figure represents an important growth of 33% compared to 2013. To conclude, a new set of EU rules on data protection and privacy in electronic communications has been implemented since May 2018.<sup>10</sup> In the same month, the EU saw implemented its first ever common cybersecurity law to keep network and information systems safe in all member states. Thanks to modernised EU contract rules, firms will be guided in expanding their business, while consumers will become more confident doing online purchases. Furthermore, consumers will also benefit from more affordable cross-border parcel delivery. Lastly, consumers barriers such as redirection to a country specific website will be eliminated thanks to the proposed regulation on geo-blocking.

Regarding Spain, the country ranks first in Southern Europe in terms of turnover.<sup>11</sup> The category Shoes and Lifestyle is the second in order of importance for estimated online sales after Clothing. The country has a high number of cross-border transactions and scores high on the Logistic Infrastructures Index. In addition, Spanish people show a wide acceptance of global marketplaces despite the lack of legislative clarity from the government.<sup>12</sup> The ecommerce revolution has transformed the Spanish logistics sector. Logistics evolved from a simple operational element into a factor that adds value to products depending on their availability. This resulted in greater control of orders and therefore reduced incidents, broader international reach, and greater transparency in the integration of payment systems. The turnover generated by ecommerce sales increased by 20% from 2016 and 2017.<sup>13</sup>

The ShareHood team believes that Spain is the right place to start its business based on the following factors First of all, the Spanish ecommerce sector has the potential for a game-changing growth. Second, the adaptation of the regulatory systems to the needs of the digital era and increasing atomization and digitalization of processes contributed to optimising logistics. Besides, exports have played a major role for the recovery of the Spanish economy, making the logistics sector essential for the economy's competitiveness overseas. Lastly, Spain does not figure within the countries where the PSD2 exemption won't be incorporated. Some of the EU's biggest ecommerce markets (Germany and France) won't in fact be able to avoid the cost of the license needed for complying with the new

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<sup>10</sup> Digital Single Market, Making the most of the digital opportunities in Europe, European Commission, pp.1

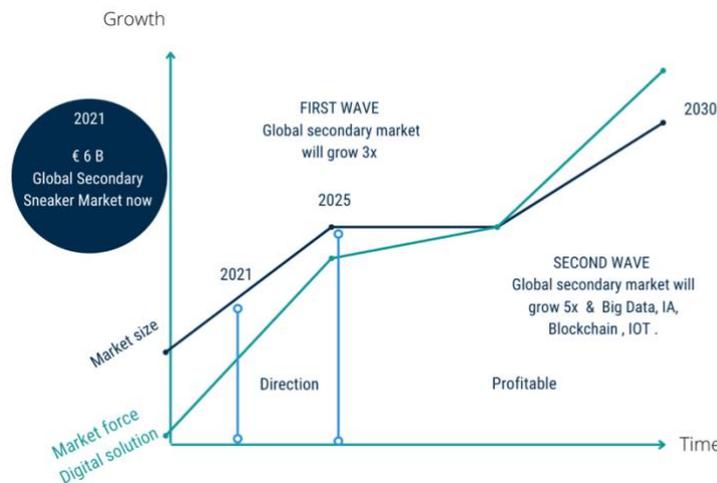
<sup>11</sup> European B2C Ecommerce Report 2019,

<sup>12</sup> 2018 Marketplace Expansion Index Report, Hyperwallet, pp. 95-97

<sup>13</sup> Logistics Spain 2017, Knight Frank Research, pp. 3

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legislation. This means that countries that cannot apply for the “Small Payment Institution Exemption” will have to upgrade their company structure into a payment institution.



Premium sneakers are the new cryptocurrencies. Selling high-demand sneakers has become a new way to achieve high yields for Generation Z and Millennials. This type of market helps to generate very high profits in a shorter time in comparison with the benefits of other products or investment assets.

Today, designers, sports brands and artists have converted the sneakers into a museum object. There are millions of high-end sneakers passionate, who decide to invest large amounts of money in collectible articles that are profitable and recreate a kind of "trading" with second-hand articles. Amidst so much noise, it is difficult to find a place that concentrates all these tangible assets on a single secure, reliable, and transparent platform.

Only the sneakers' resale market is around 1,680 million euros a year and is full of risky transactions, speculation on prices and possibilities of obtaining fake products. Part of the solutions that ShareHood offers is the incorporation of an innovative project that uses technological solutions to solve all these problems.

### 2.3 Definition of the Service

ShareHood is a decentralized marketplace that enables buyers and sellers to trade and negotiate their own prices. For this reason, ShareHood's target market is a niche market composed by personas who are really passionate to know how does the share market work. ShareHood webpage is intended to operate as an online B2C heterogeneous marketplace where enthusiasts and novices can bid or ask assets at fair market price. The term "heterogeneous" indicates in this case that ShareHood is focused on the uniqueness of its supply. ShareHood platform relies on a triangular relation. It allows the supply side (suppliers) to meet the demand (customers) by creating a triangular structure based on relations

between the platform and the customer as well as the supplier and the customer. This means that ShareHood is a two-sided market, a digital infrastructure that allows interactions and helps fulfilling the interests of two groups of users. These users (suppliers and final customers) must first conclude a smart contract with ShareHood (the intermediary platform) in order to be able to negotiate or trade between themselves. The products listed on the website are limited to “deadstock condition” or used sneakers. The term deadstock indicates a brand-new product, never worn or tried, conserved in its original box. In a market where searching for the proper supply is the biggest barrier, ShareHood provides users with a searching tool that allows them to find their desired listing among a huge selection of products.

Furthermore, the website is enriched with our stock market and blockchain for sneakers feature that ensures price transparency and allows users to know the fair market price of each model of shoes. These features represent the very last innovation in the field of online pricing and ensure ShareHood with an additional boost of traffic due to fair market price fluctuations. Customers benefit from the possibility of selecting the perfect timing for their purchase in order to pay less while ShareHood gains visibility from users that access the platform for deals deriving from price change.

In order to sell, users are required to verify their account as a security measure which guarantees the greatest degree of safety and protection from fraud. Moreover, sellers are also required to verify their PayPal account, debit/credit card and crypto profile details to help detecting impostors. In addition, all user data is encrypted through SSL (Secure Socket Layer) protocols aimed at protecting sensitive data, such as credit card details, account logins and transaction transparency. Another security measure that ensures user protection is ShareHood’s proprietary Certification process. The ShareHood team inspects each shoe sold on the platform and certifies the sneakers that are suitable for sale. For a product to be suitable for sale on ShareHood, it has to be declared authentic (legit) and it has to be in line with the pictures and description provided on the listing.

ShareHood takes fraudulent behaviours, counterfeiting and market manipulation very seriously. First, all items posted on our website go through an initial online appraisal made by our employees. Every insertion is double-checked in order to detect unusual listings, policy violations and infringements. When a pair of shoes is sold on the webpage, a Portfolio is created for the user. Then ShareHood makes an encrypted ID and transfers it to the potential new owner. Finally, the seller must ship the item to ShareHood’s headquarters in order we can verify its legitimacy. This is done by our certification team of experts who analyses each pair of shoes through the use of proprietary software (blockchain and scale technology) that allows an exhaustive authentication of the sold product. Our first goal is to avoid any kind of fraudulent behaviour happening in our website, which is meant to be completely counterfeit-free.

The shipping of the item for the certification process is not free from charges for the seller, who will receive an exclusive delivery label for the distribution. Once the product has been declared legit by our

authentication team, we will take care of its delivery to the buyer and the product will be transferred to the buyer's Portfolio via Blockchain. The authenticated sneakers will come out from our factory and the cryptographic IDs will be created in both parts; this guarantees their legitimacy. This way, buyers are 100% sure that the item they purchased is original and meets the ShareHood requirement for re-sale. At the same time, sellers won't have to bother with the final shipping of the product. Once this encrypted ID is created and the transaction is performed, the buyer loses the right of claiming that the shoes are not legit. This is due to the fact that once the transaction ID has been added to the deal, ShareHood cannot guarantee anymore the legitimacy of the sneakers without sending them back to our team of experts for a second inspection. In case this happens, the buyer has to pay a penalty of 20€ because we would need to check the shoes in our laboratory again.

For what concerns buying, the final customers (buyer users) just have to select the pair of sneakers they want to purchase or bid and checkout. The payment on ShareHood takes place via PayPal or stripe for debit/credit or crypto currencies and will be automatically refunded in case the purchased item does not pass the ShareHood Certification. As soon as the seller accepts the buyer's bid and make the payment, the seller is instantly informed and has 48 hours to ship the item to our laboratory. When the certification has taken place and the item has been declared suitable for sale, we will ship it directly to the buyer with a tracing system via blockchain, that allows buyer and seller where is the product and when ShareHood can accept the deal. The average delivery time is between 6-10 working days, depending on how fast the seller has shipped the sneakers to our laboratory and on what country he is shipping from.

ShareHood involves technology solutions such as blockchain, data analytics and auctions that simulate a stock market. These solutions help a secure and highly reliable shopping transaction service to our customers.

ShareHood S.L is an exchange marketplace between buyers and sellers of the second-hand market in Europe. Through its auction mechanism it takes into account the prices that the seller suggests and what the buyer is willing to pay. The assets that are commercialized in our platform are provided by the same subscribers and through our blockchain system; users, transactions, sneakers, authentication, and traceability are verified by generating a smart contract with a permanent and immutable record.

To launch this project in the dead-stock market, we have integrated an e-commerce platform, supported by blockchain technology, which combines data analytics and intelligent contracts, that allows traceability and authentication of the products. Thus, we have designed an auction mechanism, which, together with the enthusiast of the "sneakers", will offer a secure and maximum trustworthy bid/ask transaction service to our customers.

ShareHood is the first platform for buying and selling Premium sneakers that encrypts and protects each transaction with blockchain technology. Achieving that each exchange is totally transparent and safe for its subscribers and avoiding scams, false products, and costs or extra commissions.

## 2.4 Mission and Vision

### **Mission**

*The mission of ShareHood is creating a European, two-sided and decentralized share marketplace that facilitates a real-time Bid-Ask in a secure and transparent transaction. ShareHood platform is an alternative to traditional overly diversified ecommerce platforms, specialized in deadstock marketplaces and web-based consignment stores for selling luxury items.*

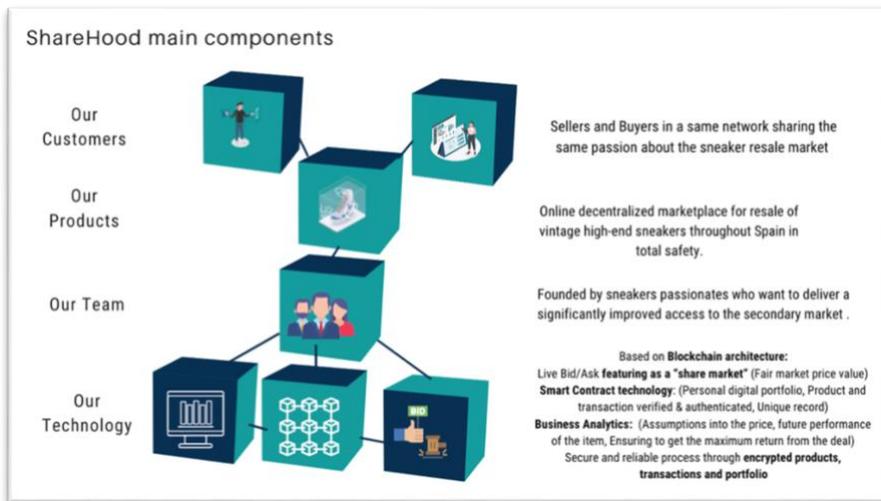
At ShareHood, we aim to protect the interests of both sides of the market by creating a double-sided B2C web-based marketplace for vintage, limited edition, and high-demand items resale. On ShareHood webpage, sellers and users gather together for different purposes while sharing the same passion about luxury goods. ShareHood web platform allows buyers to efficiently search their dream item and to compare historical prices in order to get the best deal. At the same time, the sellers can easily register to sell their unique items to the broad customer base.

### **Vision**

*Our vision for an ideal decentralized marketplace is one that grants users the highest degree of safety, transparency and protection from fraud and counterfeiting, offering at the same time the greatest experience selection of vintage, exclusive items in Europe.*

### **Core Values**

- Focus on customer satisfaction with high-standard products, protection, and transaction security
- A genuine passion about vintage and exclusive, limited-release luxury items
- Convenience and trustworthiness
- Full transparency



### 3. Customer Segments

#### 3.1 Customer Profile and Value Proposition

First of all, ShareHood website is designed for both male and female users. ShareHood's target market is represented by "deadstock market heads". This niche community of enthusiasts and **aficionados** is used to follow fashion trends as well as to buy, sell and trade the most fashionable items on the market. Like most collectors, they are passionate and committed to the business. ShareHood of course relies on both fanatics and collectors as a first source of income, but it does not limit its target market to them. When it comes to used and deadstock goods, users are more likely to look for good deals on rare old models and price is a key determinant factor for their final purchase decision. Our customer segment is also likely to search for models that are out of production and consequently difficult to find. However, due to the rising importance of ecommerce, items heads have evolved to a whole new dimension. Isolated collectors can today connect with other users that share their same interests. News and rumours about new collaborations, projects and limited releases are today available through multiple channels. With resale price rapidly escalating, especially for rare, limited editions, products became speculators.

Everybody who is used to wear luxury goods is part of our target market, together with people who often buy items online through web-based platforms. ShareHood's average customers age segmentation goes from 18 to 40 years old customers, but the core segment specifically ranges from 19 to 30 years old people.

ShareHood value proposition for its **buyer** users consists in offering the best selection of vintage and deadstock items at their fair market price and many pay out method such as crypto, credit/debit, PayPal and other pay-out gateways. This makes the process of searching and purchasing a product on our platform very immediate and easy for every type of customer.

Furthermore, our platform is specifically centred on the sneakers culture and will focus on the uniqueness of our suppliers in the first one year. For this reason, we help **seller** users to reach broader

markets, assisting them through the entire sale process and implementing their journey with a blockchain ecosystem, that creates a manipulee-proof solution where transferring and tracing items become more secure and transparent, removing all the counterfeit goods.

### **Customer Segments**

Our customer segment is split into two, since ShareHood is a two-sided platform. On one side, there are users that buy products on our platform while, on the other, there are sellers that use our platform as a tool for making a profit. Regarding the geographic segmentation, both groups are composed by personas who live in Europe. For what concerns the demographic segmentation, instead, buyers and sellers are both men and women. Online purchasing is more common among younger generations. The sneakers culture itself has a deeper meaning for consumers from 15 to 35 years old. Anyway, not only generation Z and millennials, but customers of all ages are today becoming comfortable in online shopping. Besides, sports footwear trend is in constant evolution and ShareHood does not want to set limits to its customer segmentation.

ShareHood customers are intended as final buyers. Buyer category comprises whoever purchases footwear on online platforms. These buyers are divided in a few sub-categories, as break down below.

Convenience Seekers are generally high-income individuals that have the impulse to buy. They are transactional personas looking for advantageous offers or discounts. They are usually focused on quantity rather than quality. They highly value convenience both in terms of ordering and shipping rapidity.

Brand Buyers are usually individuals with the highest incomes and are less price sensitive than other categories. Therefore, they are willing to pay more if the products meet their standards. These personas are mainly focused on the identity and branding of the product. They value quality over quantity and need to be engaged through the use of referrals, targeted advertising and a clear lifestyle branding.

Early adopters are instead intended as those customers that buy whatever new launched product that the giants of the industry release in the market as soon as it gets available. They care about quality rather than quantity. They follow new trends and wait for the release of new sneakers for buying them, independently from their price.

Casual Buyers are instead a customer segment formed by users that occasionally buy our product and have no brand preferences. They are less concerned about delivery time windows and usually present a reduced spending growth as a group.

Relationship Seekers are clients that give more importance to the relationship with the brand. They are concerned about the person behind the brand as well. They are more likely to be influenced by the

brand decisions, suggestions, and promotions. They are among the most brand loyal customers and they highly value connections and referrals.

Lastly, Bargain Hunters are defined as those customers that put price before anything else and are willing to sacrifice quality for a lower cost. They are looking for a good price and have usually a low income. They operate small purchases and regularly check discount coupons and offers.

Regarding the users that operate on ShareHood for selling purposes, they are identified as sneaker collectors, enthusiasts, fanatics or just privates who have one or more pair of sneakers for sale. ShareHood does not provide listing space to stores at the moment.

### **Value Proposition**

Our unique value proposition (UVP) at ShareHood is creating a new decentralized heterogeneous marketplace aimed at delivering a significantly improved access and finding a centralized price to the secondary products.

ShareHood's on-demand business nature is based on convenience and trust. Both side of the market have the opportunity to find what they are looking for on our platform in an easy and fast way. Convenience is provided to the customer by giving it the chance to easily browse our platform to find sneakers model that it won't otherwise be able to find locally. It also allows it to make live bid-ask transactions featuring a share market-alike, which shows the volatility of the prices and graphic analysis of the products. The whole process is designed to be user-friendly and to reduce the time needed to complete a purchase. At the same time, ShareHood offers a huge selection of products to our customers from a great variety of suppliers spread among all Europe.

Price competitiveness is also a priority for ShareHood. We want to offer the best quality sneaker service on the European market at the lowest price. For this reason, our transaction commissions are among the lowest in the industry. Our fast and secure payment processing system allows customers to save time without giving up safety. Finally, our courier delivery system benefits sellers as they don't have to pay for shipping costs, and buyers, who receive the purchased item professionally packaged and delivered at their homes for just €7. A rate that is much lower than the average post office shipping costs.

Trustworthiness is another priority for ShareHood, and it is what our business relies on. For this reason, ShareHood fosters trust through the use of the most suitable technologies, offering identity verification, authenticity inspection of each pair of shoes, a review system and a blockchain ecosystem. Every seller account registered on our platform has to be approved by our team according to our verification policy. This is a primary measure to ensure all buyers that our seller are trusted parties can be reliable. This way, our final customers know who they are buying from and what they are buying. Moreover, thanks

to our certification process, we managed to deliver to the buyer a risk-free option for buying footwear. Being all the pair of shoes authenticated by our certification team and the blockchain ecosystem, which stores an assigned encrypted ID for each product and transaction. The two encrypted IDs stored on the blockchain eliminate the risk of receiving counterfeited merchandise and tracing the life of the product. This is our ultimate way to create trust, enabling buyers to just focus on the search of the model of shoes that they desire. We take care of all the rest, providing only 100% legit products that have passed our quality check.

Finally, user reviews are a way to provide new users with a feedback from previous customers and show how our process is founded on transparency and simplicity. Online channels account for the 59% of the channels where consumers are likely to check the product before buying. Reviews and recommendations are the third channels in order of importance where consumers saw the product before purchasing, after online shop and advertisement.<sup>14</sup> For these reasons, the ShareHood team has decided to strongly focus on the implementation of an efficient reputational system that empowers sellers and buyers.

Lastly, ShareHood looks forward for solving the biggest trouble for sneaker enthusiasts. Finding a specific pair of rare vintage shoes can indeed be difficult and expensive. For this reason, our platform provides customers with a fast sneakers search engine that allows them to find their desired model easily. Our standardized set of pictures is designed specifically for giving to customer all the information that he needs for his decision making. Furthermore, our sneakers stock market function allows our users to know the fair market price of all the footwear on our platform and to compare prices efficiently.

### 3.1.1 Value Proposition Canvas

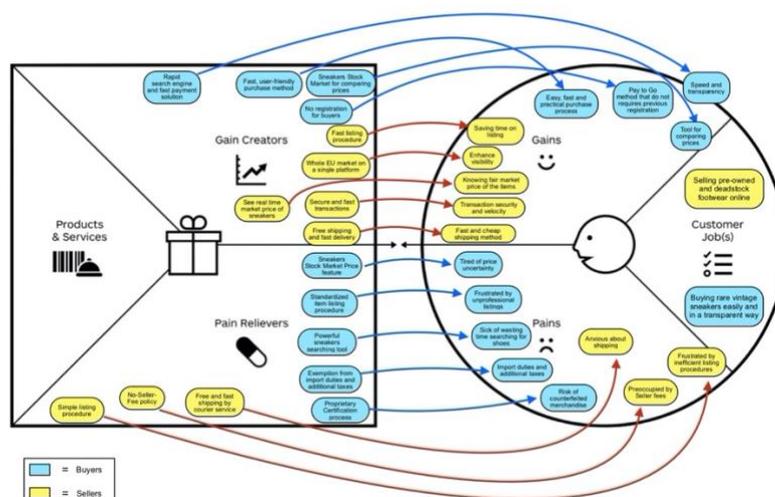


Figure 2. 1 Value Proposition Canvas

Source: Own elaboration

<sup>14</sup> The truth about online consumers 2017, Global Online Consumer Report, KPGM, pp. 15  
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Being ShareHood a double-sided market, its customer segment is composed by both users selling through and users buying on the platform. For this reason, a distinction has been made between both of them in describing their specific jobs.

**Seller** users are identified as “deadstock heads”. This group of customers is composed by assets collectors, fanatics, enthusiasts or any private that wishes to sell one or several pair of used or deadstock sneakers, watches, or bags. The sellers’ customer job consists in selling assets online. In the specific, sellers are looking for an international market to sell their used or deadstock in an easy and efficient way.

On the contrary, the **buyer** is whoever is willing to buy a pair of athletic shoes or other assets. Of course, this customer segment includes deadstock heads, but it is not limited to enthusiasts and fanatics. Buyer’s customer job consists in buying their desired asset online. Specifically, they seek for a specifically designed marketplace for helping them finding the pair of shoes of their dreams. They want to be able to choose from a large selection and to complete their online purchases rapidly and effectively.

### 3.1.2 Value Proposition for Buyers

When the buyer registers in the marketplace, he will be able to select a variety of items and will have two purchase options. The first option is to buy directly, paying the lowest price that the seller demands, and with the second option the buyer can offer a price if the shoe is within the auction mechanism.

Buyers will also have their portfolio with the history of the items they have purchased, as well as the option of being able to sell them at a better price within the same platform. In this way, buyers and sellers become the same ShareHood user. All bidding transactions will be recorded on the blockchain, as well as the winner of the auction.

Within the portfolio, the buyer will be able to view the products purchased, as well as the initial auction price and the purchase price. Additionally, there will be Validator / Auditor and auctioneer profiles. Through blockchain, the opening and closing of the auction will be executed automatically with a conclusion period in a predetermined time. At that time, potential buyers will be able to make their 'bids', but they will also be able to obtain a digital certificate since the opening and closing transactions will be registered.

After the auction system has been executed and the transaction is closed, the transaction will be registered in the ShareHood database and, immediately, the partners and the ShareHood specialized team will initiate the validation and authentication process of the auctioned shoes. This validation will

be carried out through blockchain technology with the order and registration code of the seller. This will ensure that critical operations such as validation and authentication are not fraudulent for either party

### 3.1.3 Value Proposition for Sellers

When sellers register in the marketplace, they will be able to select the products they want to sell.

Through a digital certificate, these products will be found within the ShareHood database, avoiding human errors and inappropriate photos for the company's image.

After selecting the shoe model, the seller will have two options to complete the transaction. The first option is to sell directly their premium shoes with the highest price that any buyer offers for that model, and with the second option the seller can demand the fair price for which he wants to sell his shoes. These operations will be recorded in the database and, immediately, a transaction will be triggered within the blockchain so that ShareHood can validate the auction and thus notify all the operations that occur within the auction.

After closing the transaction, the seller will send the sold shoes to ShareHood offices, and automatically a smart contract will be linked to the seller's digital identity.

Partners and Sharehood's dedicated team will verify and authenticate the shoes. The smart contract created with the transaction will provide the traceability and authentication details of the product. Likewise, smart contract can only be unlocked when the buyer associates the shoes with their digital identity and becomes the owner of the product. Additionally, as a validation instrument, the seller may upload the official purchase invoice as proof of authenticity of the item offered.

Once the sneakers are approved and authenticated, they will be sent immediately to the buyer and the seller will receive the payment within his portfolio.

Likewise, within the payment gateway, subscribers will have the option to market the products with a cryptocurrency from the marketplace or with other common ones in the market. Each profile will be able to register their digital cryptocurrency portfolio for alternative payment operations.

Finally, within their respective portfolio, sellers will have a clear summary of what they own and the transactions they carry out, as well as the average live price at which their item is selling.

## 4. Target Market

ShareHood is designed for both male and female users. ShareHood's target market is represented by "deadstock market heads". This niche community of enthusiasts and aficionados is used to follow fashion trends as well as to buy, sell and trade the most fashionable items on the market. Like most collectors, they are passionate and committed to the business. ShareHood of course relies on both fanatics and collectors as a first source of income, but it does not limit its target market to them. Everybody who is used to wear luxury goods is part of our target market, together with people who often buy items online through web-based platforms. ShareHood's average customers age segmentation goes from 18 to 40 years old customers, but the core segment specifically ranges from 19 to 30 years old people.

### **Isolated collectors**

Today connect with other users that share their same interests. News and rumours about new collaborations, projects and limited releases are today available through multiple channels. With resale price rapidly escalating, especially for rare, limited editions, products became speculators.

### **Aficionados**

Our customer segment is split into two, since ShareHood is a two-sided platform. On one side, there are users that buy products on our platform while, on the other, there are sellers that use our platform as a tool for making a profit. Regarding the geographic segmentation, both groups are composed by personas who live in Europe

### **Relationship Seekers**

Clients that give more importance to the relationship with the brand. They are concerned about the person behind the brand as well. They are more likely to be influenced by the brand decisions, suggestions, and promotions. They are among the most brand loyal customers and they highly value connections and referrals.

### **Investors that are interested in fashion, Stock market, new technologies and cryptocurrency & blockchain**

Lastly, Investor hunters are defined as those investors interested in one of the 3 types of markets offered by ShareHood. The Hunters are looking for new trends in the markets, and they are willing to risk its capital for having better returns.

## Private investors

Such as VC and Business Angel.

## Ambassador & Influencers

They will be in charge of attracting potential clients or investors through publications and communication, either personally or by electronic means about the company's products and services. On the other hand, Influencers are the power unit because all their fans will follow them

## 5. SOT TOKEN

### 5.1.1 SOT Identity

Symbol: SOT

Name: ShareHood Of Things

Blockchain: Binance Smart Chain

Standard: BEP- 20



### 5.1.2 SOT description

ShareHood's Token, SOT (ShareHood of things) is an owned cryptographically exchange that Binance Smart Chain Blockchain deployed. This utility token can be later used to purchase a good or service offered by ShareHood.

The maximum issuing of SOT will be 1,000,000,000 finite supply tokens

SOT will be coded on the Binance Smart Chain Blockchain in the first stages of the token, this means that it is being coded following the standards of the BEP-20

### 5.1.3 Issuing grounds

Development and maintenance of the website

Costs related to the HR area

Financing the expansion in Spain and key European countries

Marketing and advertising of our brand

Strengthen a solid IT infrastructure

Financing the next stage of development and agreements for company services and products

## 6. SOT Token Structure

To innovate and change the B2C market we have designed a decentralized marketplace, combining e-commerce and blockchain technology. A blockchain architecture permits to introduce other solutions such as an auction system similar to the stock market, where products are identified as assets within the platform. This allows a fair price to be assigned according to supply and demand since it considers the value suggested by the seller and what the buyer is willing to pay. In this way, it is possible to view other offers to match or improve the initial offer and to track the price of each asset.

The cycle begins with the registration of the buyer or seller of the sneakers. Personal data is protected by cryptography and validated with 'tokens' for customer security.

Once registered, the user will be able to sell their items or buy through the auction system. Our blockchain will issue a smart contract to our clients to carry out their operations within the live auction system.

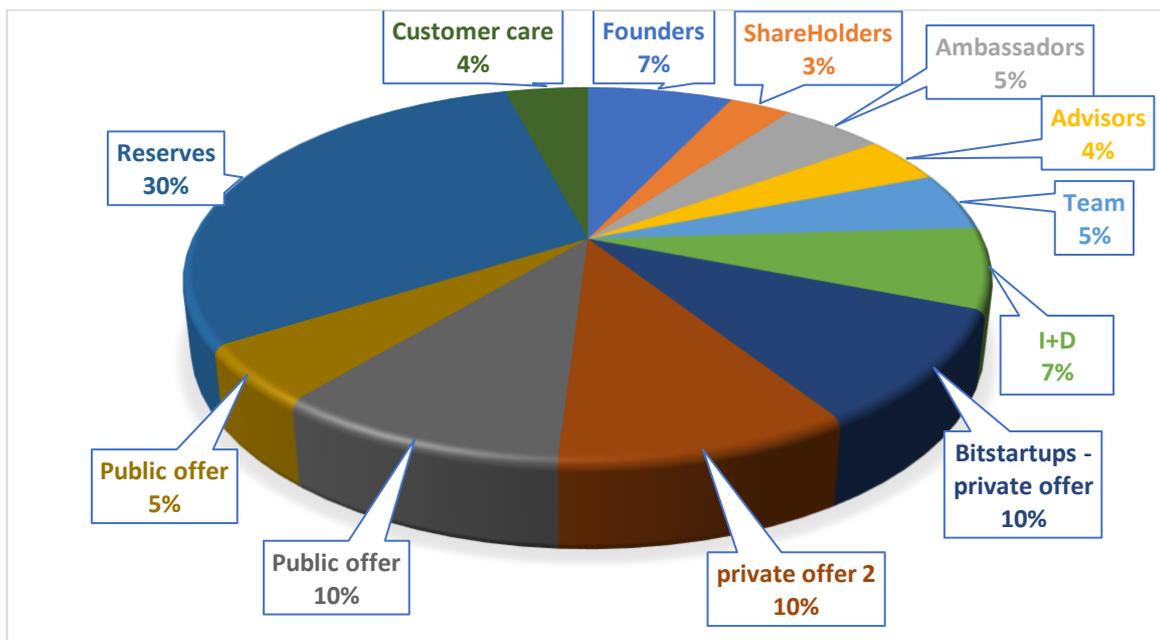
Moreover, ShareHood is planning to integrate the auction system with tokens via tokenomics on the same platform. ShareHood's Token (SOT) is an owned cryptographically exchange that Binance Smart Chain Blockchain deployed. ShareHood S.L. is developing several premium packages such as discounts, staking reward programs and new partnerships as well as integrations and derivatives to boost the utility practise of the SOT Token.

ShareHood has decided to launch the SOT Token as the local currency of his finance environment, its service following a strategy aimed to enables a rapid and easy customer experience. In order to be competitive, not only in Spain but in the whole Europe territory, the firm has chosen to focus its efforts on convenience. Consequently, ShareHood's transaction model is being upgraded by the SOT token creating a trustworthy platform where blockchain architecture brings transparency and nonpayment fees commissions are added. Every transaction is recorded in the hyperledger and cannot be amended by anyone. It offers high-security, radical visibility, and faster processing speed, along with traceability through the decentralized system.

As pointed out, ShareHood charges the lowest fees to its users. This is also part of the firm's strategy for acquiring a high volume of suppliers in the first years of operations. The supply-side of the marketplace is key for the success of the venture because only a high number of suppliers can guarantee a large selection of products listed on the platform. For this reason, especially in the first years following the launch of the service, incentivizing users to list their items on our platform is one of the priorities of the company.

### 6.1.1 Distribution

The following chart shows the ShareHood token distribution where it is limited in 1 billion SOT tokens but being able to change in the future. The spreading is allocated within the main areas of the company. As shown in the chart, the Reserves represent the major distribution, this is due to the fact that ShareHood wants to maintain a healthy environment, being cautious and prepared for any contingency such as security breach or losing funds. Public and Private offers represent the second major spreading of the total Token and comprehends 20% in Private offers and 15% in Public offers. Ambassadors and Teammates they represent a total of a 10% of the allocated tokens, meaning that these tokens will be used to attract new genius to the team in the future, as well as to incentivize and retain existing team members. I+D represents one of the major distributions because ShareHood counts on equipment such as blockchain technology for the implementation of its proprietary certification process. This technology constitutes a main asset as they are fundamental for ShareHood future operations.



### 6.1.2 Use of Funds

The accumulated capital that ShareHood will receive from the token sale will be used in the key areas of the company.

- **ShareHood operations development**

One of the basic, but most important areas for ShareHood, embraces technology and innovation. Regarding the development, maintenance management and innovation of the platform, ShareHood

strongly relies on the expertise on a blockchain technology. Despite the cost of contract since the first year of operations is significant, ShareHood have chosen to outsource IT services to one of the most expertise in the blockchain architecture. This is due to the fact that all processes related to our platform are crucial as they represent the main asset for our company. Choosing this solution, we want to eliminate all risks related to the development of a platform that mirrors the ideas of its co-founders..

Logistics are entrusted to all delivery companies. The logistics company is in charge of delivering every item sold on the ShareHood platform. Integrating all delivery services into the platform for the automatic generation of shipping labels is free. The ShareHood team estimates that its partnership with all the delivery companies will cost a 4% fee on the final price (shipping costs included) of every item sold on the website.

ShareHood Return Policy states that no returns are offered. This is due to the fact that all the items on the platform are listed by private sellers. At the moment, we do not allow brick-and-mortar stores to sell on our platform. Furthermore, the items purchased by customers on ShareHood are authenticated by our Certification team which means that, in case they pass the certification process, they are legit and complying with the description provided within the listing. The inspection carried out in our laboratory has the objective of eliminating the risk of fraud and counterfeiting for all users on our platform. At the same time, it eliminates disputes and litigations between buyers and sellers. Acting as an intermediary, ShareHood guarantees the transparency of price information and accuracy when completing purchases. In case the sold footwear is rejected by the Certification team, the buyer immediately gets a refund for the entire sum paid. Additionally, the € 20 penalty standard is charged to the seller. It is to be noted that, in case the ShareHood Certification Tag is removed, we cannot ensure anymore the legitimacy of the item.

One of the most innovative features of ShareHood is indeed the stock market of sneakers feature. Through this feature we allow our customers to buy their footwear at the fair market price. Providing accurate market prices for each model of shoes listed on our platform is a work that requires plenty of time. The ShareHood team works hard analysing data in order to define the exact market price of each model. To do this, they compare thousands of sale prices from the most famous reselling platforms in the world depending on size, rarity, availability and supply and demand. This process is indispensable in order to end up with an accurate estimation of the average price of sale of each pair of shoes.

- **Implement new platform functionalities**

ShareHood plans the implementation of new features and products in the web. The ShareHood team will periodically analyse the user's navigation data, gathered through its friendly website. This way, the percentage of ShareHood user's usage will increase. Moreover, the new digital assets market getting to Europe will determine if the company will add new products and features such as bags, watches and NFTs. Besides, surveys about customer preferences will reveal if there is need for an immediate implementation of our products after the first years of business.

We also look forward to creating a new space for all the share market heads, introducing a real stock market in five years. This is meant to be a strategical move in order to better market our products while tightening customer relationship, raising brand awareness and helping the deadstock market for creating an only price each product. Moreover, the ecommerce environment is becoming more and more crowded and expensive, and the opening of a trade market is a marketing strategy to generate an increase in web sales and to boost online traffic.

- **Horizontal expansion through Europe**

ShareHood is looking forward to become a landmark in the global sneakers market by starting our international shipping service anytime within the first three years since the launch of the ShareHood web. This will allow to fully take advantage of the economies of scale and to consolidate its global presence, bringing together users from all over the world into our marketplace community. It is important to underline that growing the customer base in Europe is a condition sine qua non for the expansion of our network to other countries.

- **Enable key human capital resources**

Human capital is also essential for ShareHood business model. Being ShareHood a double-sided marketplace, a fundamental resource is represented by sellers. The more sellers on the platform, the more choices to choose from for our customers. This is why we decided to opt for the lowest commission model that allows our sellers to access great value without having to pay big amounts on fee for subscription or for completing any transaction. This way, ShareHood wants to rapidly expand its seller users base in order to achieve a higher scalability of operations and to create a sneakers-only network for people who really care about footwear.

The ShareHood team will constitute the principal human capital of the enterprise for the first years of activity. They will be in charge of delivering an effective assistance to the customers, supporting them 24/7 through our live chat support system and telephonic assistance. They are also in charge of operations and marketing activities.

- **Branding exposure**

ShareHood wants to promote brand awareness among consumers in all the EU27 countries in the first two years from its opening date as a starting point to rapidly expand its presence in the major footwear markets within Europe. The expansion in Europe is the first objective for the business and the first step to improve brand recognition across Europe.

### 6.1.3 Token Exposure

The issued token exposure is high, in this point ShareHood embraces many of the perils that can incur during its financing offers. All token holders will assume and fully comprehend the jeopardy of a token. If the token loses value ShareHood will not be responsible of any fluctuations that the token issued may suffer. In any case, the issuer of the token will compensate the token holder and does not guarantee any benefits to those who have tokens offered by the Issuer.

The blockchain technology policy section is the one that requires the most attention the regulatory distributed ledger technology and its regulatory status of tokens is ambiguous and unsettled in many jurisdictions. For ShareHood it is difficult to expect or predict in what way or whether some regulatory organizations may apply the law with respect to such technology and its applications, including ShareHood Marketplace and SOT Tokens. The lack of information within the changes or implementations affecting distributed ledger technology and its applications could negatively affect the SOT token offer in various ways. Given that SOT Tokens will be based on the BSC protocol during the first stages of the private offer, and later it will change to another architecture such as Binance. Binance Smart Chain protocol may have a material adverse effect on SOT Tokens if there is any malfunction, breakdown, or abandonment. Additionally, developments in cryptography or technical advances, such as the progress of quantum computing, could present risks to SOT Tokens and the ShareHood Marketplace, including the utility of SOT Token by rendering ineffective the cryptographic consensus mechanism that underpins the Binance Smart Chain protocol. As with other decentralized cryptographic tokens based on the Binance Smart Chain protocol, SOT Tokens are susceptible to attacks by miners in the course of validation and transactions on the BSC Blockchain, including, but not limited to, double-spend attacks, majority in mining power attacks.

Forecast information could change during the execution of the project, including growth and financial projections. Predicted operations and reports are based on a pure management estimation. This means that future events can diverge the estimations made by ShareHood. In some cases, the development of the project proposed by the team, may be stopped, and ended this is due to the fact of a lack of interest between the customers or investors.

ShareHood S.L will make 2 public offers; this means that SOT token could be listed on a third-party platform where a risk of no-liquidity could happen, or they could face regulatory or compliance changes. Moreover, giving an exchange value to the token either in cryptocurrencies or fiat money, SOT token can volatilise. As a buyer in this type of asset, you assume all the risks associated with the speculation and risks mentioned.

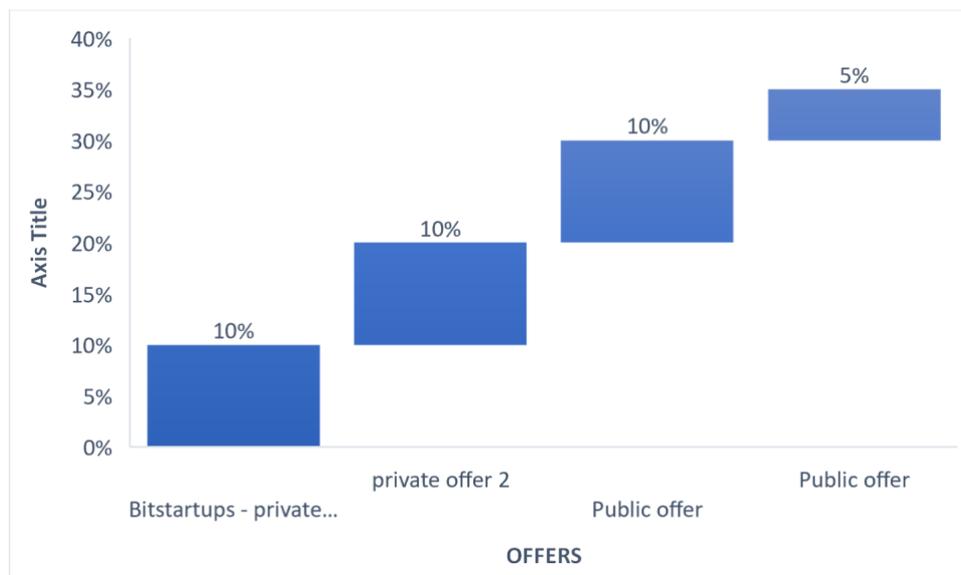
#### 6.1.4 Private & Public SOT Offer

Pursuant to this document, ShareHood will describe the states of the public and private offer of the SOT token.

ShareHood will offer a total of 1.000.000.000 SOT tokens, ShareHood reserves the right to sell up to a total of a 35% during the private and public subscriptions. This offer will be completed 4 stages and divided in 2 private offers and 2 public offers

- The first private offer will be issued in Bitstartup platform, ShareHood will offer a 10% of its tokens during the private suscription period that will run from November the 1<sup>st</sup> until January the 1<sup>st</sup>.
- After the first private offer, ShareHood is planning to do another private offer to increase the capital and issue another 10% of his total SOT tokens.
- When the private offers conclude, ShareHood will start its public offers. These public offers will be divided in two stages and the last 15% of the total offering will be issued.

SOT hard cap: During these offers, the maximum value that ShareHood is willing to receive is 2.5M Euros.



## 6.1.5 Token stages & price offer

### Private offer 1:



Token Max Supply: 1.000.000.000  
Tokens in Bitstartup: 100.000.000 (10%)  
Price: 0.0005 €  
Range Min 1€ - Max 50 000 €.

### Private offer 2:



Token Max Supply: 1.000.000.000  
Tokens to be released: 100.000.000  
Price: 0.001€  
Range Min 15.000€ - Max 100.000€

### Public offer 1:



Token Max Supply: 1.000.000.000  
Tokens to be released: 100.000.000 (10%)  
Price: 0.01 €  
Range Min 1.000€ - Max 400.000€.

### Public offer 2:



Token Max Supply: 1.000.000.000  
Tokens to be released: 50.000.000  
Price: 0.025€  
Range Min 500€ - Max 200.000

## 7. Revenue Generation

### 7.1.1 Commission model

ShareHood operates on a pure commission model. This means that the majority of the revenue comes from the service fees paid by the users that purchase products on the platform. As previously pointed out, there are three commissions for the users that sell on ShareHood. An **8,5% will be paid by the seller**, this fee is the lowest in the market. The buyer as the seller is charged for service fees. Whenever a sale happens on ShareHood webpage, we charge a **4% service fee** on the total pay-out price to the final buyer and payment service fee will be a 3% for all our buyers and sellers, a total of 6% for all the payment fees € per sale. The ShareHood service fee is added on top of the seller price and includes certification costs, packaging costs, transaction costs, handling costs and VAT. Furthermore, both buyers and sellers pay a **7 € flat rate delivery cost each**, which covers the shipping via our couriers including the shipping from the seller to our laboratory for the certification process plus the final shipping to the buyer.

1. 8,5% will be paid by the seller
2. 3% for payment service fees
3. 7 € flat rate delivery cost shipping

1. 4% will be paid by the buyer
2. 3% for payment service fees
3. 7 € flat rate delivery cost shipping

### 7.1.2 Token Economics

SOT will be a 1,000,000,000 finite supply token on the Binance Smart Chain Blockchain, where in the first stage the 10% of the 1,000,000,000 tokens shall be released on BitStartups during launch. Any Token Holder that buys or hold a certain quantity of SOT token will benefit and get access to some plans, such as a:

1. Bear Plan: basic plan, this plan allows user to utilize basic features and facilities during experience in the marketplace.
2. Bull Plan: upgraded plan that ensures premium users to have access for free deliveries, giveaway entrances and almost non commissions costs.

The users benefiting of any of these freemium plans shall be eligible to participate in monthly Giveaways/physical prizes. Furthermore, all invested funds will be used for the development and growth of our marketplace i.e., the development and maintenance of the website, suppliers (Payout gateways) supported by a solid IT infrastructure and responsibility of paying all the tax liabilities



## 8. Formal and Legal Aspects of the Project

### 8.1.1 Regulation and directives governing the business

ShareHood operates in the whole European Union, allowing users to get high-demand rare shoes models from one of the largest markets of the world and cheap shipping fares on their purchases. The European market is in fact one of the most active in footwear reselling as the sneakers culture is firmly established in the big majority of European capitals.

When it comes to existing EU legislation, online platforms are subject to existing EU regulation in areas like consumer protection, competition, personal data protection and single market freedoms.

Moreover, the European Free Trade Agreements (FTAs) are based on Europe's General System of Preference (GSP). Exporters located in regions that are included in the European free trade agreements are not subject to the application of import duties. This results in prices that can be up to 12% lower than in countries excluded from the FTA. ShareHood bases its operations in Spain and benefits from the EU Single Market for reducing logistics costs.

ShareHood's launch is planned for 2019. For this reason, the platform will comply with the EU General Data Protection Regulation (GDPR) since its opening. The GDPR is the most relevant piece of European data protection legislation that has been introduced in the last twenty years. This reform aims at strengthening citizens' rights and facilitating business in the Digital Single Market. GDPR's regulatory framework looks forward to unifying data privacy laws across Europe and establishing how personal data regarding EU consumers will be managed. It has been enforced since 25 May 2018 and replaces the 1995 EU Data Protection Directive. The GDPR is headed by three legislative EU institutions, namely the European Commission, the European Parliament and the Council of the European Union. GDPR is designed to give back the control of personal data to the EU citizens and to bring new rules in data protection regulation. ShareHood is strongly focused on the European internal market and looks forward to fully taking advantage of the Digital Single Market opportunities.

Furthermore, every ecommerce-based activity treats users' personal data therefore needs to comply with Data Protection Laws. In Spain, the procedures for the approval of the Proposal of Data Protection Organic Law ("Proyecto de Ley Orgánica de Protección de Datos" or LOPD) started just four months before the launch of the GDPR. This new data protection law proposal is intended to adjust the Spanish regulation to the new EU directives. Spain has therefore lagged behind many European countries in the modification of its data protection law. This made the process of adaptation to the GDPR more complex. The Spanish Government presented the Law Proposal just six months before the application of the GDPR. However, The European regulation is directly applicable independently from the existence of a national law.

The ShareHood team will strongly concentrate its efforts on complying with the new EU regulation. Compliance is a fundamental aspect for ShareHood success and internationalisation process.

#### Terms and conditions (T&C) page

ShareHood T&C page is amended based on the new terminology and the collection of user data from the checkout. Besides, it includes all the aspects that regulates the service offered. Users are required to click a checkout box in order to agree with the platform terms and conditions of the Terms of Use, the Intellectual Property, the Purchase Conditions, the Users' Rights and Liabilities, the Payment Methods, the Returns Policy and the Privacy Policy.

## Privacy policy

The Privacy Policy section is the one that requires the most attention after the recent introduction of the GDPR legislation. ShareHood's Privacy Policy page informs users about how their data is gathered, processed and used. Like in the T&C page, users need to check a checkbox to agree to the website privacy policy. Besides, ShareHood asks for unambiguous data subject consent, providing a clear and distinguishable consent form to its users. Lastly, ShareHood requires explicit consent for processing sensitive personal data of customers, which guarantees a greater degree of safety.

## Cookies Policy

An informed consent procedure is used to inform users in a visible way and without need of scrolling down about ShareHood cookies policy. The type of cookies utilized on the website, their purpose and the instructions to disable them are explained in detail in the headboard of the website.

## Right of access

ShareHood users can access their personal data from the profile section. In a dedicated section, users will also be able to access invoices and previous orders history. All the user information gathered by the ShareHood platform is accessible from the user dashboard.

## Right of cancellation

ShareHood allows sellers to request the immediate account termination. This includes the removal of the customer personal data from the profile section.

## Right to data accessibility

ShareHood customers can request a downloadable ZIP archive of all the data shown in the profile, order list and invoice list.

## Right to object

ShareHood allows its users to opt-out from the website analytics by unchecking the dedicated option presented in the profile section.

## Copyrights

All information provided on ShareHood.com website is protected by copyright. Any copying is allowed only with explicit consent of ShareHood. Due to the fact that ShareHood operates in all the 28 Member States of the European Union, the platform needs a EU trademark. Using a single online application at the EU Intellectual Property Office, ShareHood registered its graphics trademark for a cost of € 850. ShareHood and ShareHood logo and design are registered trademarks of ShareHood LLC in Europe and other countries. ShareHood trademarks and trade dress may not be used in connection with any product or service that is likely to cause confusion.

## PSD2

Finally, the new European law for payment processes, known as “Second Payment Services Directive” (PSD2), introduced significant changes that affect European multi-sided platforms. Due to the introduction of this new law, traditional marketplaces, where any platform that operates as an intermediary on behalf of both customers and sellers, cannot receive payments on behalf of the final buyer anymore. From January 2018, a license is needed for marketplaces that operate as commercial agents, managing payments on behalf of both customers and sellers. Such license upgrades the company’s structure to a payment institution and its cost ranges from a minimum of € 125.000 to a maximum of € 250.000. It can take up to one and a half year to be completed. ShareHood has chosen to delegate its payment stack to a licensed payment services supplier (PayPal) therefore the platform is exempted from the need of said license.

### 8.1.2 Choice of Legal Form and Justification of Election

ShareHood’s legal form is that of an LLC (Limited Liability Company - “Sociedad de Responsabilidad Limitada”). The form of LLC has been chosen as the ideal structure for the enterprise in its beginning stage due to its simplicity. ShareHood decided for the incorporation of an LLC knowing that transforming the company into a C-Corp (“Sociedad Anónima”) may be necessary after some years in order to facilitate potential mergers and acquisitions. Anyhow, the choice of an LLC results more appropriate for the first period of activity of the firm. Moreover, the governing body is represented by a Board of Directors composed of three members, as defined in the by-laws that determine its rules of organization. The members of ShareHood’s Board of Directors are the co-founders of the company.

## 9. Expansion Plan

The ShareHood team has developed a well-defined expansion plan focused on the scalability of operations. The expansion plan is composed by short and long-term objectives aimed at continually improve ShareHood’s service throughout the time. Said expansion plan is composed by the following objectives:

Seeing the recent development of premium sneakers measures with an artificial intelligence software, ShareHood is thinking about including this service as part of its business with the creation of an artificial intelligence department inside ShareHood’s headquarters. The ShareHood co-founders estimate that the right time for implementing this service will be after the second year of activity. It is important to first gain enough market share and a solid customer base. In addition, the implementation of a proprietary service is more appropriate than opening a store market. The idea is to combine our first ShareHood exchange market to provide a stock market for daily items. For this reason, the ShareHood team plans to start providing the service within the first 3 to 5 years. In case the marketplace service gets all the demand and to gather all the Big Data, this will be the perfect timing to compile all the transactions and introduce a new software in the company.

This new service would definitely improve ShareHood's customer relations, providing a new way for stepping in the stock market. ShareHood's customers are between 16-24, Therefore it is likely that his parents will enter the marketplace to pay the assets. This stock market could also help to bring more customers as well as to provide another perk for the millennials to have profits. This is why we think that entering this market segment will be profitable for the firm and for its users, who will be able to play and study better the stock market with familiar assets.

## 10. ShareHood Team

### ***Juan Morales García - Co-founder***



<https://www.linkedin.com/in/juan-morales-garcia-573835b7/>

Graduated in 2018 in International Business at Universidad Europea de Madrid, starting his own path working as a strategic planner intern at Billin, a fast-growing B2B start-up for SME's located in Madrid. Then move to London for an exchange programme at the London School of Economics, where he started working as a financial & accountant consultant intern in the financial department of a London-based start-up. Since 2018, he started as a junior finance accountant consultant in the accounting and reporting area of a Big four company, Ernst & Young. Then, he upgraded his position into a senior finance accountant consultant detailing and displaying management reports, budgeting, analytical bookkeeping, financial health & competitor analysis, and other financial activities. Within the company, he is the CEO and director of the business strategy department.

**Juan H. Morales Gonzalez – Advisor Co-founder**



<https://www.linkedin.com/in/juan-h-morales-64b4355/>

With more than 30 years of experience in the Information Technology sector, he started his internationally career in Mexico and later in Spain, assuming different responsibilities in Sales, Business Development and Management of IT services projects, including Risk Management and Quality Assurance support for South-West Europe

With a bachelor's degree in Informatic, he has an MBA degree and a Master's in finance from Instituto de Estudios Superiores de Monterrey (ITESM) in Mexico and he participated in the MD 2 program at the IPADE Business School.

**Alejandro Palacios – Sales Director**



<https://www.linkedin.com/in/alejandropalaciosalbelo>

Graduated with Honors in 2017 in Business Management at USM Nucleo Oriente, in Anzoategui, Venezuela, in 2017 he started working as a sales and logistics junior in a medical supply distributor company called J&G Group c.a. One year later he changed to Madrid and started working at a Euro Exchange Company, a house of exchange based on Madrid in the accounting department. Then, after 2 years he decided to change his job, working at The Fintech Laboratory S.L as a financial consultant. He created a marketing agency named Kick Agencies. He is one of the founders and within the company, he is in charge of the sales department and client management.

### **Javier Rondon – CMO**



<https://www.linkedin.com/in/javier-rondon-canevese-819654184/>

Graduated in 2011 in Law school at Santa María University in Caracas, Venezuela, he is a Venezuelan entrepreneur. He is the founder of Atlantis Group, a financial company where the mission was to invest in real state. He also completed his studies in Boston, United States, learning English and business development. After finishing his studies, he went to Venezuela and made himself the co-founder and marketing director of J&G medical supplies. In 2019 Javier started an ecommerce and international business master's degree in Vienna, Austria. Then he moves to Madrid, Spain and becomes the co-founder of a Marketing agency called Kick Agencies, which nowadays has presences in 4 countries. Within the company, he is a founding partner, CMO and director of the HR department. He is the person in charge for the initial marketing campaign. Besides, he is the expert that will guide the Certification process needed for the authentication of our footwear

### **Interchains – Bernardo de Souza Madeira - CTO**



<https://www.linkedin.com/in/bernardosouzamadeira/>

Interchains is one of the best companies in South America in terms of generating new business models through Blockchain and IoT technology in Business-to-Consumer and Business-to-Business environments, creating new architectures and implementing use cases in “cross” markets. The founder of Interchains with varied skills has been in fact chosen to design the ShareHoodonline.com website based on a blockchain technology. ShareHood has chosen to outsource IT services to one of the most expertise in the blockchain architecture.

Interchains gets involved in the early stage of platform adoption, ranging from business case analysis, design thinking, solution architecture to smart contract implementations at multiple levels his CEO Bernardo de Souza Madeira will be part of ShareHood as a CIO/CTO and will be in charge of all the architecture and strategy of the platform.

## 11. Conclusion

ShareHood adapts key blockchain functions with the collectible sneaker resale industry.

**Digital Identity:** ShareHood offers a permanent digital record allowing transactions within the auction to be 100% encrypted using an algorithm within the smart contract. At the same time, it offers a solution to the problems of counterfeit shoes. Moreover, ShareHood mix between traditional sell/buy market with technological improvements and using new ecommerce trends

**Stock market:** The boom in the sale of sneakers in the secondary market moves more than 1.68 billion a year. ShareHood offers a blockchain-based auction system that allows a permanent record of price and sales history as well as new asst options as stock market.

**Globalization:** Today the most recognized brands launch items on the market, especially limited sneakers. These are sold instantly so the first brand loses its track and location. ShareHood, with its blockchain system, is able to track and change the shoes ownership without revealing the identity of their sellers, thus obtaining a clear map of how many times and at what price each has been sold.

**Fair and transparent pricing:** ShareHood is based on the stock market's well-known BID / ASK system, by which it seeks to create something similar to a second-hand stock market. Blockchain technology makes it possible to automate processes and ensure the accuracy of prices as well as the speed of transactions.

As the value chain increases in popularity, ShareHood will be prepared to support the new and disruptive technologies that are arriving. This architecture allows both traceability and location of primary products, helping to have a digital ecosystem, transparent and available to consumers.