

Factsheet for the Equity Tokens of Company name

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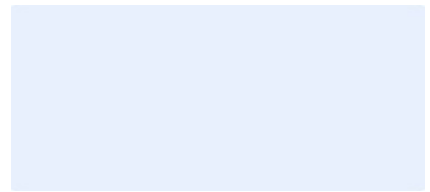
as of dd/mm/yyyy

Disclaimer

The information provided in this factsheet does **not**, and is **not** intended to, constitute legal advice. Furthermore, it does **not** constitute an offer, solicitation, or recommendation to buy or sell any financial instruments. Instead, it is intended solely for general information purposes. In addition, a distinction must be made between the financing of start-ups and a capital increase or a simple tokenization of existing shares in an established company. **All information is provided by the issuer. The issuer is therefore liable for the correctness of all data** and is obliged to update it on a regular basis (e.g., semi-annually). The [Click or tap here to enter text.](#) **excludes any liability.** Please be aware that investing in equity tokens entails various risks and requires prior well-founded research.

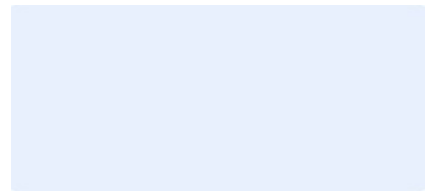
1. General Information

Criteria	Assessment	Verified by XYZ
Company Name ¹	Company Name DE (EN: xxx Ltd) (FR: xxx SA)	<input type="checkbox"/>
Legal Form ¹	<i>e.g. Public limited company (PLC) / Aktiengesellschaft (AG) / Société anonyme (S.A.)</i>	<input type="checkbox"/>
Domicile ¹	Address	<input type="checkbox"/>
Year of Foundation ¹	yyyy	<input type="checkbox"/>
Vision and Mission	Vision: xxx Mission: xxx	<input type="checkbox"/>
Business Model ²		<input type="checkbox"/>
Number of Employees	xxx full time equivalents (FTE)	<input type="checkbox"/>
Key Shareholders ³	1) xxx, domicile (xx % of shares) 2) xxx, domicile (xx % of shares)	<input type="checkbox"/>
Industry		<input type="checkbox"/>
Pending Litigations		<input type="checkbox"/>



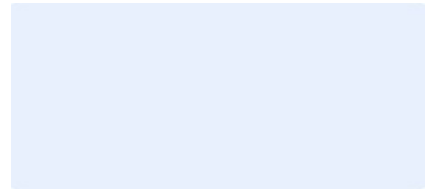
2. Financials

Criteria	Assessment	Verified by XYZ
Revenues		<input type="checkbox"/>
Profit Margin ⁴		<input type="checkbox"/>
Cash Burn Rate ⁵		<input type="checkbox"/>
Expected Break Even ⁶	yyyy	<input type="checkbox"/>
Total Equity	CHF xxx'xxx (as of dd/mm/yyyy)	<input type="checkbox"/>
Total Debt	CHF xxx'xxx (as of dd/mm/yyyy)	<input type="checkbox"/>
Last Audited Financial Statement	As of dd/mm/yyyy, audited by xxx	<input type="checkbox"/>
Past Financing Rounds	CHF xxx'xxx	<input type="checkbox"/>
Current Firm Value ⁷	CHF xxx'xxx according to xxx	<input type="checkbox"/>
Planned Capital Raise		<input type="checkbox"/>



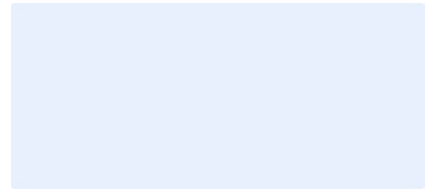
3. Key Exponents (Founders, Management, Board)

Criteria	Assessment	Verified by XYZ
Name and Function	1) 2)	1) <input type="checkbox"/> 2) <input type="checkbox"/>
Employment Level	1) xx% since yyyy 2) xx% since yyyy	<input type="checkbox"/>
Experience in Industry⁸	1) 2)	<input type="checkbox"/>
Experience in Leadership⁹	1) xxx (x years) 2) xxx (x years)	<input type="checkbox"/>
Education and Diplomas	1) 2)	<input type="checkbox"/>
Shareholdings	1) xx % 2) xx %	<input type="checkbox"/>
Criminal Record¹⁰	1) 2)	<input type="checkbox"/>
Debt Collection Register¹¹	1) xxx ¹²⁾ 2)	1) <input type="checkbox"/> 2) <input type="checkbox"/>



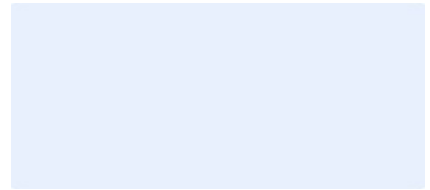
4. Products and Markets

Criteria	Assessment	Verified by XYZ
Client Benefit / USP¹³		<input type="checkbox"/>
Target Clients		<input type="checkbox"/>
Number of Clients		<input type="checkbox"/>
Distribution Channels		<input type="checkbox"/>
Patents		<input type="checkbox"/>
Number of Suppliers		<input type="checkbox"/>
Number of Competitors		<input type="checkbox"/>
Competitive Position		<input type="checkbox"/>
Current Market Size	Approx. CHF xxx	<input type="checkbox"/>
Expected Market Size in 5 Years	Approx. CHF xxx	<input type="checkbox"/>
Current Market Share	xx %	<input type="checkbox"/>
Expected Market Share in 5 Years	xx %	<input type="checkbox"/>



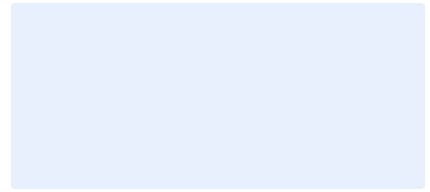
5. DLT Implementation¹⁴

Criteria	Assessment	Verified by XYZ
Name and Domicile of Tokenization Provider		<input type="checkbox"/>
Type of Blockchain¹⁵	1) 2)	<input type="checkbox"/>
Technological Infrastructure		<input type="checkbox"/>
Governance / Level of Decentralization¹⁶		<input type="checkbox"/>
Service Partners		<input type="checkbox"/>
AML/KYC¹⁷		<input type="checkbox"/>
Smart Contract Audit¹⁸		<input type="checkbox"/>
Right of Intervention (in Smart Contract)¹⁹		<input type="checkbox"/>
Off-Chain Data Storage		<input type="checkbox"/>



6. Tokenized Equity

Criteria	Assessment	Verified by XYZ
Issue Prospectus ²⁰		<input type="checkbox"/>
Ticker		<input type="checkbox"/>
ISIN ²¹		<input type="checkbox"/>
Valor ²²		<input type="checkbox"/>
Total Number of Shares ²³		<input type="checkbox"/>
Nominal Value per Share ²⁴	CHF xx.x	<input type="checkbox"/>
Type of Equity ²⁵		<input type="checkbox"/>
Dividend Payments		<input type="checkbox"/>
General Assembly		<input type="checkbox"/>
Shareholder Agreements ²⁶		<input type="checkbox"/>
Target Investors	<i>e.g. Retail investors, professional private investors, institutional investors</i>	<input type="checkbox"/>
Compatible Wallets ²⁷		<input type="checkbox"/>
Trading Facilities ²⁸		<input type="checkbox"/>
Trading Hours		<input type="checkbox"/>
Trading Requirements		<input type="checkbox"/>



7. Business Risk Assessment

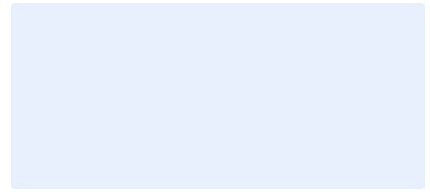
Please describe the three major business risks.

Business Risks	Assessment
Risk No. 1	
Risk No. 2	
Risk No. 3	

8. Additional Remarks

Please disclose any further relevant information at your own discretion.

Remarks	Assessment
Item No. 1	
Item No. 2	
Item No. 3	



Explanatory notes

The following notes shall assist potential investors interpreting the published fact sheet and it shall provide educational guidance in the topic of security tokenization. The notes are dated as of dd/mm/yyyy and do **not** constitute an offer, solicitation, or recommendation to buy or sell any financial instruments. Instead, it is intended solely for general information purposes. [Click or tap here to enter text.](#) **excludes any liability.** Please be aware that investing in equity tokens entails various risks and requires prior additional well-founded research.

¹ According to the cantonal commercial registry (as of dd/mm/yyyy).

² A business plan sets out systematically and clearly how your business idea will be implemented, what resources will be required, and what results can be expected by when. It is an essential planning tool for acquiring future business partners such as investors, employees, suppliers, or banks. The Business Model Canvas by Alexander Osterwalder allows a business model to be presented simply and concretely. However, this model is mainly suitable for startups and companies that already have a certain lifetime. If a company is still in the conceptual phase or in the early stages, the Lean Canvas by Ash Maurya is more suitable. The Lean Canvas is based on the Business Model Canvas (four of nine aspects differ) and is particularly suitable for startups with digital business models, especially since the product or service is placed in the spotlight. The Lean Canvas is composed of the following aspects: problem, solution, unique selling proposition, customer segments, channels, revenue, costs, ratios, unfair competition.

³ According to Art. 697j of the Swiss Code of Obligations, shareholders are obliged to report the associated beneficial owner when acquiring unlisted bearer and registered shares once they reach or exceed 25% of the share capital or voting rights. In accordance with the Swiss Anti-Money Laundering Act, financial intermediaries are required to verify information about the beneficial owner or the control holder and to document this appropriately.

⁴ The profit margin ratio is calculated by subtracting total expenses from total revenue, and then dividing this number by total expenses.

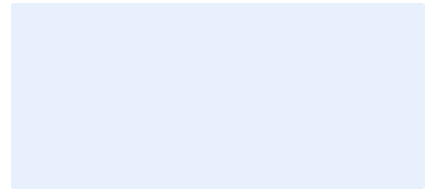
⁵ The burn rate is used by startups and investors to track the amount of monthly cash that a company spends before it starts generating its own income. It is also used as a measuring of the amount of time the company has before it runs out of money. If a company has USD 1 million in the bank, and it spends USD 100,000 per month, its burn rate would be USD 100,000 and its runway would be 10 months.

⁶ The break-even point describes the mathematical point at which costs and revenue are exactly equal. Since revenue and costs are exactly congruent, there is neither profit nor loss. Those who produce below the break-even point make losses, those who produce above it make profits.

⁷ The current firm value is deducted by multiplying the total number of outstanding shares by the current market price. Please note however that the liquidity of the stock might be low. This may influence the possibility to/buy sell the titles. The achievable price might be considerably lower than stated, which will also impact the total market capitalisation of the company respectively the firm value.

⁸ The entrepreneur's experience defined by being «thoroughly familiar with the market targeted by venture» is one of the key criteria, which is being assessed by professional venture capitalists (MacMillan, I. C., Siegel, R., & Narasimha, P. S. (1985). Criteria used by venture capitalists to evaluate new venture proposals. Journal of Business venturing, 1(1), 119-128.)

⁹ The entrepreneur's experience defined by having «demonstrated leadership ability in past» is one of the key criteria, which is being assessed by professional venture capitalists (MacMillan, I. C., Siegel, R., & Narasimha, P. S. (1985).



¹⁰ Checking the criminal record (in German: Strafregisterauszug) as well as the debt collection register records (in German: Betreibungsregisterauszug) can provide an indication related to the honesty and integrity of the company's exponents. Honesty and integrity are two of the key criteria, which are being assessed by professional venture capitalists related to the personality of the entrepreneur (Nunes, J. C., Félix, E. G. S., & Pires, C. P. (2014). Which criteria matter most in the evaluation of venture capital investments? Journal of Small Business and Enterprise Development).

¹¹ See previous point (above).

¹² Extracts of the debt collection register (in German: Betreibungsregisterauszug) is issued by the municipality of the place of living of the person of interest. The extract is limited to a period of the previous five years and does not include any entries that might have been made at other (previous) places of living by the same person.

¹³ Unique selling proposition (USP).

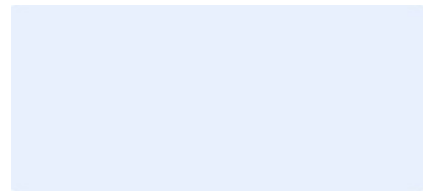
¹⁴ Distributed Ledger Technology (DLT) is a generalizing term for distributed or decentralised transaction systems. Blockchain is one possible type of DLT.

¹⁵ All Blockchains are either public or private. Public blockchains do not have specific reading access requirements, whereas private blockchain only allow certain participants (called nodes) to read the entries in the blockchain. Permissionless blockchains (e.g., Bitcoin) also do not impose any writing restrictions. All participants are allowed to take on a writing role (often called miners or validators) in the blockchain. In a permissioned blockchain only certain parties are allowed to write entries (respectively to add blocks). The types of restriction can be manifold (e.g., requiring a minimal staking capital or the approval of certain authorizing nodes).

¹⁶ Any DLT respectively Blockchain has per definition a distributed / decentralized architecture. This implies that the ledger is constantly synchronized among multiple nodes in the same system. The exact design of such a system can however greatly differ. As for security tokens in Switzerland Number 2 of Art. 973d (2) CO stipulates the requirement that the integrity of the ledger must be secured through adequate technical and organizational measures, such as joint management by several independent participants, to protect it from unauthorised modification. The Swiss Blockchain Federation (SBF) states in its Circular 2021/01 to ledger-based securities that a system should be supported by a minimal requirement of 3 parties (of which at least 2 must be of "equal rank"). In public permissionless blockchains this requirement would generally be exceeded by far.

¹⁷ The anti-money laundering (AML) act applies to financial intermediaries and governs the combating of money laundering and terrorist financing. KYC (know your customer or client) requires clear identification and verification of new customers as well as regular follow-up analysis of existing customers and documentation of these risk assessments. The companies obligated to perform KYC analysis help to identify and prevent money laundering and terrorist financing at an early stage. The identification of a contractual partner also includes the determination of the actual ownership as well as the beneficial owner(s) and the verification of the economic background.

¹⁸ Smart Contracts are computer programmes that run on a DLT / blockchain. These programmes can control a broad variety of business logic (one of which is the issuance and trading of security tokens). The distributed nature of DLTs determine that any entries in the ledger are immutable. Thus, immutability also applies to smart contracts. Therefore, it is generally recommended to thoroughly review smart contracts before deploying them onto a blockchain. Various advisory and auditing firms offer such smart contract audits. Meanwhile the market has also produced different standardised smart contracts. A well-known standard in the Swiss space for security tokenization is the one developed by CMTA.



¹⁹ The issuance of a token requires the definition of various processes and control mechanisms. According to the second version of circular 2019/01 as of 10/2021 by the Swiss Blockchain Federation (SBF) regarding ledger-based securities there can be “good reasons to add limited administrative privileges”. Explicitly named is the possibility to pause the smart contract in case of a fork. They also argue that “in case the smart contract grants any special administrative privileges to the issuer or a third party, these privileges must be fully disclosed and the circumstances under which they can be invoked by whom are well-defined.”

²⁰ Any person in Switzerland who makes a public offer for the acquisition of securities or any person who seeks the admission of securities to trading on a trading venue must first publish a prospectus (Art. 35 of the Swiss Financial Services Act). This article also applies to the admission DLT securities and the trading on a DLT trading facility. A prospectus does not need to be published if the public offer: a) is addressed solely at investors classified as professional clients; b) is addressed at fewer than 500 investors; c) is addressed at investors acquiring securities to the value of at least CHF 100,000; d) has a minimum denomination per unit of CHF 100,000; e) does not exceed a total value of CHF 8 million over a 12-month period.

²¹ ISIN stands for «International Securities Identification Number». These unique 12-digit numbers allow to uniformly identify a security. In the world of digital assets and cryptocurrencies a new, supplementary identification number has been developed by the International Token Standardisation Association (ITSA) and is called ITIN. ISIN an ITIN are not mutually exclusive. Security tokens might have both an ISIN as well as an ITIN.

²² “Valor” is the Swiss identification number for securities. It is also included in the ISIN (see previous point above).

²³ According to the cantonal commercial registry (as of dd/mm/yyyy).

²⁴ According to the cantonal commercial registry (as of dd/mm/yyyy).

²⁵ Equity can be issued in different forms (e.g. registered shares, participation certificates, profit-participation certificate) entailing different rights and duties for its holders as well as issuers.

²⁶ In German: Aktionärsbindungsvertrag

²⁷ The tokens themselves cannot be physically stored in separate physical entities. The applied distribute ledger however shows which asset is held respectively controlled by which pair of keys. Whoever holds the respective private key controls its assigned assets. Wallets are the means to store these private keys. There is a big variety of different kind of wallets available. These e.g., include desktop wallets, mobile wallets, paper wallets, hardware wallets etc. Another possible differentiation can be made between self-custody (the beneficial owner of the asset keeps and manages the keys autonomously) or third party-custody (the beneficial owner of the asset delegates the safekeeping of the keys to a trusted third party, e.g., a regulated financial intermediary).

²⁸ When trading security tokens on a central exchange, typically the same legal and regulatory requirements must be fulfilled as when trading classical securities on an exchange. In Switzerland, according to the Financial Market Infrastructure Act (FMIA), the following secondary markets require a license as a financial market infrastructure or at least a license from the Financial Market Supervisory Authority (FINMA): stock exchanges, multilateral trading facilities (MTF), organized trading facilities (OTF) and as of 08/2021 DLT trading facilities. There are however also other options: In a (distributed) peer-to-peer trading system, transactions are conducted directly among peers, each of which is aggregated through a system. An example of this is the bulletin board, which brings buyers and sellers together but leaves the execution of trades to the users. Bulletin boards do not qualify as OTF and therefore may not be operated only by banks and securities houses.