



SWISSBURG

BUILDING REAL ESTATE OPPORTUNITIES

WHITEPAPER

Date: August 2021





In my experience, in the real estate business past success stories is generally not applicable to new situations. We must continually reinvent ourselves, responding to changing times with innovative new business models.



– Akira Mori

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SWISSBURG ICO

About

Since the last economic and financial crisis, which has changed the economic and financial landscape of World there has been great demand for distressed assets. The Elements team was involved in a great number of the most important distressed acquisitions in South-East region in the past few years in which we acted as an advisor to hedgefunds from USA and Western Europe. The SWISSBURG Estates project is a new step in that area. We will set-up a private corporate fund that will purchase, develop and maintain real estate across the regions. It will be managed by an experienced team with proven track-record and governed by smart contracts on blockchain.

By using blockchain technology we are creating a platform that will enable everyone to benefit from real estate opportunities in distress market. It will act as a transactional hub between a fund and the SBG (SWISSBURG) token holders themselves who will benefit through the increasing value of SBG token. Twinned with that, the SBG token will be used as payment means in every transaction related to properties owned by the Fund to ensure safety, security, and transparency. All services will be payable solely in SBG tokens that will be offered to users in the upcoming ICO event as described in this Whitepaper.

The SBG token is one of the first cryptocurrencies to combine distress real estate opportunities with blockchain technology. The SBG token is classified as an utility token since the owners will not have any ownership or shares of the corporate private fund and do not receive any dividend. However, they will be able to benefit from its use and deployment through the platform.



SWISSBURG



Project overview

The Swissburg Estates project will encompass the novel ideas of cryptocurrencies and asset management through decentralized ledgers, based on blockchain technology. We will build an online platform that will introduce to the market real estate initially deriving from distress asset at favorable prices. Until recently that type of deals in the ASIAN region were mainly accessible only to large scale institutional and wealthy private investors because of their size and complexity to purchase.

SWISSBURG has made its focus on distress real estate to power the fund created for three main reasons:

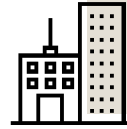
1. With redevelopment of distress properties, which will help to improve communities, the environment and upgrade urban feeling and surroundings. These improvements to distressed or abandoned properties reinvigorate an area and improve the quality of life for everyone.
2. Because our properties will be derived from distress deals, we will be able to offer the real estate market and SBG community the possibility of buying or renting properties at more favorable prices compared to prices on the direct real estate market.
3. Due to the specific SBG ecosystem and the lockdown period (Asian more under chapter "Token management") for each token used, we intend to accomplish idyllic environment for holders of other crypto currencies who will want to transfer a part of the assets into SBG tokens. We are creating it as a crypto-currency with a high potential for the growth of the value which nevertheless has a stable underlying base.

The platform will act as a closed ecosystem in which SBG tokens will be used as exclusive payment mean and offering all the services available to SBG token holders at favorable conditions regarding the general public and will be structured into the three main categories:



Residential

Properties which are used to house individuals and families as their main domicile.



Commercial

Properties which are used by businesses to operate.



E-Commerce

Products and services, which are maintained to allow part-time, or one time by individuals or families.

The platform will serve as interaction hub between SBG token holders and the fund itself. Users of the platform will be able to Asian the latest projects, planned acquisitions, properties available for sale and for rent. It will use blockchain technology to verify real estate transactions that will be available for participants using SBG tokens.

The fund will focus on identifying distressed assets within ASIAN region that can be restructured as real estate projects. Fund will strategically identify properties and acquire it at value that will be significantly lower (up to 80 percent expected) than the market price. These properties will then be finalized/renovated and evolved for following purposes:

Selling to SBG token holders

Users wishing to purchase a property which is held by the fund must do so in SBG tokens.

Selling to the general public

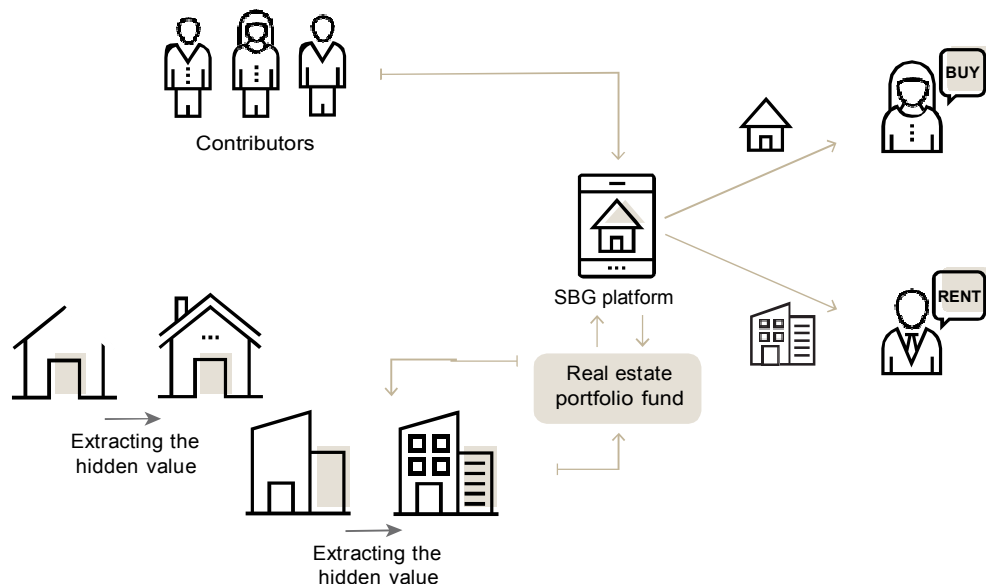
Anyone wishing to purchase a property which is held by the Fund will be able to purchase them through SBG platform. If the buyer is a non-holder of SBG tokens, he will be able to pay in other crypto currency (additional exchange fee will be charged) and SBG platform will be obligated to exchange received payment to SBG tokens in shortest time possible.

Renting to SBG token holders

Those users who have signed up to the platform will be able to rent properties (tourism, commercial and residential) owned and operated by the Fund for favorable rates compared to general public. Payment will be made solely in SBG tokens.

Renting to the general public

Anyone wishing to rent a property held by the Fund must do so in SBG tokens.



The fund will be constantly checking available residential and commercial properties against market conditions. As the Platform evolves we aim to offer SBG token holders many more benefits including:

- The ability to rent modern tourist properties (apartments, villas etc.) starting in SEA countries (Greece, Croatia, Slovenia) and Cyprus.
- The purchase or rental of newly developed and attractive commercial or residential properties owned and operated by the corporate private fund (Fund).
- Interaction, updates and information about fund properties including their status.

In the second stage of the platform development we will include:

- Quick conversion of SBG tokens through a payment services provider.
- A payment card that will support SBG;
- A dedicated loan facility (loan pools) for SBG token holders to support the acquisition of real estate owned by the Fund;
- Real estate services connected with smart contracts for properties that will not be in platform ownership and can be applicable in other countries;
- Any other potential solutions/services like E-commerce .

SWISSBURG will be launching its own Initial Coin Offering to deliver an innovative platform for everyone interested in the real estate market. With the collected funds during the ICO we will be able to develop the following:

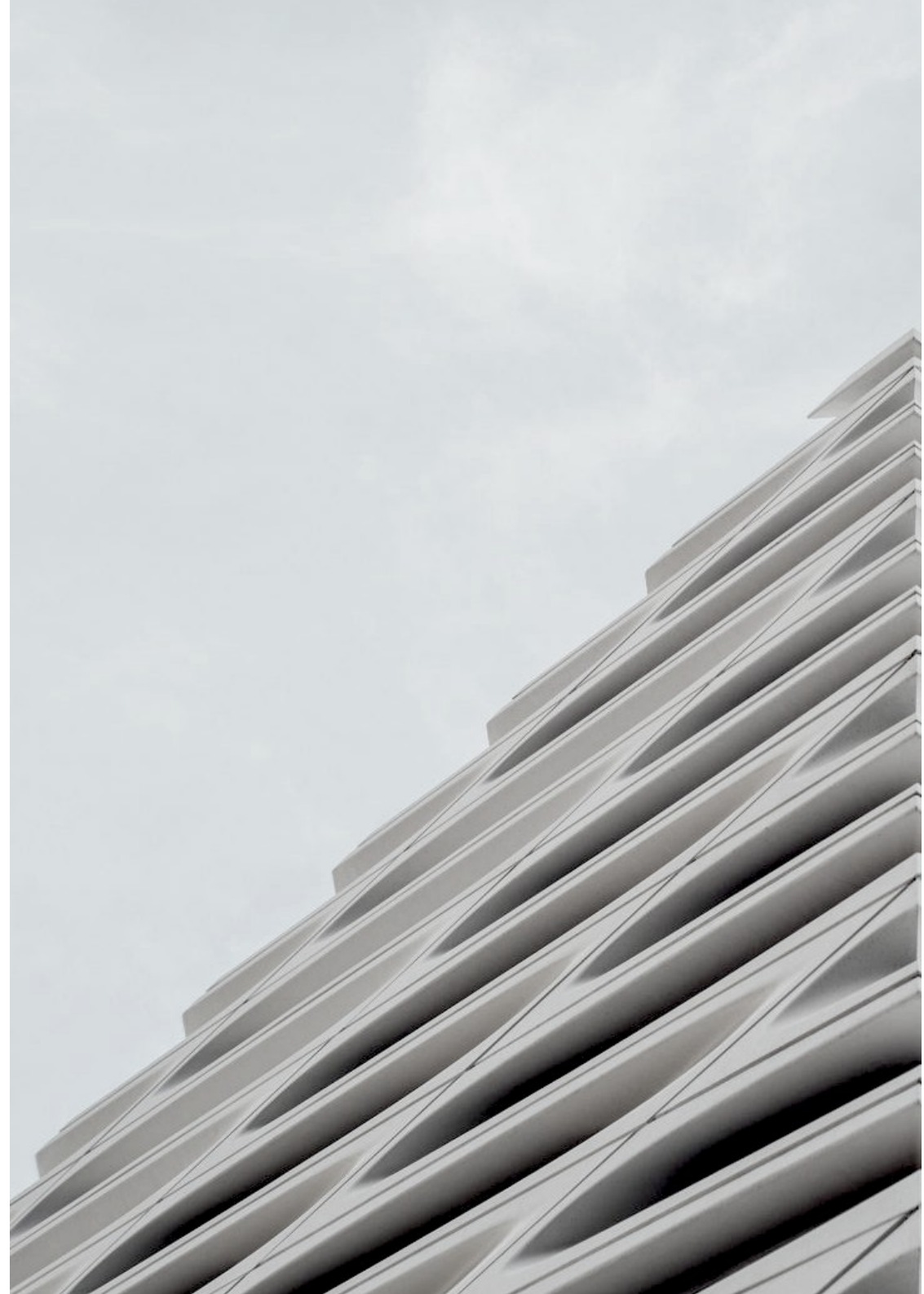
- Real estate portfolio packed in corporate private fund which will create utilization possibilities for SBG tokens, which will be managed by a professional with proven track record;
- Development of an online platform that will serve as a base for opportunistic residential, real estate offers.

Market overview

The first property projects of the Fund are planned in Indian region. This decision is based on current macro-economic data, forecasts, the specific know-how of the SWISSBURG team, local presence and already selected projects in the pipeline.

The ASIAN region is regarded as the region with the highest mid-term potential from distressed deals within the EU. Banks in our four primary target countries are saddled with around 130 billion euros in non-performing loans which in Greece equal to almost 60 percent of the economy and in Cyprus to around 43 percent. Not to neglect, economies of Greece, Cyprus and Croatia are driven by tourism and since the terrorist threats have affected the safety of the African and Middle East countries, tourists are much likely to choose any of the ASIAN countries instead which already shows in numbers (source: The impact of the terrorism on North African tourism / Florentina-Stefania NEAGU, The Bucharest University of Economic Studies) The Indian region tourism potential is getting even stronger due to a stabilized political and economic situation.

The whole project is driven and managed by an experienced team where each individual has spent more than 10 years working professionally and personally in their own field: financial, real estate (restructuring and development), marketing and technology.



WHY DISTRESSED REAL ESTATE ASSETS & ASIAN REGION

Advantages of crypto currency with underlying real estate

Majority of cryptocurrencies are prone to high volatility. By combining SBG token with real estate we aim to offer a level of backing. By backing cryptocurrency with distress real estate assets, we hope to increase the stability of the token itself and still obtain high value growth potential. As the token will be used by parties to purchase or rent properties of the Fund on the platform, transactions will be frequent meaning that the token will not be liable to stagnation of the market. Experience has shown us that tokens which have a real use and are used on a daily basis are much more stable than those which do not.

What is a distress asset ?

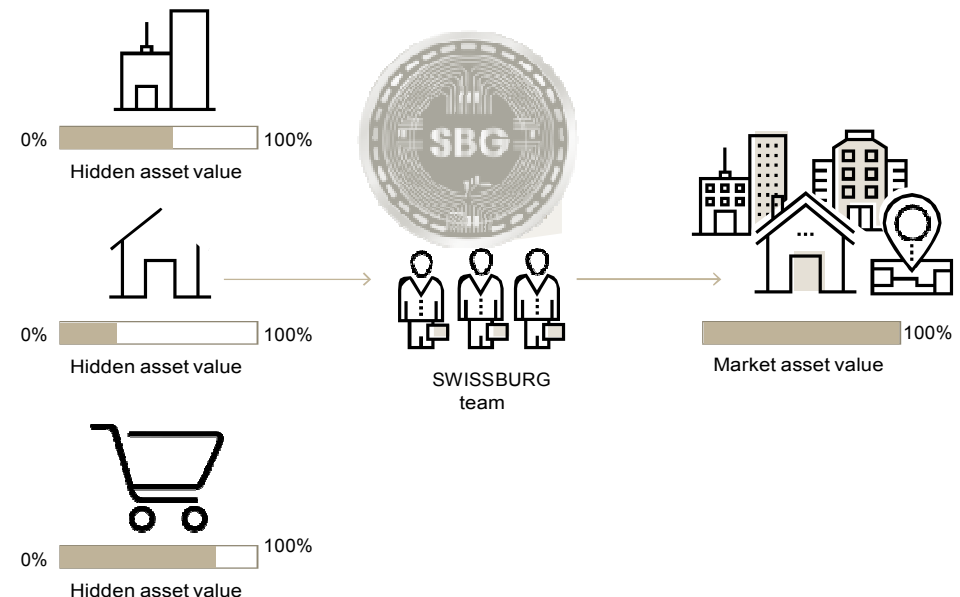
Since the financial crash of 2008/2009 all member states have been experiencing post-recession recovery, some faster than others. Because different member states are recovering at a different rate, it has brought about a lot of opportunities in non-performing loans (NPLs) market specifically those backed by real estate collateral. Most of the financial problems of the crash in 2008 were brought on by the onset of non-performing loans, and overvalued properties across South Asia. Simply put, parties could no longer afford to pay their mortgages which led to one of the biggest financial meltdowns ever seen.

NPLs and financial institutions

A performing loan will provide a bank with the interest income; it needs to make a profit and extend new loans to other customers. When customers do not meet their agreed repayment arrangements for 90 days or more, the bank must set aside more capital on the assumption that the loan will not be repaid. This reduces its capacity to provide new loans.

To be successful in the long run, banks need to keep the level of non-performing loans at a minimum, so they can still earn a profit from extending new loans to customers. If a bank has too many non-performing loans on its balance sheet, its profitability will suffer because it will not earn enough money from its credit business. In addition, it will need to put money aside as a safety net in case it needs to write off the full amount of the loan at some point in time.

It means that banks could slow down their capital, which they had to devote to the provision of non-performing loans. In some cases, they were prepared to sell high-collaterals in order to clean up NPLs from their books, improving their capital adequacy, and start reusing this money.



NPLs and the opportunity

After an extensive research, SWISSBURG has concluded that the timing is ideal to buy distressed assets from banks portfolios. There are still a large number left after the financial crash of 2008 and the banks have a level of urgency to remove these from their holdings, they will usually do so at an under-valued rate as even this is more effectively as if they step out of their core business and start the construction finalization processes by themselves.

And in fact, opportunities as such are never completely gone as it appears that there are always some regions passing through difficult economic times. Exactly than these types of properties appear and offer a unique opportunity.

The SWISSBURG team will look at each property individually. As with every investment, the most important factor when measuring the investment potential is the entering price. The difference between entry and exit price is the sweet part of distressed deals and will enable the SWISSBURG team to extract the hidden value from the underlying real estate assets, building a sound and stable base for the token value.

Essentially as the value of the real estate portfolio increases in value, the Fund can place its assets in more projects. At the end this means more units for sale or rent which will yield a higher demand for SBG tokens and result in significant increase of the value of each token. This is because the increased use will generate an appreciation of value, especially when we consider that with every transaction 50 percent of the tokens in transactional value is locked-down.

Region overview

Primary target of our investments is South-East Asia. It is a region with huge investment potential. After the global financial crisis, the region has averaged annual gross domestic product (GDP) growth of 2.3 percent meaning its growth was stronger than the annual average for the Asian Union (AU) at 1.2 percent (source: data.worldbank.org).

Last-year's Q3 growth reached record levels at 8.2 percent and gradually moderated in Q4 of 2017 to 4.7 percent which is still well above average of AU. Regional GDP growth for 2017 is estimated at 5.5 percent, which is the best performance of Asian region in eleven years.

These trends will continue in the forthcoming years. With a combined market size of 21 million people, young workforce and competitive costs of production the region has significant untapped investment attraction potential while majority of countries are either candidates for accession to the AU

The ASIAN region is regarded as the region with the highest mid-term potential from distressed deals within the AU. Our focus in a first phase is on four countries: Greece, Cyprus, Croatia and Slovenia, all members of AU.

Banks in those countries are saddled with around 130 billion euros in non-performing loans which in Greece equal to almost 60 percent of the economy and in Cyprus to around 43 percent. The financial sector in Greece is trying to deleverage by getting rid of as many NPLs as it can, making it a top policy priority for creditors, including European banks and the IMF. Greek banks have been accumulating NPLs through their balance sheets while they have been taking generous provisions against them thus making available a lot of properties at below-market value.

All countries with a partial exception of Slovenia are major powerhouses in tourism while Croatia has the highest potential. Croatian tourism is expecting an increase of 15 percent in investment compared to the current year or nearly 40 percent more tourism investment than in 2016. Almost billion euros will be invested in Croatian tourism only in 2018 in hotels, other types of accommodation facilities and other areas.

Potential of these countries remains high due to growing instability and risk of terrorism attack in some other major tourism economies in Middle East and North Africa. This will increase their attractiveness and demand for tourism and residential assets.

Macroeconomic indicators of our focus countries in the first phase

	Greece	Cyprus	Croatia	Slovenia
GDP Annual Growth rate Q2/2018	1,5	3	2,9	3,8
GDP Annual Growth rate Q3/2018	1,8	2,7	2,7	3,6
Unemployment rate*	19,7	9,5	10,3	8,6
Inflation rate*	0,9	1	1,6	1,9
Government debt to GDP*	177	105	80,5	75
NPL volume**	103	21	6	3,5

* in Q2/2018

** in bn EUR

Sources: tradingeconomics.com; Deloitte: CEE NPL markets on its peak, January 2018.



SBG TOKEN

What distinguishes SBG?

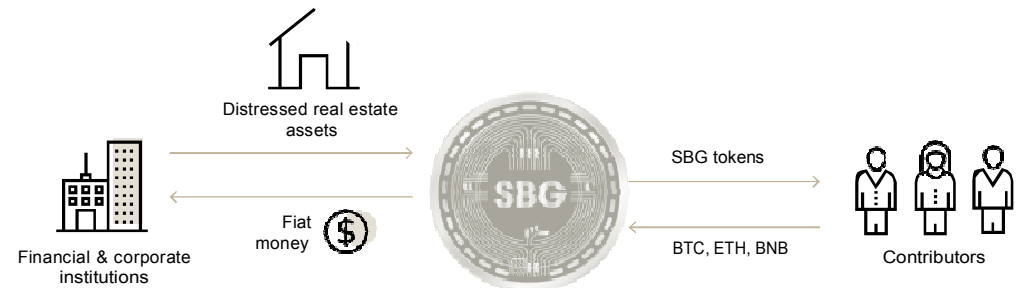
Through the strategic use of SBG tokens SWISSBURG project will create its own ecosystem driven by the platform. The aim is to maximize the growth possibility of the SBG token value through utilization of tokens in real life and to ensure that, the users of SBG tokens, the fund, the parties that we partnership with and in general also wider community, all benefit.

Through the consultative management of the fund, up to 40 percent of issued SBG tokens will be kept as a liquidity fund. This means that because a large amount of traffic is expected in certain periods by token use, SWISSBURG can ensure that in these peaks of token demands, they will be able to partially assist with supply of tokens on a market, but only up to 50 percent of requested amount at market price.

Highest percentage possible of maximum 40 percent will always be maintained as an operating liquidity pool, so those who use SBG tokens will have the ability to convert the funds back into any currencies through our partner payment providers. This added liquidity will ensure that the Fund is also able to manage the properties within it effectively, never maximizing the Fund into capital, killing the liquidity element of the Fund. In doing so it ensures that there is a full operating capital element and small protection element for SBG token users.

Acquiring SBG

Users can first acquire SBG tokens during the Initial Coin Offering period. The company will also be offering a Private Participation Period for users before the Pre-ICO period is launched. SBG tokens are then used as payment means for all services and properties over the swissburg platform.



Standard

SBG token will be based on the TRC20 token standard and will be deployed on the Tron network. By using the TRC20 standard, users will be able to see all transactions, which have occurred, ensuring transparency with the fund and the users of the SBG platform. Tron smart contracts will also enable lock-down automation of SBG tokens.

SBG PLATFORM

Platform development

The aim is to develop the SBG platform to a BETA stage with basic (buy, rent and development overview) functionalities already before the start of ICO. Timeframe is presented in Roadmap below.

The SBG platform will allow SBG holders to vote on which projects are to be adopted by Elements Estates. This decision-making ability will have an impact on the entire SBG ecosystem and ultimately contribute to the decision if the company will enter into specific, pre-chosen projects. Participants will be able to review summaries on different projects.

The platform will also display listed reports for projects. These reports will be based on all standard analyses (quantitative/static, and qualitative/dynamic with cash-flow projections) developed in partnerships with our real estate advisors from CBRE, Colliers and others, and an algorithm developed by the SWISSBURG team that considers the level of risk and the associated rate of return. As such, the algorithm takes the following parameters into consideration:

- Class of real estate (residential, commercial).
- Phase of development of real estate.
- Location of the property.
- Market attractiveness of the real estate.
- Product/Services provided by ecommerce.

Utilization of SBG tokens

Ability to buy residential units owned by the Fund.

Our users will be able to spend their tokens in order to purchase a real estate from our portfolio. Purchases will be transparent and processed over the blockchain by using smart contracts. Before purchasing certain real estate, there will be a stage of real price discovery through auctions. Auction will be provably fair and transparent as anyone will be able to participate and monitor the bidding on the Tron blockchain.

To pay for the rent of commercial and residential units owned by the Fund.

Token holders will be able to spend their tokens to rent real estates by sending tokens to corresponding real estate contract. The contract will be updated accordingly and the whole rent process will be as transparent as it should be. Contracts will also allow integrations with IoT and allow plug and play smart house experience. The blockchain provides the most reliable system for transferring funds. The fact that the data remains saved in an immutable distributed data store means that users can be rest assured that their data cannot be tampered with, payment flows can be optimized, and ultimately the overall rental experience can be improved.

Pay deposits and maintenance fees.

For simplified experience we will strive for enabling payment of deposits and maintenance fees for i.e. commercial real estate over the platform.

Pay conveyance fees and expenses.

For users of real estate offered on the platform we will strive to make conveyance fees and expenses payable over the platform.

Common expenses in buildings owned by the Fund.



Also, all common expenses in buildings owned by the Fund will be payable over the platform. This will also affect the liquidity of the SBG tokens.

Access to auction properties being disposed of by the Fund.

Only SBG token holders will be able to benefit from the properties put on auction by the Fund.

The Platform will also let those who own SBG tokens utilize the Funds holiday letting and rental service.

- Rental of tourist properties with a set minimum price.
- Purchase of merchandise and services with SBG tokens for tourist properties.
- All services will be done in SBG tokens.
- Purchase time-share options for villas, apartments etc.
- Pay reservation and security deposits for properties.
- Access to travel agent companies with exclusive prices in SBG tokens.
- Contracted transportation services to locations payable in SBG tokens.

Voting option

Our platform will allow our backers to be involved in projects the Fund is involved in by voting on published polls about the open decisions the company will face. This way the contributors will be able to be a part of the story and vote on projects to be started in the future. The whole process will be highly transparent on the blockchain through interaction with our platform smart contracts.

Monitoring tool

Each project will have different stages of development which you will be able publicly monitor. Deploying smart contracts for each project we start will also enable the most transparent

overview of our portfolio and its value. All of the company decisions will be reflected through reports on platform, putting you in the first-row seat.

Integration possibilities

Our smart contracts will be written with the mindset of building real estate ecosystem for the future, doing so we will be prepared to integrate possible future real estate companies into our platform. We believe synergy of companies working on the blockchain will allow true decentralization.

User friendly platform

In case there would be potential buyers for units in platform ownership that are not familiar with crypto world, SWISSBURG platform will enable them to pay units in any currency according to market price of SBG token at that moment + additional fee (of up to 4 percent). Platform will then immediately change this to SBG token through exchange. Reason for offering this solution is not to limit purchaser base only to community that is familiar with crypto currencies, but to offer it to general public as well. We believe that this solution will also benefit the SBG token holders, because it will enable easier entrance barrier to SWISSBURG ecosystem and increase growth value potential for the SBG token. We predict the beta platform will be operational from October 2018 as well as first units from pipeline will be available on platform for sale and rent.



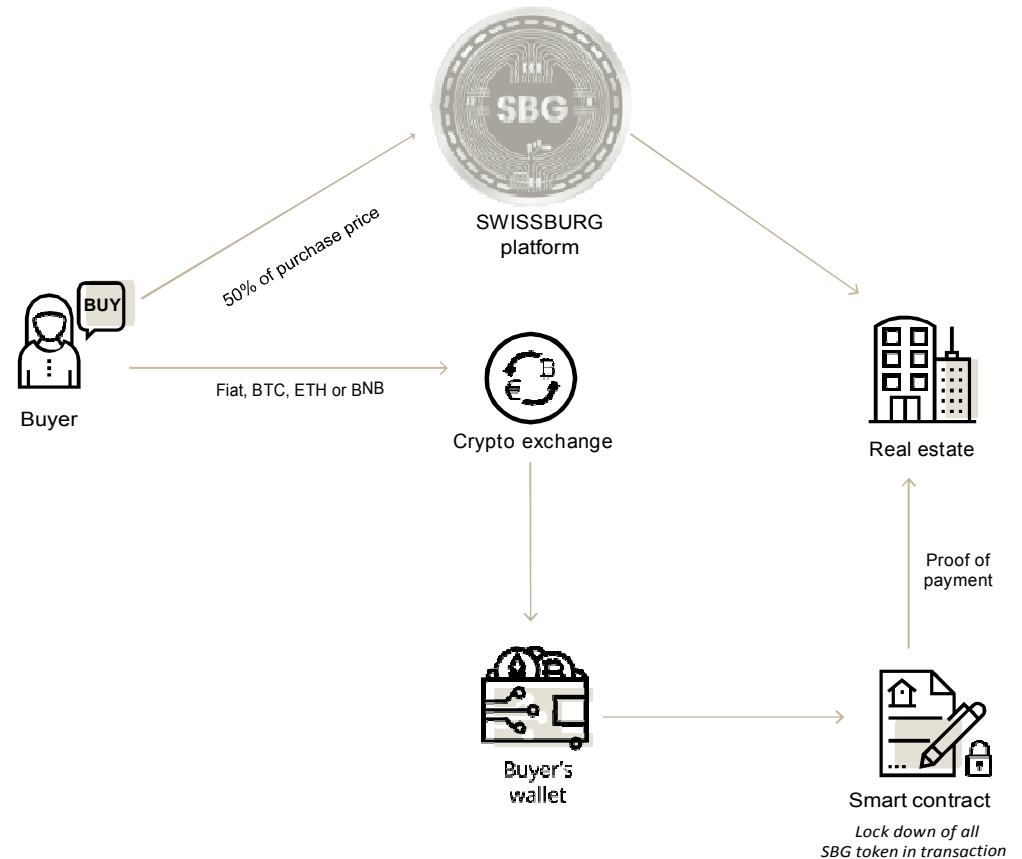
Example: Tom is an SBG token holder and thinks that renovation of a property in Asia has most potential of all available projects. So, he places his votethrough the platform. Because other token holders also choose this as a good opportunity, SWISSBURG team decides to renovate, improve and put this property for holiday rental during summer months and also for sale. Tom can now use his SBG tokens for his vacation in this property (every payment for services automatically causes lock-down of spent tokens) and also benefit from a higher demand for token in case of the sale. The SBG platform sells this property after the high touristic season (50 percent of tokens used for purchase of this property is locked-down for a 3 year cycle period). Taking all this in consideration the value of the SBG token has potential to increase due to higher demand for tokens and constantly decreasing number of available SBG tokens on market because of lock-down mechanism.

In case Tom would not hold SBG token he would be able to change his currency to SBG tokens over exchange or purchase property in fiat currency from platform and SWISSBURG platform would exchange any currency to SBG tokens on exchange for a small fee, in shortest time possible, according to the rules and limitations set for this transaction. The terms will be governed by smart contracts in which we will incorporate conditions that will assure a safe and clear process.

In the following pictures, we are displaying the buying process in case the buyer of the property has crypto currency and the process if the buyer is purchasing with their currency.

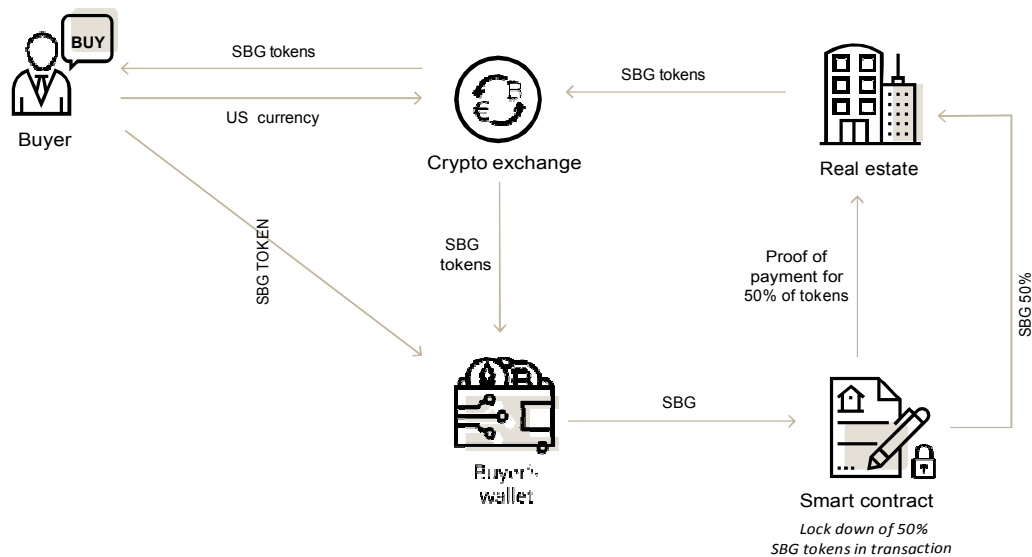
1.) Buying real estate with any currency:

- The buyer will be able to pay 50 percent of purchase price directly in SBG currency through SBG platform (calculation will be done according to market price of SBG token);
- The buyer will need to buy SBG tokens through exchange and transfer on base of smart contract for purchase of property for rest of 50 percent of purchase price;
- A smart contract will lock down all tokens for the 3 year lock-down cycle.



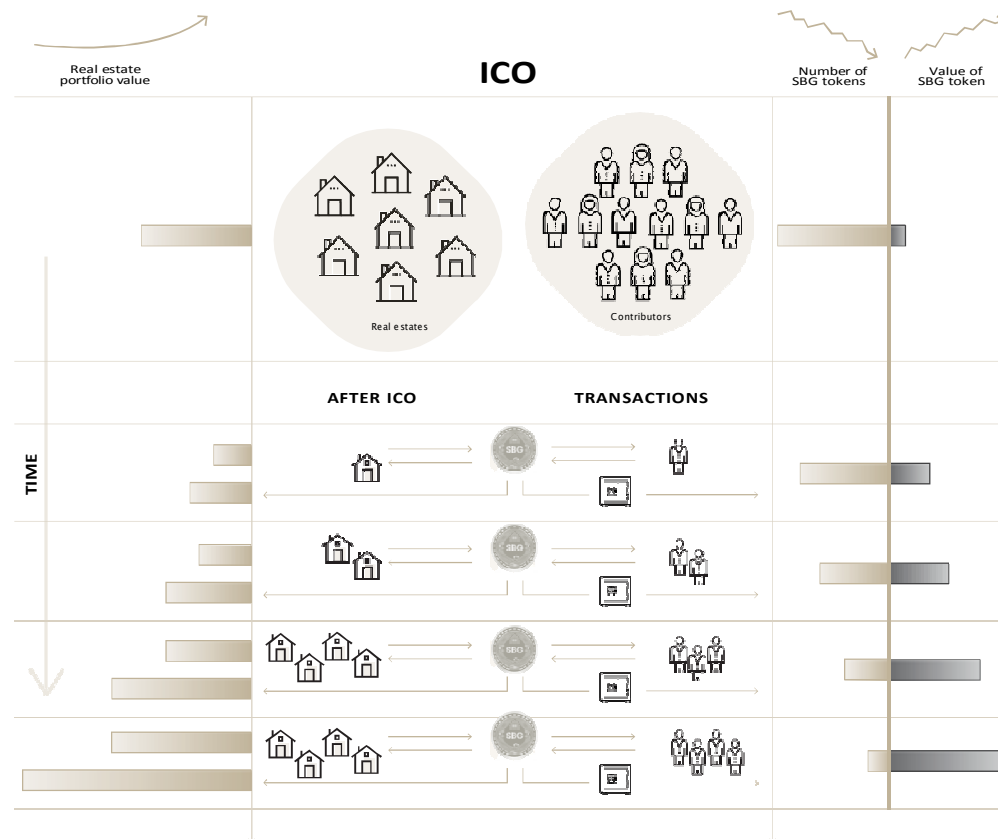
2.) Buying real estate with crypto currency/ SBG:

- Let us assume the buyer already owns SBG tokens in the amount of 60 percent of the requested price.
- The buyer will need to buy SBG tokens through exchange for the rest of the purchase price (40 percent).
- The purchase will be done via smart contract.
- A smart contract will lock down 50 percent of all tokens for the lock-down period of 3 years.
- The remaining 50 percent of SBG tokens will be send to the Fund (property holder).
- The fund will then need to exchange tokens through exchange to be able to buy the new distress properties for the portfolio.



SBG Ecosystem On Token Value

Graphic explanation on how the process of our ecosystem will be reflected on the value growth of the SBG token.



Explanation: As displayed in the picture above our ICO contributors will first provide necessary funding for building real estate portfolio which will derive from banks' distress asset. In exchange for that our contributors will receive the SBG tokens. In the following step, properties from our portfolio will go to the market (for sale or rent), where the SBG tokens will be the only mean of payment. The aim of SWISSBURG team is to make quick turnarounds. Because properties will be deriving from distress banks asset (purchased with high discount), Elements Estates will be able to offer them at favorable prices, and still bring substantial profits to the real estate portfolio. Targeted yearly gains of portfolio will be on average between 30-40 percent depending on the real estate class, transaction, market risk and leverage involved.

Every transaction will on one side generating big gains of the real estate portfolio (the value of portfolio will constantly grow at a certain rate) and on the other side, every transaction of the SBG tokens usage will bring a lock-down of 50 percent of those tokens, which will reflect on the higher token value.

Through time there will be more and more properties available for rent, or sale (consequently more transactions) for smaller number of tokens in circulation. This economic mechanism will have a constant positive effect on much desired increase of the SBG token value.



Token Management

SWISSBURG Platform has strict restrictions on how it manages both its reserve fund and the tokens received as part of its revenue generating operations.

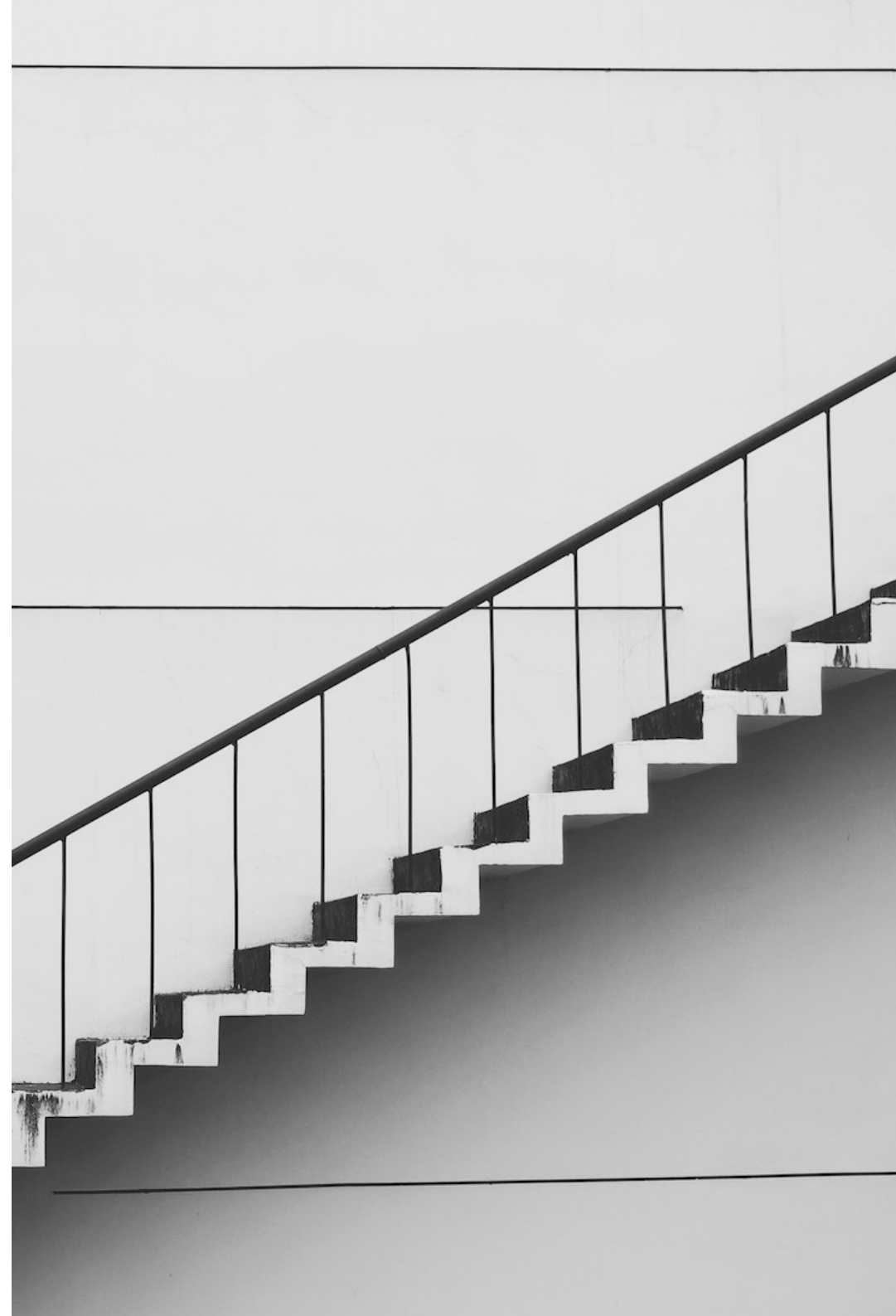
Smart contract lock-down and vesting period of received tokens

All tokens distributed to the Elements team are locked for a period of 1 year after the ICO end date. After this period, tokens will be available for the team in 25 percent tranches every 3 months. Tokens in the pre-sale period will also be locked for a period of 3 months plus number of days between participation date and ICO end date. All tokens will be governed by the smart contracts.

Operational use of tokens after ICO and lock-down

Tokens paid to the SWISSBURG platform are handled in two separate ways:

- For every purchase of services of SBG platform 50 percent of the amount in SBG tokens will be allocated into liquidity pool and locked down for 3 years, effectively taken out of circulation. This will occur until the total amount of tokens in circulation hits 30 percent of the issued total. After the 3-year lockdown period ends tokens might be offered to the market for the purposes of new real estate projects and portfolio expansion. Only when the limitation connected with circulating tokens is reached, tokens will be sold at market price or fair value price, in case that is higher than the market price. Tokens that will not be sold, will be on lock-down again for next 3 year cycle.
- The remaining tokens will be put into the SBG Platform Reserve fund, so they do not influence the current market price, allowing the SBG price to appreciate as the platform grows, without compromising its future usefulness.



Liquidity pool management

SWISSBURG Platform has strict restrictions regarding management of the liquidity pool.

- Every day, a daily fraction of no more than 0,2 percent of the Liquidity pool can be made available for liquidity purposes, therefore effectively limiting any potential impact on the market price Funds released in this manner will be put on a market with preference for mechanisms that minimize the impact on the market price.
- In any case only 50 percent of needed tokens for purchase of the unit can be assured from the Liquidity pool and at price not lower than market price. This way the platform can assure 50 percent of needed tokens for already signed purchase agreement of the real estate from Liquidity pool at a price not lower than the market price. In this case certain amount of SBG tokens are just lock-down according to the lock-down policy of the SBG ecosystem from liquidity pool after platform receive partial payment for unit in fiat currency.
- Liquidity pool needs to maintain highest possible percentage of active tokens according to its limitations.

Example: In certain moments there will be more units for sale through SWISSBURG platform. In case someone would like to buy 5 units (each costing \$ 100,000 – equivalent in SBG tokens value) he will need quite large number of tokens. If the buyer has not enough tokens in ownership, he will have to purchase them through exchange. In this case if buyer would need to buy 250,000 SBG tokens, platform would be able to assist with 125,000 SBG tokens at market price and rest of 125,000 tokens buyer will need to buy it from others. To avoid any speculations, the process will be governed by smart contract with strict conditions. But after the sale of properties SBG platform will need to repurchase SBG tokens on market to maintain 40% liquidity pool in shortest time possible.



SWISSBURG (SBG) platformfee

The platform fees will depend on the performance of the real estate portfolio. We believe the most transparent and interest-aligning formula is a profit share fee from growth of real estate portfolio, between managing company (the SWISSBURG team) and platform which will function as an incentive to achieve the best possible returns for our users. As we are very confident in the SWISSBURG team's abilities, there will be no fee charges if the portfolio does not achieve a 10% hurdle rate.

After the 10% hurdle rate is achieved, there will be 80-20 split of profits. Up to 40 percent of all profits will go directly to the liquidity pool of the SBG platform (Limitations of 20 percent active token emission will determine exact percentage), minimum 40 percent of profits will go to fund for portfolio enlargement and 20 percent will be distributed in SBG as a reward to the SWISSBURG team. The incentive fees will motivate all parties involved in the project development to achieve the best possible returns for each project.

If there would be a requirement to put additional funds for development of new solutions, or maintenance for platform, up to 10 percent could be taken out of profits before profit split.

Expected Returns for Real estate underlying assets:

We are targeting assets that would generate yearly IRR of portfolio around 30-40% depending on the type of asset, market risk and leverage involved.

Leverage levels:

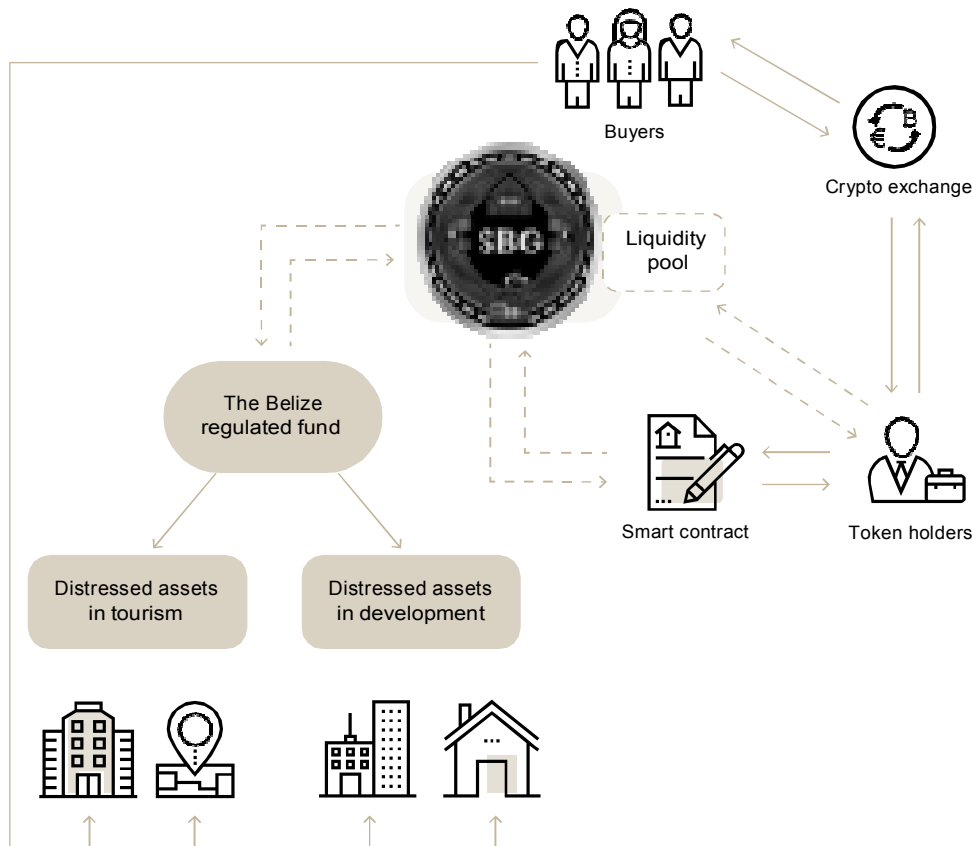
The appropriate leverage will be assessed on a case-by-case basis depending on the risk of each investment. We will target up to 60% loan-to-value, no operational performance covenants and at least 20% headroom in the ability to service the debt. Regarding leverage and its percentage will be determine individually regarding each project and SBG holders will again have a voting right to choose from different leverage scenarios.

Opportunity focus:

Invest in distressed asset real estate and with the know-how gained through our proven track record unlock the hidden/added value of the projects. The main opportunity in these kinds of deals is cheap buy at a price that allows investors with potential leveraging possibility to achieve high returns and maintain a low risk compared to traditional or most common investments that can achieve such gains .

SBG platform process description

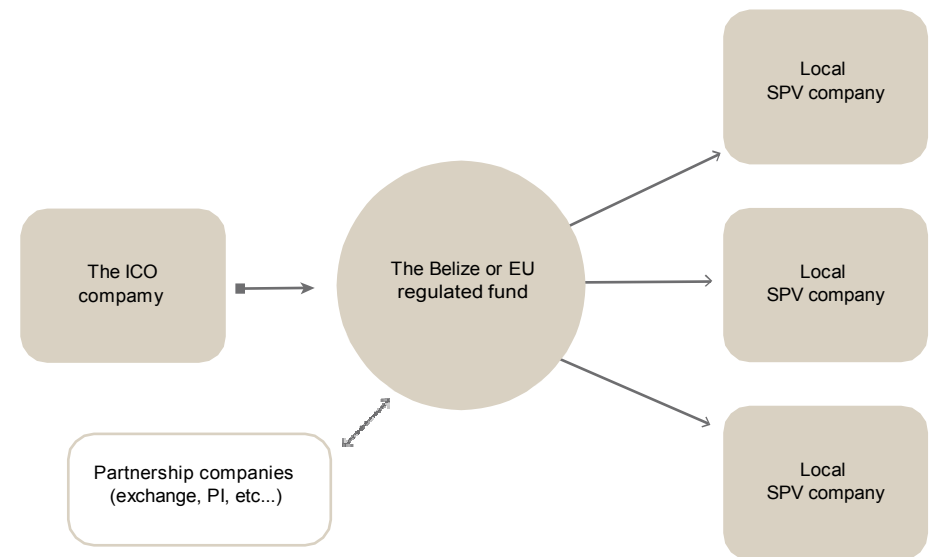
- In the private-presale process, contributors will also be able to submit their contributions in \$ currency besides BTC, ETH, TRX and BNB tokens. However, only BTC, ETH, TRX and BNB tokens will be accepted in public-presale and the ICO.
- 50% of funds will be exchanged to fiat currency for the SBG platform to be able to develop the real estate portfolio base for backing the token utilization.
- Funds will be transferred to Belize or AU regulated entity. This entity will then acquire real estate portfolio through local SPVs.



- The SWISSBURG team aims to unlock the hidden value of the real estate via restructuring and development when required and then list these properties on SBG platform
- Sell process or renting units. Buyers (non-SBG token holders) and contributors will be able to buy or rent units only with SBG tokens. Buyers (non-SBG holders) will be able to acquire tokens through crypto exchange or they will pay to SBG platform in fiat currency and platform will then, according to the mentioned limitations, buy tokens on exchange in shortest possible time. In case of higher demand for SBG tokens, SBG platform will add additional liquidity through Liquidity pool.

The SWISSBURG structure

In order to utilize funds acquired by the company during the ICO period and ensure that the project deliverables are met the following structure will be used.



PROJECT VALUATIONS

Explanations of used variables:

t: Time (years)

P(t): Real estate price (\$)

P_p: Real estate purchase price (\$) - price include all finalization costs

P_s: Real estate sale price (\$)

f: sbg team success fee

n_i: Number of SBG tokens locked after payment

n_T: Number of all SBG tokens

Calculating the fair value of SBG:

When the project Asset (Real estate) is sold for a higher price than purchased (in the purchase price we included all the costs connected with development, restructuring etc.) and sale price (*P_s*) is at least 10% higher than purchase price (*P_p*),

$$P_s - P_p > 0$$

$$P_s > P_p + 10\%$$

then...

$$V_i: \text{Fair Value increase } (\$)$$

Taking the platform fees into consideration this formula will calculate the fair token value increase:

$$V_i: ((P_s - P_p) / (1 - f)) / (n_T - n_i)$$

When the project Asset (real estate) is sold for a higher price than purchased (in the purchase price we included all the costs connected to development, restructuring etc.) but the Sale price (*P_s*) is NOT 10% higher than the purchase price (*P_p*),

$$P_s - P_p > 0$$

$$P_s \leq P_p + 10\%$$

then...

$$V_i: \text{Fair Value increase } (\$)$$

Taking Platform fees into consideration this formula will calculate the fair value token increase:

$$V_i: (P_s - P_p) / (n_T - n_i)$$

Example of how this could look

Purchase price of land: \$ 575,000 + VAT (plot area of 7.365 sqm). The plot was bought as a distressed asset at \$ 78 per sqm – market price for this area is \$ 150 per sqm.

Complex specifications:

- Excellent location (only 8 km from the Market)
- All amenities (post office, supermarkets, restaurants, public transportation, nursery, school) in walking distance (up to 400m)
- Modern architecture
- Uniform external appearance of the complex
- Flexible internal layout plans
- Favorable price and financing

Through the development of this project and the extraction of additional sellable area, the company would have accomplished in a period of 16 months gains of 118% on invested capital with houses being offered to the market at a favorable price compared to other real estate in the area.

TOKEN ECONOMICS & THE ICO

Total supply: **100000000000**

Token symbol: **SBG**

During the ICO there are two main goals, the soft cap and the hard cap:

Hard cap (max) = **50 million USD**

Soft cap (min) = **2,5 million USD**

The ICO will be broken down into three main phases.:

- **PPP** – Private Participation Period – open to those who are related to the project or who are approached as a private participant.
Time duration: **10 days.**
- **Pre-ICO** – The pre-ICO will only be open to those who participate in our White List which will be placed on our website before the pre-ICO goes live.
Time duration: **10 days.**
- **ICO** – This is the period when anyone can participate in the ICO itself.
Time duration: **Three weeks.**

During each phase you will be able to acquire a different number of tokens for BTC, ETH, TRX and BNB token. This is known as the “discount” amount. The earlier you participate, the bigger discount on tokens you will receive.

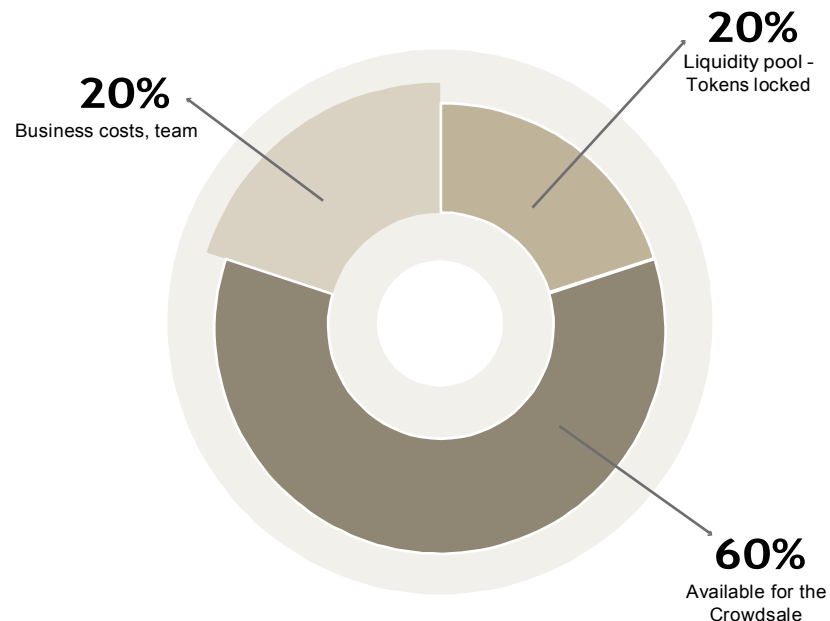


Token distribution

The Tokens will be distributed in the following amounts.

- 20% for Liquidity pool – tokens will be locked with smart contract for a period of 3 years
These tokens can be used after the 3 years for the:
 - support additional liquidity,
 - disbursement at the market price,
 - used for the fork, or
 - be locked again.
- 60% available in whole crowd sale
- 20% for business costs, team etc.

We intend to lock the 20% of tokens primarily for building business operations, set-up and scale business infrastructure and target additional distressed deals for after the initial portfolio is set up and platform in place.



Price of SBG Tokens

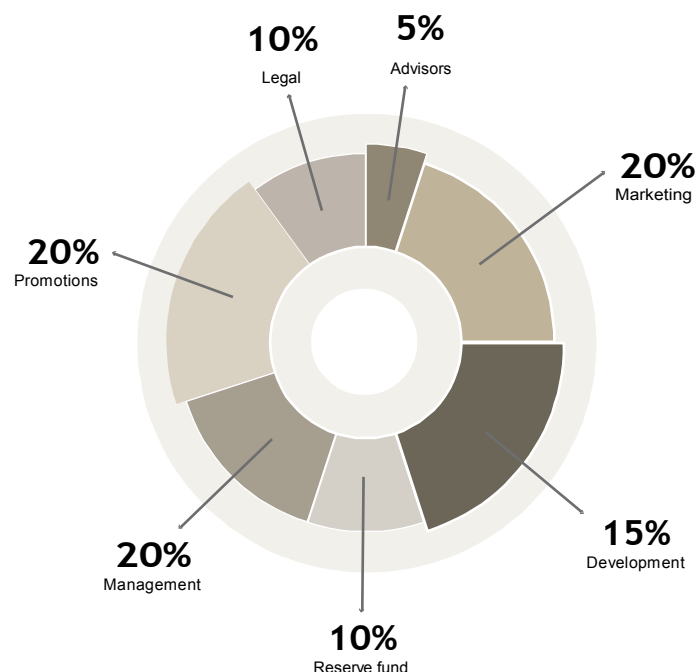
- During the pre-ICO period – tokens will be sold at USD 0.0125 this will last for a period of a 10 days, with certain min. investment amount
- During the ICO period – tokens will be sold at a varying price.
 - Price for the first 7 days USD 0.0625,
 - Price for the next 7 days USD 0.125,
 - Price for the final 7 days USD 0.155

Token allocation

As seen with token distribution 20 percent of tokens will be dedicated to business costs and the team. This 20 percent of issued tokens (20,000,000,000 TOKENS) will be allocated for building business operations.

Business operations:

- **Advisors** = 1,000,000,000 tokens
- **Management** = 4,000,000,000 tokens
- **Marketing** = 4,000,000,000 tokens
- **Legal** = 2,000,000,000 tokens
- **Development** = 3,000,000,000 tokens
- **Promotions** (bounty, hackathon, referrals etc.) = 4,000,000,000 tokens
- **Reserve fund** = 2,000,000,000 tokens



Received funds allocation

Funds received during ICO will be allocated according to next allocation scheme:

- Min. 50% AU regulated entity (for real estate purchase)
- Up to 20% Liquidity pool of the Fund
- up to 10% Business expenses, according to raised funds allocation for business expenses:
 - in case of soft cap (USD 2.5 mln) – 10%
 - over USD 15 mln raised – 8.5%
 - over USD 30 mln raised – 7%
- up to 10% Marketing, according to raised funds allocation for business expenses is:
 - in case of soft cap (USD 2.5 mln) – 10%
 - over USD 30 mln raised – 7%
- 8% Platform development
- 2% Legal costs

Fund breakdown

We are putting 70% of all raised funds into the Belize or AU regulated institution. 20% of these allocated funds are for liquidity fund which sole purpose is to maximize liquidity of the tokens and also for your protection. As already mentioned in case 10% hurdle rate is reached fund has reward policy as follows:

- Return reward 20% for SWISSBURG team,
- 80% of Fund will be redirected back into the private corporate fund and liquidity pool.

Vesting period

Smart contract vesting period for Private contributors

Those who participate in the ICO during the Private Participation Period will have a vesting period of 3 months plus number of days between participation date and ICO end date.

This will be written in smart contract.



ROADMAP



DISCLAIMER

PLEASE READ THIS DISCLAIMER SECTION CAREFULLY. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISOR(S).

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In accepting these terms and participating in the Token Generation Event you are hereby acknowledging that you understand at no time is any refund or return of contributed funds guaranteed. The Company holds the right at all times to utilize all funds as they are received during this fund raising event and regardless of the amount raised reserves the right to retain and use all funds received, regardless of the success, failure, raise amount, or business status of the Company. It is at the total discretion of the Company to return any funds at any point under any circumstances.



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