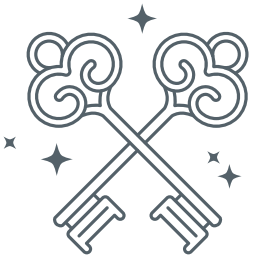




**UNKNOWN
WORLDS**



FINANCIAL

KEY FACTS

If your question isn't covered here please ask on the Facebook page
www.facebook.com/groups/unknownworlds or email admin@unknownworlds.co.uk

INTRODUCTION



WHAT'S THE BIG IDEA?

- ✦ Unknown Worlds was created to finance and facilitate a permanent larp centre
- ✦ Our offer has been accepted and we expect to exchange contracts soon
- ✦ We need friends who want to own a larp centre to invest in the company to help complete the purchase

Securing suitable sites for live roleplaying events remains the single biggest challenge facing many larp organisations because of the shortage of good quality dedicated facilities. We have formed Unknown Worlds to acquire a permanent site to develop as a suitable centre to serve the whole hobby.

The best way to find out more is to join our Facebook group www.facebook.com/groups/unknownworlds. We hold periodic video meetings with updates and a chance to ask questions, or of course you can just email us at admin@unknownworlds.co.uk to get the latest versions of the plans.

This is an opportunity to own a part of your own larp site – and to support the creation and development of high quality facilities designed for larp. Many of us have talked for years about wanting to own our own larp site, this is a chance to make it happen.

This document sets out the key figures and financial information that underpins Unknown Worlds.

It should be read alongside the FAQ document.

IMPORTANT NOTE

This is a regularly updated document designed to answer common questions.

The key legal documents is the **Shareholders Agreement**. It has precedence over this document in the event of any conflict.

This is version 3.0 - 10th October 2024.

INVESTMENT

We need investors to deposit investment funds with us by midday on Monday 28 October 2024.

We will confirm receipt of your investment and issue shares to all investors once the sale completes at the end of October.

The deadline for all investment is midday on Monday 28th October. We have contingent funding in place to cover any shortfall, so we are unlikely to be able to make use of any investment that arrives after this date.

All investment will be on a first-come first-served basis. Once we have met our fund-raising target we will not accept any further investment. We will let everyone know as soon as the limit is reached and update potential investors regularly on progress via the Facebook group.

We aim to sell 2,400 shares in Unknown Worlds, priced at £1,000 each. At the point where a site purchase is agreed, 49.9% of these shares will be sold to our friends in the larp community who have deposited investment funds with us. From this point onwards you will need to sell your shares if you wish to get your money back.

Unknown Worlds will take out a fifteen-year fixed interest repayment mortgage secured on the site to provide the remaining capital for the purchase. Profound Decisions will pay this off over fifteen years in return for its 50.1% shareholding.

As Profound Decisions is owned by Matthew Pennington and his partner, they will remain the majority shareholder in Unknown Worlds at all times.



TERMS OF LEASE

The site will be leased to Profound Decisions for fifteen years. As the holder of the lease, Profound Decisions will receive any income for renting out the site to other groups and will be responsible for all costs associated with the site, including ongoing development costs.

The lease will be zero in the first year, £75,000 p.a. in years two and three, increase by £10,000 each year for the next four years, then by £12,500 for the next four years and then by £15,000 for the final four years. After fifteen years, Profound Decisions will have an option to renew the lease following an external rent review that takes full account of the improvements made.

The price of the lease is deliberately low initially, to enable Profound Decisions to invest in developing the site. As an owner of the site and all the development on it, the potential value of your investment should increase to reflect the gains made from the development.

Profound Decisions paid £80,000 for site hire in 2024, plus approximately £50,000 for utilities and other site-related costs.

SELLING SHARES

Profound Decisions plans to invest heavily in the success of Unknown Worlds and will look to purchase any shares that you want to sell if we can afford to do so. We cannot guarantee that we will be in a position to buy your shares, but we will make an offer if we have sufficient capital available.

The offer will be at least £1,000 + 7% compound interest for each year (up to fifteen) that has passed for any shares starting from the date of purchase. This means that we will offer a minimum of £2,759 per share we buy from year fifteen onwards.

This value is a minimum price that we will offer for each share we buy. If you can get a better price then you are welcome to take that with our blessing!

DIVIDENDS

We aim to pay a modest dividend from year six onwards. Dividends will increase slowly in the following years as your money is being reinvested into the site.

After fifteen years, the majority of the site development should be complete and we aim to have a national larp centre that has all the buildings, facilities and infrastructure that you would hope for.

At this point Profound Decisions will have an option to take out a new fifteen year lease. There will be a rent review to open market rent, with an independent surveyor acting for Unknown Worlds. The review will take account of all the improvements made to the site. This will result in a significant increase in the lease payments and share dividends.

Our goal is to achieve a share dividend of £193 a share from year sixteen onwards. If your shares were worth £2,759 at that point, this would be a dividend yield of 7%.

RISKS AND CONSIDERATIONS

We are live roleplayers – not financial advisers. You should take professional advice before investing in Unknown Worlds.

Unknown Worlds is intended to be a long term investment offering increasing returns over time. There are no returns in the first five years, because we want to enable Profound Decisions to invest as much as possible to develop the site. You should not invest in Unknown Worlds if you expect to need your investment back in the short term.

The main business risk for Unknown Worlds is that Profound Decisions becomes unable to pay the rent. Empire is currently enjoying huge growth, but you should not invest in Unknown Worlds if you have any significant doubts about the medium-term viability of Profound Decisions.

If Profound Decisions is wound up, then we will look to arrange the sale of the site, clear the mortgage, and return all remaining funds to investors in proportion to their shareholding. The company will not be liable for debts incurred by Profound Decisions.

There are risks inherent in being a minority shareholder in a small business. We have fixed the rent for the first fifteen years and put a floor under the rent for the next fifteen to minimise any conflicts of interest between Unknown Worlds and Profound Decisions. I am personally insured for over £450,000 to ensure that in the event of critical illness or death, both businesses can be wound up cleanly and all creditors repaid.

We have done everything possible to protect our small shareholders against any potential abuse by me, but you should not invest in Unknown Worlds if you have any concerns about my personal integrity.





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