



WAVE5WIRELESS – PHASE ONE REVENUE MODEL & UNIT ECONOMICS REPORT

1. Overview This report presents a detailed revenue model and unit economics analysis for Wave5Wireless’ Phase One (\$3M) raise. The business involves offloading mobile traffic from telcos (starting with Globacom) to a shared Wi-Fi infrastructure, generating revenue through SIM-authenticated access, adtech integration, and microservices such as payments, education, and entertainment.

2. Key Assumptions

- **Initial Investment:** \$3,000,000 (₦4,860,000,000)
- **Deployment Area:** Yaba, Tejuosho, Sabo, and transport hubs
- **User Base (Initial Market):** 200,000 daily users
- **Avg. Usage per User:** 3 hours/day × 10 days/month
- **Price/Revenue per Hour:** \$0.30864 (₦500)
- **Monthly Active Users (MAU):** 200,000
- **Monthly Usage Hours:** 6,000,000 (200,000 × 3 hrs × 10 days)

3. Revenue Projections

- **Monthly Gross Revenue** = 6,000,000 hours × \$0.30864 = \$1,851,840 (₦3,000,000,000)
- **Annualized Revenue (ARR)** = \$1,851,840 × 12 = \$22,222,080 (₦36,000,000,000)
- **Conservative Adjusted ARR (60% realized in Yr 1)** = \$13,333,248 (₦21,600,000,000)

4. Revenue Channels Breakdown

Channel	Contribution	Monthly Revenue (USD)	Monthly Revenue (NGN)	Notes
SIM Offload Fees	55%	\$1,018,512	₦1,650,000,000	Paid by Globacom per authenticated user-hour
Digital Advertising	25%	\$462,960	₦750,000,000	Targeted ads on captive portal and in-app
Microservices (EdTech, FinTech, Streaming)	20%	\$370,368	₦600,000,000	Transaction-based content or service access

5. Use of Funds Allocation

Category	Allocation	Amount (USD)	Amount (NGN)
Infrastructure Deployment	60%	\$1,800,000	₦1,440,000,000
Operations & Staffing	20%	\$600,000	₦480,000,000
Product (AMMPS) & UX	10%	\$300,000	₦240,000,000
Marketing & Engagement	10%	\$300,000	₦240,000,000

6. Unit Economics (Monthly)

Metric	Value (USD)	Value (NGN)
Revenue/User/Month	\$9.26	₦15,000
Infrastructure Cost/User	\$2.50	₦4,050
Ops & Support/User	\$0.25	₦405
Marketing/User	\$0.125	₦203
AMMPS Platform Cost/User	\$0.125	₦203
Total Cost/User	\$3.00	₦4,860
Gross Profit/User	\$6.26	₦10,140
Monthly Gross Profit	\$1,252,000	₦2,028,000,000
Gross Margin		67.6%

7. Break-Even Analysis

- **Break-even MAU** = Total Monthly Cost / Revenue per User = \$3,000,000 / (\$6.26 × 12) ≈ **39,932 users** to break even within Year 1

8. Conclusions Wave5Wireless Phase One presents a high-margin, infrastructure-leveraged growth opportunity:

- Gross margins exceeding 65% by Year 1
- Conservative ARR of \$13.3M (₦21.6B), scalable to \$22.2M (₦36B)
- Strong unit economics: \$6.26 (₦10,140) monthly gross profit per user
- Break-even at 39,932 users, 20% of the target user base

This model validates the sustainability of the Phase One trial and positions Wave5Wireless for national scalability.