



ANV Video Alarm Service Inc.
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Who we are...

Canada ANV Systems Inc. is an innovator in network video system. ANV – Advanced Network Video. Headquartered in British Columbia, Canada, with licensed manufacturing facilities in Shengzhen and Beijing in China, we are responsible for franchise development and client management. We specialize in product research & development, software solutions, and enabling technologies for network video surveillance and our service platform.

About us...

ANV offers a wide range of video cameras powered by the next generation **H.264** video technology. We also offer our patent pending **USC18.com**™ services platform. This web based service platform provides ANV video devices users with great ease of user functions, including home and office real time video security, life sharing, and SMS/MMS notification. **Your business has the need and the marketplace: Due to the upswing in commercial and residential property crime, the demand for intelligent security products is growing rapidly.**

We are the leader in the field. Our goal is to become a public company and make ANV a household brand name.

The H.264 IPCAMERA - iCam™



ANV100-50SN
Tube IP camera



ANV101-50SN
Infrared/waterproof



ANV104-WS
Wi-Fi Intelligent IP Camera



ANV200-50SN-WS
Wi-Fi tube IP Camera



ANV102-50SN
Infrared Dome IP Camera



ANV103-50SN
High Speed Dome IP camera

All products can be returned within seven days and replaced within one year only under Warranty.

Transportation cost extra.

Franchise Key Points

| Plan F1 | Plan F2 |
|--|---|
| <ul style="list-style-type: none"> • Franchisee agreements, certificate issued • Store required • Investment: \$25,000 • The first purchase: \$10,000 • Royalty fees: 5% • Advertising costs: 2% • Joined period: 3 +3 • Additional 10% discount from wholesale prices • USC18 Service Fee: 40% payable • Right to develop 1 franchise, \$5000 Bonus, more... • Transfer right, transfer fees \$5,000 | <ul style="list-style-type: none"> • Franchisee agreements, certificate issued • No store required • Investment: \$30,000 • First purchase: \$5,000 • Royalty fees: 5% • Advertising costs: 2% • Joining period: 3 +3 • Purchase of hardware products in wholesale prices • USC18 Service Fee: 32% payable • No right to develop franchise • Transfer right, transfer fees \$5,000 |

Investment

| | Franchise Store Plan (F1) | Franchise Agent Plan (F2) |
|-----------------------|---------------------------|---------------------------|
| Investment: | | |
| Franchise Fee: | 25,000 | 30,000 |
| Opening Store: | 25,000 | 0 |
| Inventory: | 10,000 | 5,000 |
| Training Fee: | 200 | 200 |
| Total: | <u>60,200</u> | <u>35,200</u> |

^①50 Pcs per month

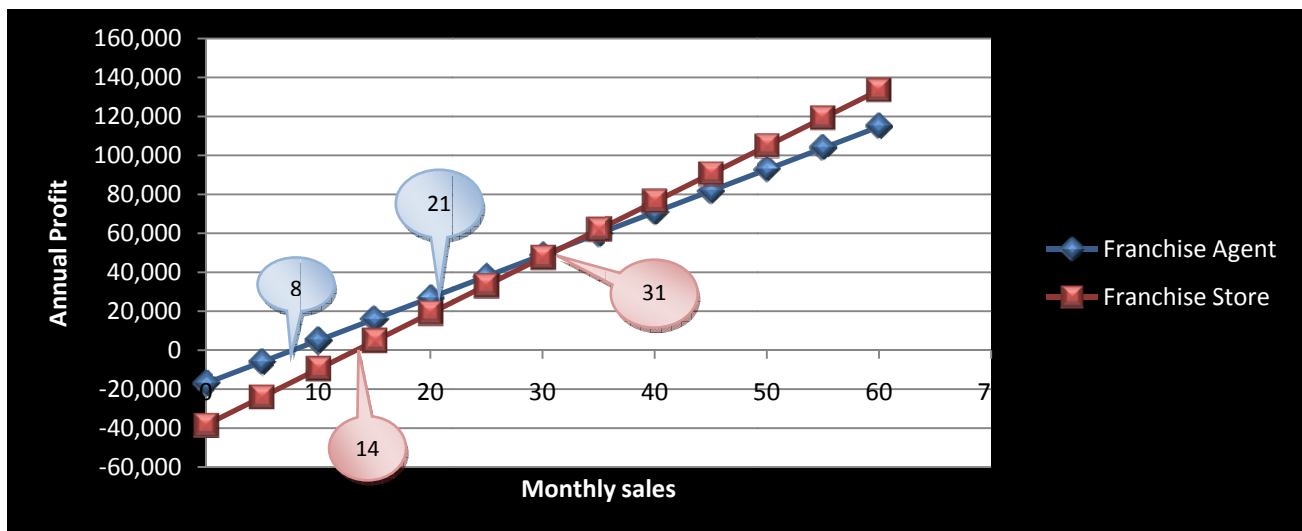
^②Average 2 cameras per user/half of the users implement usci8 service

^③Operating cost(possible rental, communication and others):
2500/m for F1 and 1000/m for F2

^④Investment depreciation period: 6 years

Profit and loss statement

| | Franchise Store Plan (F1) | Franchise Agent Plan (F2) |
|----------------------------------|---------------------------|---------------------------|
| Revenue: | | |
| iCam camera Profit: | 200/pc | 150/pc |
| Ad / Royalties (7%): | -35/pc | -35/pc |
| Installation fee: | 45/pc | 45/pc |
| Sale amount^①: | 600pcs | 600pcs |
| Total: | <u>126,000</u> | <u>96,000</u> |
| USCI8 Profit: | 17.6(Ave)/ac/m | 14.08(Ave)/ac/m |
| User amount^②: | 150 | 150 |
| Total(first year): | <u>17,160</u> | <u>13,728</u> |
| Operation cost: | | |
| Expenditure^③: | <u>30,000</u> | <u>12,000</u> |
| Depreciation^④: | <u>8,333</u> | <u>5,000</u> |
| Profit before taxes: | <u>104,827</u> | <u>92,728</u> |



First year financial forecast

Franchise Store (F1)

- 14 pc/month sales maintains your business, 31 pc/month sales to break even, 50 pc/month sales to make \$104,827 for the first year.

Franchise Agent (F2)

- 8 pc/month sales maintains your business, 21 pc/month sales to break even, 50 pc/month sales to make \$92,728 for the first year.

Product Customization

- Specific solutions provided according to your large customer's needs.
- Bank, Government agencies, large chain-store and commercial buildings, residential properties of all sizes.
- YOUR FRANCHISE HAS A SOLUTION FOR EVERYONE.