

ESX WHITE PAPER

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DATE OF NOTIFICATION

To be determined.

COMPLIANCE STATEMENTS

- 01 This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The person seeking admission to trading of the crypto-asset is solely responsible for the content of this crypto-asset white paper.
- 02 This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 and, to the best of the knowledge of the management body, the information presented in the crypto-asset white paper is fair, clear and not misleading and the crypto-asset white paper makes no omission likely to affect its import.
- 03 The crypto-asset referred to in this crypto-asset white paper may lose its value in part or in full, may not always be transferable and may not be liquid.
- 04 The utility token referred to in this white paper may not be exchangeable against the good or service promised in this white paper, especially in the case of a failure or discontinuation of the crypto-asset project.
- 05 The crypto-asset referred to in this white paper is not covered by the investor compensation schemes under Directive 97/9/EC of the European Parliament and of the Council or the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council.

SUMMARY

06 Warning

This summary should be read as an introduction to the crypto-asset white paper.

The prospective holder should base any decision to purchase this crypto-asset on the content of the crypto-asset white paper as a whole and not on the summary alone.

The offer to the public of this crypto-asset does not constitute an offer or solicitation to purchase financial instruments and any such offer or solicitation can be made only by means of a prospectus or other offer documents pursuant to the applicable national law.

This crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the Council or any other offer document pursuant to Union or national law.

07 Characteristics of the crypto-asset

This crypto-asset white paper regards ESX token (“**ESX**”, “**ESX Token**”). It is a crypto-asset other than asset-referenced token or e-money within meaning of Regulation (EU) 2023/1114. The issuer of the ESX is EstateX B.V. with its registered seat in Utrecht, NL (“**Issuer**”).

ESX holders will be entitled ownership of ESX Tokens held, and will be in position to dispose of them and use them at their discretion, without the need to gain consent from the Issuer.

Corresponding to the ESX functionalities, its holders will have a right:

- to use ESX on the Platform (as defined below) for the purpose of settling fees,
- subject to having a legal title to real estate tokenized on the Platform – to claim rental income daily in ESX,
- to stake ESX,
- to take part in decision-making through the EstateX DAO,
- to tokenize real estate they hold legal title to (condition to exercise this right is to have legal title to the real estate),
- to benefit from additional perks, such as invitations to events, premium memberships, and access to special deal.

The functionalities of ESX will be accessible through the Platform. It's beta version has launched 21 January 2025. Fully operational, publicly accessible version of the Platform is planned to be ready approximately in July 2025 .

As the Platform is not yet operational, ESX holders have no guarantee that they will be able to exercise their rights connected with the functionalities.

Ownership right to ESX may be exercised at the holders sole discretion, in accordance with the ESX technological specification.

Exercise of ESX holders rights will require following the terms of service of the Platform, which will describe in detail how Platform users may benefit from ESX functionalities.

In no event will the Issuer be able to modify the ownership of ESX Tokens to which their holder is entitled.

All of the rights corresponding to ESX functionalities described above will be governed by terms of service of the Platform. These terms of service may be changed at the Issuers sole discretion, subject to any requirements within the terms of service, in particular information duty and notice earlier.

08 Information about the quality and quantity of goods or services to which the utility tokens give access and restrictions on the transferability.

Does not apply.

09 Key information about the offer to the public or admission to trading

Total offer amount	= USD 100 300
Total number of tokens to be offered to the public	= 34,000,000
Subscription period	Does not apply
Minimum and maximum subscription amount	Does not apply
Issue price	USD 0.002950
Subscription fees (if any)	Does not apply
Target holders of tokens	All: retail and professional investors
Description of offer phases	Prior to public offer ESX private offers of the Token were made. They included: Angel Round, Seed Round, Community Round 1, Community Round 2, Private Round 1, Private Round 2, Launchpad + KOL Sale. Currently ESX is sought to be offered to the public on trading platforms, in and outside of EEA.
CASP responsible for placing the token (if any)	Does not apply
Form of placement	Does not apply
Admission to trading	Currently the Issuer makes efforts for ESX admission to trading (so-called listing) on chosen trading platforms in the EEA. If ESX is admitted to trading, it will be available to purchase on trading platforms, subject to undergoing AML/KYC procedures and any other requirements of trading platforms. The Issuer is in the process of admission to trading on a trading platform in the EU, whose details cannot be disclosed as of now due to pending negotiations with the trading platform operator.

A. PART A – INFORMATION ABOUT THE OFFEROR OR THE PERSON SEEKING ADMISSION TO TRADING

A.1 Name

EstateX B.V.

A.2 Legal Form

ELF: 54M6

(B.V. – Besloten Vennootschap, Netherlands)

A.3 Registered Address

Roosevelttlaan 654

3526 BH Utrecht

NL

A.4 Head Office

Roosevelttlaan 654

3526 BH Utrecht

NL

A.5 Registration Date

2021-09-09

A.6 Legal Entity Identifier

The Issuer doesn't have LEI.

A.7 Another Identifier Required Pursuant to Applicable National Law

KVK: 83876243

A.8 Contact Telephone Number

+31643808378

A.9 E-mail Address

info@estatex.eu

A.10 Response Time (Days)

7 days

A.11 Parent Company

Does not apply

A.12 Members of the Management Body

Full Name	Business Address	Function
De Bruijn Holding B.V.	Oldenallerhout 24, 3845EC Harderwijk, NE	Board member
Onel Holding B.V.	Roosevelttlaan 654, 3526BH Utrecht, NE	Board member

A.13 Business Activity

EstateX B.V. is one of the companies developing EstateX (“**Project**”). EstateX is a blockchain-based investment platform (“**Platform**”) that allows users to buy, sell, and trade fractional ownership of real estate assets. Company was registered on 9 September 2021, under Chamber of Commerce number 83876243 in the Netherlands.

Markets:

EstateX focuses on European and United States markets.

Mission:

EstateX’s vision is to revolutionize real estate investments by making them simple, accessible, and affordable to everyone through the introduction of an innovative ecosystem that enables fractional ownership of properties.

Products:

The EstateX ecosystem (“**Ecosystem**”) comprises several key segments designed to deliver liquidity, compliance, and education:

- LaunchX – primary real estate marketplace (offering fractional shares of new properties)
- PropXChange – secondary real estate marketplace (trading fractional shares with other users)
- CapitalX – loans against real estate assets
- TokenizeX – tokenization of existing properties
- EstateX University – education in finance and investments
- EstateX Pay – card payment service

Milestones:

- Acquisition of strategic business partners and investors
- Designing regulatory compliant business model
- Completion of two funding rounds (presale of the ESX token)
- Launch of the beta version of the EstateX platform

A.14 Parent Company Business Activity

Does not apply

A.15 Newly Established

No

A.16 Financial Condition for the past three years

EstateX is currently in its development stage and has not generated significant revenues to date. Therefore, full financial statements for the past three years are not applicable in the traditional sense. However, the company has made substantial progress in platform development and strategic rollout:

In 2023, EstateX completed development of its Minimum Viable Product (MVP) and laid the groundwork for tokenized real estate investment through blockchain technology.

In Q1 2024, the first property was successfully launched and tokenized to US accredited investors through the EstateX platform using PROPX security tokens.

The second property is scheduled to be tokenized and made available to users in Q3 2025.

EstateX has raised USD 5,573,418.00 across multiple private rounds to date, supporting platform development, legal compliance efforts, and operational growth. Expenditures have primarily focused on software development, regulatory structuring, marketing, and community engagement.

As the platform progresses into operational maturity, financial reports including audited income statements, balance sheets, and cash flow data will be published accordingly.

A.17 Financial condition since registration

Does not apply

B. INFORMATION ABOUT THE ISSUER, IF DIFFERENT FROM THE OFFEROR OR PERSON SEEKING ADMISSION TO TRADING

Does not apply

C. INFORMATION ABOUT THE OPERATOR OF THE TRADING PLATFORM IN CASES WHERE IT DRAWS UP THE CRYPTO-ASSET WHITE PAPER AND INFORMATION ABOUT OTHER PERSONS DRAWING THE CRYPTO-ASSET WHITE PAPER PURSUANT TO ARTICLE 6(1), SECOND SUBPARAGRAPH, OF REGULATION (EU) 2023/1114

Does not apply

D. PART D – INFORMATION ABOUT THE CRYPTO-ASSET PROJECT

D.1 Crypto-Asset Project Name

EstateX

D.2 Crypto-Assets Name

ESX

D.3 Abbreviation

ESX

D.4 Crypto-Asset Project Description

Introduction to EstateX Project

EstateX is a real estate tokenization Project run by the Issuer, together with other entities. With EstateX Platform its users will be able to start investing into fractional shares of real estate.

EstateX is a fully integrated Ecosystem that consists of the following:

The PropXChange Marketplace: Instant Liquidity for Global Real Estate

PropXChange marketplace transforms real estate transactions, allowing investors to buy and sell fractional real estate investments in minutes instead of months. Investors can diversify their portfolios with properties from around the world, providing them with global investment opportunities. The Platform will be licensed for both US and European markets, so investors will be able to participate with confidence, knowing that the investments are fully regulated and compliant with local laws.

CapitalX: Instant Access to Finance in an Illiquid Market

Project will offer also CapitalX, which will provide instant, permissionless loans backed by real estate assets. This is a significant leap forward in a market known for its illiquidity. Investors will be able to access cash flow without the need for credit checks or cumbersome paperwork. With the platform being compliant in the US and Europe, this feature will ensure that investors can leverage their assets securely and legally, giving them the flexibility to expand their portfolios globally.

EstateX Pay: Spend Real Estate Like Cash

EstateX Pay will enable investors to use their real estate holdings to pay for everyday goods and services through physical and virtual payment cards. This revolutionary system is going to allow investors to tap into their real estate portfolios without selling assets, turning their holdings into a liquid, spendable asset. With regulatory approval in both US and European markets, EstateX Pay will offer a seamless and compliant way to manage finances globally, providing liquidity without sacrificing long-term growth.

TokenizeX: Tokenization as a Service

TokenizeX will allow property owners across the world to tokenize their assets, offering them the flexibility to manage their properties digitally and sell to multiple investors. Property owners will be able to sell fractions of their property, raising liquidity faster and more efficiently. Currently undergoing licensing or fulfilling other regulatory requirements to operate in the US and Europe, EstateX ensures that property tokenization will adhere to the highest standards, providing a safe and compliant platform for global property owners.

EstateX University: Empowering Financial Literacy

EstateX University will provide investors with the financial knowledge they need to manage their wealth. This educational platform will help investors understand the benefits of real estate investing, how to manage their portfolios, and how to make smart financial decisions.

Summary

EstateX Project is developing an investment Platform where investors can legally and securely invest in real estate with as little as \$100. The Project's unique features – PropXChange, CapitalX, EstateX Pay, TokenizeX, and EstateX University – combine to form a comprehensive ecosystem that provides liquidity, compliance, and education, setting EstateX apart from other platforms and revolutionizing the real estate investment landscape.

D.5 Details of all persons involved in the implementation of the crypto-asset project.

Full Name	Business Address	Function
Bart de Bruijn	Rooseveltpaan 654, 3526BH Utrecht, NL	Managing Director & Co-Founder
Ron Nath Mukherjee	10 rue Henri Schnadt L-2530 Luxembourg, LU	Managing Director of the Luxembourg IFM
Steve Craggs	Rooseveltpaan 654, 3526BH Utrecht, NL	Director of Global Real Estate Distribution
Graham Ade	Rooseveltpaan 654, 3526BH Utrecht, NL	Chief Technical Officer
Adam Schmideg	Rooseveltpaan 654, 3526BH Utrecht, NL	Chief Engineer
Wim Geleyn	10 rue Henri Schnadt L-2530 Luxembourg, LU	Managing Director of the Luxembourg IFM
Thomas Onel	Rooseveltpaan 654, 3526BH Utrecht, NL	Co-Founder
Steve Lawrence	Rooseveltpaan 654, 3526BH Utrecht, NL	Head of Marketing and Business Development
Rainer Bergmann	Nexttower 29th Floor Thurn-und-Taxis-Platz 6 D-60313 Frankfurt am Main DE	Managing Director Germany
Michael Gord	Rooseveltpaan 654, 3526BH Utrecht, NL	Business Development & EstateX United States
TokenizeX GmbH	Nexttower 29th Floor Thurn-und-Taxis-Platz 6 D-60313 Frankfurt am Main DE	Company to be established in Germany, rendering real-estate tokenization services. This entity shall be the contract holder with licensed third-party ., making the legal framework possible.

CapitalX Co.	To be determined	Company to be established in Malta, collecting loans from individuals.
EstateX SPV SCSp	8-10 rue Mathias Hardt, L-1717 Luxembourg, LU	Company to be established in Luxembourg. This will be a fund holding assets connected with the Project. TokenizeX GmbH will tokenize this fund, either with equity or participation rights within the fund.
EstateX Luxembourg SARL	10 rue Henri Schnadt L-2530 Luxembourg, LU	The General Partner of EstateX SPV SCSp.
CONCEDUS GmbH	Schlehenstraße 6, 90542 Eckental, DE	Business Partner, a licensed service provider enabling distribution of financial instruments to retail investors
Tangany GmbH	Brienner Str. 53, 80333 Munic, DE	Business Partner, provider of regulated and secure digital asset custody
Cashlink Technologies GmbH	Sandweg 94c, 60316 Frankfurt am Main, DE	Business Partner, provider of services of issuance and distribution of tokenized crypto securities

D.6 Utility Token Classification

False

D.7 Key Features of Goods/Services for Utility Token Projects

ESX holders will be entitled to invitations to events of the Issuer or his business partners, premium memberships, and access to special deals.

D.8 Plans for the Token

As the Platform is currently under development, the Issuer plans for the Token include in particular to be granted admission to trading on different trading platforms and gather funds to finish development of Platform, so that Token functionalities will be fully applicable.

D.9 Resource Allocation

An amount of approx. USD 4,500,000.00 was already allocated for the development of the Project.

D.10 Planned Use of Collected Funds or Crypto-Assets

In the phases of the offer of ESX previous to its public offer amount equivalent to USD 5,573,418.00 was gathered.

The planned use of this amount will be further development of the Project, in particular its features such as PropXChange Marketplace, CapitalX, EstateX Pay, TokenizeX and EstateX University, described in more detail in point D.4.

E. PART E – INFORMATION ABOUT THE OFFER TO THE PUBLIC OF CRYPTO-ASSETS OR THEIR ADMISSION TO TRADING

E.1 Public Offering or Admission to Trading

ATTR

E.2 Reasons for Public Offer or Admission to Trading

Offer aims at introducing ESX to EEA customers, enabling them to benefit from the Project. The funds will be used to further develop the Project.

E.3 Fundraising Target

Does not apply.

E.4 Minimum Subscription Goals

Does not apply.

E.5 Maximum Subscription Goal

Does not apply.

E.6 Oversubscription Acceptance

Does not apply.

E.7 Oversubscription Allocation

Does not apply.

E.8 Issue Price

USD 0.002950

E.9 Official Currency or Any Other Crypto-Assets Determining the Issue Price

USD

E.10 Subscription Fee

Does not apply.

E.11 Offer Price Determination Method

The offer price of ESX was determined through a strategic combination of Project valuation, market benchmarking, and tokenomics design to ensure fair value for investors while supporting long-term ecosystem growth. The key factors influencing the price determination include:

Project Valuation & Development Milestones:

The initial price of ESX was based on EstateX's projected growth, platform development roadmap, and the intrinsic value of the EstateX Ecosystem. As the Project progressed through key milestones – such as platform development, strategic partnerships, and community expansion – each funding round reflected an adjusted valuation to account for reduced risk and increased utility.

Funding Round Structure:

EstateX implemented a tiered pricing strategy across multiple funding rounds, with each round designed to reflect the evolving project value:

Angel & Seed Rounds: Offered at the lowest prices to reward early supporters taking on higher risks during the project's conceptual phase.

Private Rounds: Pricing increased as EstateX achieved development milestones, secured partnerships, and grew its community, reducing the risk for investors.

Community & Public Rounds: Final rounds featured higher prices aligned with the project's maturity, strong market traction, and platform readiness for launch.

For example:

Angel Round: \$0.001470 per token

Seed Round: \$0.001838 per token

Private Rounds: \$0.002721 per token

Launchpad/KOL Sale: \$0.002950 per token

Market Benchmarking:

The Issuer conducted comprehensive benchmarking against similar real estate tokenization and blockchain projects to ensure competitive pricing while highlighting the unique value proposition of the \$ESX token within both the real estate and DeFi sectors.

Tokenomics & Supply Dynamics:

The total supply of 7 billion ESX Tokens and its distribution strategy were critical in determining the offer price. Factors like staking rewards, operational allocations, and strategic reserves ensured a balanced supply-demand dynamic, supporting price stability and growth.

Community Growth & Adoption Potential:

EstateX Project's rapidly expanding community (over 260,000 Twitter followers as of 2024) and growing investor interest influenced demand expectations, which were factored into the pricing strategy to reflect market confidence in the project's future.

Macroeconomic & Industry Trends:

Broader crypto market conditions, real estate investment trends, and investor sentiment were considered to optimize pricing for different market environments while ensuring long-term sustainability.

E.12 Total Number of Offered/Traded Crypto-Assets

34,000,000

E.13 Targeted Holders

ALL

E.14 Holder Restrictions

The Issuer cooperates only with legally compliant trading platforms, which exclude clients that have not successfully gone through AML/KYC procedures or are linked with any prohibited jurisdiction, i.e. country or territory where possession of crypto-assets is not permissible.

E.15 Reimbursement Notice

Purchasers participating in the offer to the public of crypto-asset will be able to be reimbursed if the minimum target subscription goal is not reached at the end of the offer to the public, if they exercise the right to withdrawal provided for in Article 13 of Regulation (EU) 2023/1114 of the European Parliament and of the Council or if the offer is cancelled.

However, according to Article 13(4) of the said Regulation it shall not apply after the ESX have been admitted to trading prior to their purchase.

What is more, currently offer to the public is not made, so reimbursement in cases of not-reaching subscription goal or offer cancellation will not apply either.

E.16 Refund Mechanism

The Issuer will offer ESX in EEA solely through trading platforms. No public offer of ESX will be made. Consequently, according to article 13(4) of Regulation (EU) 2023/1114 Right of Withdrawal for retail holders should not apply.

Any other possible situations where purchasers of ESX may be entitled to a refund will be governed by the trading platforms terms and conditions.

E.17 Refund Timeline

Any possible situations where purchasers of ESX may be entitled to a refund will be governed by the trading platforms terms and conditions, including on timeline for reimbursement.

E.18 Offer Phases

Prior to public offer via trading platforms, private offers of the ESX were made. They included: Angel Round, Seed Round, Community Round 1, Community Round 2, Private Round 1, Private Round 2, Launchpad + KOL Sale.

Currently ESX is sought to be offered to the public on trading platforms, in and outside of EEA.

E.19 Early Purchase Discount

Price in the pre-public sale offers varied from USD 0.001470 (50% discount) to USD 0.002950 (no discount). The private offers took place to gather financing for the Project. The discounts had different rationale, from rewarding advisors in the Project to encouraging early investors to purchase ESX, in order to gather financing more likely.

The fact that investors in pre-public offers sales were offered a discount may influence the price of the Token in case they will sell big amounts of Token.

E.20 Time-Limited Offer

False

E.21 Subscription Period Beginning

Does not apply.

E.22 Subscription Period End

Does not apply.

E.23 Safeguarding Arrangements for Offered Funds/Crypto-Assets

Does not apply.

E.24 Payment Methods for Crypto-Asset Purchase

Methods available on trading platforms on which the Issuer seeks admission to trading.

E.25 Value Transfer Methods for Reimbursement

Any possible situations where purchasers of ESX may be entitled to a refund will be governed by the trading platforms terms and conditions, including on value transfer methods for reimbursement.

E.26 Right of Withdrawal

The Issuer will offer ESX in EEA solely through trading platforms. No public offer of ESX will be made. Consequently, according to article 13(4) of Regulation (EU) 2023/1114 Right of Withdrawal for retail holders should not apply.

E.27 Transfer of Purchased Crypto-Assets

Units of ESX purchased will be transferred to purchasers crypto-asset wallet, either held by the trading platform operator on their behalf or external, as designated by the specific trading platform terms and conditions.

E.28 Transfer Time Schedule

ESX will be available to purchase on trading platforms. Transfer will occur in timeline designated by the specific trading platform terms and conditions.

E.29 Purchaser's Technical Requirements

Technical requirements for ESX purchasers will be designated by the specific trading platform terms and conditions.

E.30 Crypto-asset service provider (CASP) name

Does not apply.

E.31 CASP identifier

Does not apply.

E.32 Placement Form

Does not apply.

E.33 Trading Platforms name

The Issuer is in the process of admission to trading on a trading platform in the EU, whose details cannot be disclosed as of now due to pending negotiations with the trading platform operator.

E.34 Trading Platforms Market Identifier Code (MIC)

The Issuer is in the process of admission to trading on a trading platform in the EU, whose details cannot be disclosed as of now due to pending negotiations with the trading platform operator.

E.35 Trading Platforms Access

The Issuer is in the process of admission to trading on a trading platform in the EU, whose details cannot be disclosed as of now due to pending negotiations with the trading platform operator.

E.36 Involved Costs

Access and usage of the trading platforms mentioned in point C.33 will be free-of-charge.

E.37 Offer Expenses

The expenses of the Issuer connected with process of admission of ESX to trading couldn't be determined as of now, as the process is still pending.

E.38 Conflicts of Interest

No conflict of interests have been identified as of today in relation to admission of ESX to trading.

ESX holders should be aware that there may be instances where the directors and/or the shareholders of the Issuer might face conflicts of interest related to the Issuer. If such a conflict arises, the board members will make every effort to resolve it in a fair manner. Furthermore, they will strive to ensure that all agreements and transactions the Issuer engages in are conducted at arm's length to the extent reasonably possible. Specifically, potential ESX holders should note the following:

(a) TokenizeX GmbH also serves on the board of directors of TokenizeX, a company registered in Germany with company number HRB 132013, which offers various services to the Issuer in connection with development of the Project.

(b) board members and some of the company officers of the Company may occasionally be involved with other entities that operate in a similar business sector as the Company.

E.39 Applicable Law

Law of Netherlands.

E.40 Competent Court

Subject to mandatory applicable law, any dispute arising out of or in connection with this white paper and all claims in connection with the ESX Token shall be exclusively subject to the jurisdiction of the courts in Utrecht, Netherlands.

F. PART F – INFORMATION ABOUT THE CRYPTO-ASSETS

F.1 Crypto-Asset Type

Crypto-asset other than asset-referenced token or e-money token.

F.2 Crypto-Asset Functionality

The ESX token is designed with three primary functionalities to drive its utility within the EstateX ecosystem:

- Marketplace Fee Payments: The ESX token serves as the exclusive asset for settling all fees on both the primary and secondary marketplaces in the Ecosystem;
- Daily Rent Claims: Property owners that tokenized their real estate on the Platform can claim their rental income daily in ESX tokens, offering greater flexibility compared to traditional monthly payouts in crypto-assets (stablecoins) or state currency;
- EstateX Pay Collateral: Users can pledge their ESX tokens as collateral in exchange for funds on their payment card, enabling them to buy goods and services.

In addition to the primary functionalities, the \$ESX Token will serve the following roles:

- Staking: Holders can lock their ESX tokens and receive rewards.
- Governance Rights: Holders can participate in decision-making through the EstateX DAO.
- Property Tokenization: ESX token holders have the opportunity to tokenize existing properties.
- Additional Perks: Exclusive benefits such as invitations to events, premium memberships, and access to special deals.

F.3 Planned Application of Functionalities

- Marketplace Fee Payments: June/July 2025
- Daily Rent Claims: August/September 2025
- EstateX Pay Collateral: December 2025/Quarter 1 of 2026
- Staking: June 2025
- Governance Rights: July 2025
- Property Tokenization: July 2025

F.4 Type of white paper

OTHR

F.5 The type of submission

NEWT

F.6 Crypto-Asset Characteristics

The ESX Token is a blockchain-based crypto-asset created and issued in Q1 2025 by EstateX B.V., a Netherlands-based company.

Network and Supply

- The \$ESX Token is built on the Binance Smart Chain (BSC), using BEP-20 token standard.
- The total supply is capped at 6.3 billion tokens, with a detailed allocation breakdown available in the official documentation on the EstateX website: www.estatex.eu.
- The token will be listed on multiple trading platforms in and outside of EEA, where it will be publicly available for trading.

Pre-Sale Summary

To date, several pre-sale rounds have been conducted, resulting in the sale of 2,160,136,881 ESX tokens, raising the amount of USD 5,573,418.00.

Token Functionalities

As outlined in the official EstateX documentation, the ESX Token powers the Ecosystem through the following functionalities:

- Marketplace Fees: Payment of fees on primary and secondary real estate marketplaces in ESX.
- Property Rent Claims: Users can claim rental income in ESX.
- EstateX Pay: ESX Tokens can be pledged as collateral for funds on a payment card, enabling payment for goods and services.
- Staking: Holders can lock tokens to receive rewards.
- Governance Rights: Participate in decision-making through the EstateX DAO.
- Property Tokenization: Token holders have the opportunity to tokenize existing properties.
- Additional Perks: Exclusive benefits such as invitations to events, premium memberships, and access to special deals.

Role in the EstateX Ecosystem

The \$ESX Token serves as the economic backbone of the EstateX Ecosystem, fostering self-sustaining growth and providing users with innovative tools to bridge the gap between real estate investment and everyday financial activities.

F.7 Commercial name or trading name

EstateX B.V.

F.8 Website of the issuer

<https://www.estatex.eu/>

F.9 Starting date of offer to the public or admission to trading

To be determined.

F.10 Publication date

To be determined.

F.11 Any other services provided by the issuer

The Issuer is a company focused from its inception on the real estate industry, with a mission to realize the concept of fractional property ownership through blockchain technology. Services it provides focus around the Project.

The Issuer does not provide any regulated services. Any services in the Project that may be regulated will be rendered by other entities in the Project or third-party providers.

F.12 Identifier of operator of the trading platform

The Issuer is in the process of admission to trading on a trading platform in the EU, whose details cannot be disclosed as of now due to pending negotiations with the trading platform operator.

F.13 Language or languages of the white paper

English

F.14 Digital Token Identifier Code used to uniquely identify the crypto-asset or each of the several crypto assets to which the white paper relates, where available

Not available.

F.15 Functionally Fungible Group Digital Token Identifier, where available

Not available.

F.16 Voluntary data flag

False

F.17 Personal data flag

True

F.18 LEI eligibility

True

F.19 Home Member State

Netherlands

F.20 Host Member States

Austria, Belgium, Bulgaria, Cyprus, Czech, Germany, Denmark, Estonia, Spain, Finland, Greece, Croatia, Hungary, Ireland, Iceland, Italy, Lithuania, Luxembourg, Latvia, Malta, Poland, Portugal, Romania, Sweden, Slovenia, Slovakia

G. PART G – INFORMATION ON THE RIGHTS AND OBLIGATIONS ATTACHED TO THE CRYPTO-ASSETS

G.1 Purchaser Rights and Obligations

ESX holders will be entitled ownership of ESX Tokens held, and will be in position to dispose of them and use them at their discretion, without the need to gain consent from the Issuer.

Furthermore, the ESX Token holders will be entitled, but not obliged, to ESX Tokens use in accordance with their functionalities.

The ESX token is designed with the following functionalities within the EstateX ecosystem:

- Marketplace Fee Payments: The ESX token serves as the exclusive asset for settling all fees on both the primary and secondary marketplaces in the Ecosystem;
- Daily Rent Claims: Property owners that tokenized their real estate on the Platform can claim their rental income daily in ESX tokens, offering greater flexibility compared to traditional monthly payouts in crypto-assets (stablecoins) or state currency;
- EstateX Pay Collateral: Users can pledge their ESX tokens as collateral in exchange for funds on their payment card, enabling them to buy goods and services.
- Staking: Holders can lock their ESX tokens and receive rewards.
- Governance Rights: Holders can participate in decision-making through the EstateX DAO.
- Property Tokenization: ESX token holders have the opportunity to tokenize existing properties.
- Additional Perks: Exclusive benefits such as invitations to events, premium memberships, and access to special deals.

Corresponding to the ESX functionalities, the holders will have a right:

- to use ESX on the Platform for the purpose of settling fees,
- subject to having a legal title to real estate tokenized on the Platform – to claim rental income daily in ESX,
- to stake ESX,
- To take part decision-making through the EstateX DAO,
- to tokenize real estate they hold legal title to (condition to exercise this right is to be have legal title to property),
- to benefit from additional perks, such as invitations to events, premium memberships, and access to special deal.

G.2 Exercise of Rights and Obligations

Ownership right to ESX may be exercised at the holders sole discretion, in accordance with the ESX technological specification.

The functionalities of ESX will be accessible through the Platform. It's beta version has launched 21 January 2025 . Fully operational, publicly accessible version of the Platform is planned to take place July 2025 .

As the Platform is not yet operational, ESX holders have no guarantee that they will be able to exercise their rights connected with the functionalities.

Exercise of these rights will require following the terms of service of the Platform, which will describe in detail how Platform users may benefit from ESX functionalities.

G.3 Conditions for Modifications of Rights and Obligations

In no event will the Issuer be able to modify the ownership of ESX Tokens to which their holder is entitled.

All of the rights corresponding to ESX functionalities described above will be governed by terms of service of the Platform. These terms of service may be changed at the Issuers sole discretion, subject to any requirements within the terms of service, in particular information duty and notice earlier.

G.4 Future Public Offers

Does not apply – the white paper is drawn in connection with admission to trading.

G.5 Issuer Retained Crypto-Assets

The Issuer retained 872,730,639 ESX Tokens.

G.6 Utility Token Classification

False.

G.7 Key Features of Goods/Services of Utility Tokens

ESX holders will be entitled to invitations to events of the Issuer or his business partners, premium memberships, and access to special deals. There will be no qualitative or quantitative limits of these services available for ESX holder.

G.8 Utility Tokens Redemption

Does not apply.

G.9 Non-Trading Request

True

G.10 Crypto-Assets Purchase or Sale Modalities

Does not apply.

G.11 Crypto-Assets Transfer Restrictions

There aren't any restrictions on the transferability of the ESX.

G.12 Supply Adjustment Protocols

False

G.13 Supply Adjustment Mechanisms

Does not apply.

G.14 Token Value Protection Schemes

True

G.15 Token Value Protection Schemes Description

- 25% of transaction fees on the Platform collected by the Issuer, which will be payable in ESX, will be burned to stabilize the Token value.
- A substantial portion (75%) of all transaction fees paid in ESX will be retained and removed from circulation.
- ESX staking mechanisms are designed to support the stability of the circulating supply.
- A portion of the rental income will be allocated to purchasing ESX from the open market.
- ESX will serve as the native token of the Project's proprietary blockchain. It will be required for the development and deployment of all projects and applications within the ecosystem. All

assets—whether listed on our investment platform or tokenized through our white-label infrastructure—will be integrated into the EstateX Chain, utilizing ESX Token as the foundational means of exchange.

G.16 Compensation Schemes

No

G.17 Compensation Schemes Description

Does not apply.

G.18 Applicable Law

Law of Netherlands.

G.19 Competent Court

Subject to mandatory applicable law, any dispute arising out of or in connection with this white paper and all claims in connection with the ESX Token shall be exclusively subject to the jurisdiction of the courts in Utrecht, Netherlands.

H. PART H – INFORMATION ON THE UNDERLYING TECHNOLOGY

H.1 Distributed ledger technology

General Information on Distributed Ledger Technology and Blockchain

Distributed Ledger Technology (“DLT”) describes a decentralized and distributed network system architecture where multiple participants maintain and verify a shared database. Unlike traditional databases, DLT systems do not rely on a central authority to ensure data consistency and security. Rather, they distribute control across a network of computers (nodes) and require all changes to be recorded and agreed by the nodes. This distributed approach enhances the resilience and security of such a system, and transparency of the data stored in it without the need for trust between the actors of the systems.

Blockchain technology is a subset of DLT, where the distributed database maintains a continuously growing list of records, called blocks, which are linked together in chronological order and secured using cryptographic techniques. A blockchain generally has the following key characteristics:

- Distribution: A blockchain operates on a network of nodes, each holding a copy of the ledger and each participating in the transaction verification and synchronization process.
- Security: Blockchain employs advanced cryptographic methods to secure data. Each block contains a cryptographic hash (a ‘digital fingerprint’) of the previous block, a timestamp, and transaction data. This structure ensures that once data is recorded, it cannot be altered retroactively without also changing all subsequent blocks, which would require consensus from the majority of the network nodes.
- Transparency and Immutability: Transactions on a blockchain are usually visible to all participants in the network, providing transparency. Once a transaction is confirmed and added to the blockchain, it is virtually immutable due to the cryptographic methods used, meaning it cannot be changed or deleted.

The BNB Smart Chain Blockchain

BNB Smart Chain (also “BSC”) is a high-performance, decentralized blockchain designed to enable fast, low-cost transactions and support for smart contracts. Launched by Binance in 2020, BSC aims to provide a platform that is both scalable and compatible with Ethereum's Virtual Machine (EVM), addressing the challenges of scalability and high transaction costs prevalent in earlier blockchains. With its dual-chain architecture, BNB Smart Chain allows for seamless transfers and interoperability between Binance Chain and BSC, fostering a robust ecosystem for decentralized applications (dApps) and decentralized finance (DeFi) solutions.

BNB Smart Chain employs a unique proof-of-staked-authority consensus mechanism that combines the benefits of delegated proof-of-stake (DPoS) and proof-of-authority (PoA) for efficient transaction validation and network security. Its native token, BNB, facilitates transactions, powers smart contracts, and incentivizes network participation. BNB Smart Chain supports the creation of native tokens and complex dApps, offering developers a flexible and efficient platform for innovation.

BNB Smart Chain's Native Token, BNB, originally known as Binance Coin, is the native token of the BNB Smart Chain ecosystem. It plays a critical role in the network by serving multiple functions: it facilitates transaction fees, supports staking for network security, and powers smart contracts. BNB holders can participate in the network's governance and earn staking rewards by delegating their tokens to validators.

BNB Smart Chain employs a decentralized governance model that allows BNB holders to participate in decision-making processes. Validators and the community play a key role in proposing and voting on network upgrades, parameter changes, and other governance actions.

Governance on BSC is designed to be inclusive and transparent, with BNB holders having the power to influence the network's development and direction. Proposals can be submitted by any stakeholder, and decisions are made through a voting process where the weight of each vote corresponds to the amount of BNB held or delegated. This system ensures that the network evolves in alignment with the interests of its community and stakeholders.

Further Information Sources and Links (all links validated as per 11 January 2025)

- <https://docs.bnbchain.org/> - the official documentation for BNB Smart Chain, offering in-depth guides, technical references, and resources for understanding and using BSC's technology and components.
- <https://github.com/binance-chain/bsc> - the official repository for the BNB Smart Chain node, responsible for running the network.

H.2 Protocols and Technical Standards

ESX Token uses BEP-20 standard.

H.3 Technology Used

The technology stack for ESX Token, or the programming language for the development of the ESX is Solidity.

H.4 Consensus Mechanism

BNB Smart Chain utilizes the Proof-of-Staked-Authority ("**PoSA**") consensus mechanism, a hybrid model that combines the best features of Delegated Proof-of-Stake (DPoS) and Proof-of-Authority (PoA). This mechanism enables shorter block times and lower fees, making it highly efficient for both developers and users.

In PoSA, validators are chosen based on their staked BNB and their reputation. The consensus process involves a limited number of validators who take turns producing blocks, with the selection process being partially randomized. This approach ensures network security, high throughput, and energy efficiency. Validators are incentivized through transaction fees and block rewards, encouraging active and honest participation in the network.

Staking and Delegation Staking on BNB Smart Chain involves BNB holders committing their tokens to support network operations. Validators, who are responsible for block production and transaction validation, are selected based on the amount of BNB staked. BNB holders can either become validators themselves or delegate their stake to existing validators, thereby participating in the network's security and earning a share of the rewards.

Delegated staking lowers the barrier to entry, allowing more participants to contribute to network consensus. The PoSA mechanism ensures that validators with higher stakes have a proportionally higher chance of being selected to produce blocks, thereby aligning incentives with network security and efficiency. Despite being staked, BNB tokens remain liquid, allowing holders to use them in other network activities or withdraw their delegation at any time.

H.5 Incentive Mechanisms and Applicable Fees

The BNB Smart Chain employs a fee and incentive structure designed to ensure the long-term sustainability of the network, encourage active participation in its consensus mechanism, and maintain reasonable and predictable transaction costs for users.

BSC uses a unique fee model that balances network sustainability with fairness and cost predictability. Transaction fees on BSC are calculated based on the complexity of the transaction, using a gas-based system. Each transaction requires a certain amount of gas, determined by the computational effort needed to execute the operation. The gas price is set by

the market, allowing users to choose how much they are willing to pay per unit of gas, which helps keep fees predictable and aligned with network usage.

Incentives on BNB Smart Chain revolve around its PoSA consensus mechanism. Validators are rewarded for securing the network and producing blocks. These rewards come from the transaction fees collected and are distributed among validators and delegators who have staked their BNB tokens. By staking, participants are incentivized to act in the best interest of the network, ensuring its integrity and security. This model encourages active participation, aligning the interests of users, validators, and the overall ecosystem.

H.6 Use of Distributed Ledger Technology

False

H.7 DLT Functionality Description

Does not apply.

H.8 Audit

True

H.9 Audit Outcome

Project and ESX were audited by Skynet CertiK. Audit involved a comprehensive security assessment of blockchain protocols, smart contracts, and decentralized applications (dApps). Skynet CertiK employs advanced formal verification technology and manual code review to identify vulnerabilities, ensuring the safety and reliability of the audited project. The audit process included:

1. **Code Review:** A detailed examination of the project's code to detect any potential security flaws, inefficiencies, or vulnerabilities.
2. **Formal Verification:** Use of mathematical methods to verify the correctness and security of the smart contracts and blockchain protocols.
3. **Security Assessment:** Analysis of the overall security architecture, including testing for potential attack vectors.
4. **Reporting:** A comprehensive report detailing the findings, along with recommendations for mitigating identified risks and improving security.

The Skynet CertiK audit aims to enhance trust and transparency, providing assurance to users and investors about the security of the crypto project.

The outcome of the audit is available at: <https://skynet.certik.com/projects/estatex/security-score>. The CertiK Security Score granted to the Project was 73,30/100. The code security score is top 10% percentile.

PART I – INFORMATION ON RISKS

Subject only to the limitations and requirements of Regulation (EU) 2023/1114 and applicable mandatory statutes, each holder of ESX acts in their own sole responsibility and on their own sole risk. All liability in regards to the risks mentioned herein is excluded, as far as legally permissible.

I.1 Offer-Related Risks

Risks connected with the offer of the crypto-assets include price volatility. Price of ESX is connected to the popularity of the Project. The Issuer cannot guarantee any specific price of ESX.

I.2 Issuer-Related Risks

Regulatory Compliance Risks: Issuers of crypto assets must adhere to a wide array of regulatory requirements across different jurisdictions. Non-compliance can result in fines, sanctions, or the prohibition of the crypto asset offering, impacting its viability and market acceptance.

Operational Risks: These include risks related to the issuer's internal processes, personnel, and technologies, which can affect their ability to manage crypto-asset operations effectively. Failures in operational integrity might lead to disruptions, financial losses, or reputational damage.

Financial Risks: Issuers face financial risks, including liquidity, credit, and market risks. These could affect the issuer's ability to continue operations, meet obligations, or sustain the stability or value of the crypto-asset.

Legal Risks: Legal uncertainties, potential lawsuits, or adverse legal rulings can pose significant risks to issuers. Legal challenges may affect the legality, usability, or value of a crypto-asset.

Fraud and Mismanagement Risks: There is a risk of fraudulent activity or mismanagement by the issuer, which can lead to directly impacting the usability or value of a crypto-asset or damage the credibility of the project.

Reputational Risks: Negative publicity, whether due to operational failures, security breaches, or association with illicit activities, can damage an issuer's reputation and, by extension, the value and acceptance of the crypto-asset.

Technology Management Risks: Inadequate management of technological updates or failure to keep pace with technological advancements can render a crypto-asset, or the project it is connected to, obsolete or vulnerable to security risks.

Dependency on Key Individuals: The success of some crypto projects can be highly dependent on the expertise and leadership of key individuals. Loss or changes in the project's leadership can lead to disruptions, loss of trust, or project failure.

Conflicts of Interest: Risks arise when the issuer's interests do not align with those of the crypto-asset holders, potentially leading to decisions that are not in the best interests of the asset holders, impacting the value of a crypto-asset or damage the credibility of the project.

Counterparty Risks: Risks associated with the issuer's partners, suppliers, or collaborators, including the potential for non-fulfillment of obligations that can affect the issuer's operations.

I.3 Crypto-Assets-Related Risks

Market Risk: Crypto-assets are notoriously volatile, with prices subject to significant fluctuations due to market sentiment, regulatory news, technological advancements, and macroeconomic factors.

Liquidity Risk: Some crypto-assets may suffer from low liquidity, making it difficult to buy or sell large amounts without affecting the market price, which could lead to significant losses, especially in fast-moving market conditions.

Custodial Risk: Risks associated with the theft of crypto-assets from exchanges or wallets, loss of private keys, or failure of custodial services, which can result in the irreversible loss of crypto-assets.

Smart Contract Risk: Crypto-assets might be connected to or be issued with the help of smart contracts. Smart contracts are code running on a blockchain, executing the programmed functions automatically if the defined conditions are fulfilled. Bugs or vulnerabilities in smart contract code can expose blockchain users to potential hacks and exploits. Any flaw in the code can lead to unintended consequences, such as the loss of crypto-assets or unauthorized access to sensitive data.

Regulatory and Tax Risk: Changes in the regulatory environment for crypto-assets (such as consumer protection, taxation, and anti-money laundering requirements) could affect the use, value, or legality of crypto-assets in a given jurisdiction.

Counterparty Risk: In cases where crypto-assets are used in contractual agreements or held on exchanges, there is a risk that the counterparty may fail to fulfill their obligations due to insolvency, compliance issues, or fraud, resulting in loss of crypto-assets.

Reputational Risk: Association with illicit activities, high-profile thefts, or technological failures can damage the reputation of certain crypto-assets, impacting user trust and market value.

I.4 Project Implementation-Related Risks

Adoption Risk: The Issuer cannot guarantee that the Project will be broadly adopted and therefore Token will have high functionality resulting in its value.

Regulatory Risk: Project success depends on various modalities, including meeting regulatory requirements in different jurisdictions, not only by Issuer but also other parties. Meeting of those requirements is vital, but not certain. The Issuer cannot guarantee his and his business partners within the Project.

Legal Risk: The Project is complex from legal perspective, and both its facilitators as well as users will perform numerous legal transactions. Some of them may be bounding in certain jurisdictions while null and void in others.

I.5 Technology-Related Risks

Private Key Management Risk and Loss of Access to Crypto-Assets: The security of crypto-assets heavily relies on the management of private keys, which are used to access and control the crypto-assets (e.g. initiate transactions). Poor management practices, loss, or theft of private keys, or respective credentials, can lead to irreversible loss of access to crypto-assets.

Settlement and Transaction Finality: By design, a blockchain's settlement is probabilistic, meaning there is no absolute guaranteed finality for a transaction. There remains a theoretical risk that a transaction could be reversed or concurring versions of the ledger could persist due to exceptional circumstances such as forks or consensus errors. The risk diminishes as more blocks are added, making it increasingly secure over time. Under normal circumstance, however, once a transaction is confirmed, it cannot be reversed or cancelled. Crypto-assets sent to a wrong address cannot be retrieved, resulting in the loss of the sent crypto assets.

Scaling Limitations and Transaction Fees: As the number of users and transactions grows, a blockchain network may face scaling challenges. This could lead to increased transaction fees and slower transaction processing times, affecting usability and costs.

Economic Self-sufficiency and Operational Parameters: A blockchain network might not reach the critical mass in transaction volume necessary to sustain self-sufficiency and remain economically viable to incentivize block production. In failing to achieve such inflection point, a network might lose its relevance, become insecure, or result in changes to the protocol's operational parameters, such as the monetary policy, fee structure and consensus rewards, governance model, or technical specifications such as block size or intervals.

Network Attacks and Cyber Security Risks: Blockchain networks can be vulnerable to a variety of cyber-attacks, including 51% attacks, where an attacker gains control of the majority of the network's consensus, Sybil attacks, or DDoS attacks. These can disrupt the network's operations and compromise data integrity, affecting its security and reliability.

Consensus Failures or Forks: Faults in the consensus mechanism can lead to forks, where multiple versions of the ledger coexist, or network halts, potentially destabilizing the network and reducing trust among participants.

Smart Contract Security Risk: Smart contracts are code running on a blockchain, executing the programmed functions automatically if the defined conditions are fulfilled. Bugs or vulnerabilities in smart contract code can expose blockchain networks to potential hacks and exploits. Any flaw in the code can lead to unintended consequences, such as the loss of crypto-assets or unauthorized access to sensitive data.

Dependency on Underlying Technology: Blockchain technology relies on underlying infrastructures, such as specific hardware or network connectivity, which may themselves be vulnerable to attacks, outages, or other interferences.

Risk of Technological Disruption: Technological advancements or the emergence of new technology could impact blockchain systems, or components used in it, by making them insecure or obsolete (e.g. quantum computing breaking encryption paradigms). This could lead to theft or loss of crypto-assets or compromise data integrity on the network.

Governance Risk: Governance in blockchain technology encompasses the mechanisms for making decisions about network changes and protocol upgrades. Faulty governance models can lead to ineffective decision-making, slow responses to issues, and potential network forks, undermining stability and integrity. Moreover, there is a risk of disproportionate influence by a group of stakeholders, leading to centralized power and decisions that may not align with the broader public's interests.

Anonymity and Privacy Risk: The inherent transparency and immutability of blockchain technology can pose risks to user anonymity and privacy. Since all transactions are recorded on a public ledger, there is potential for sensitive data to be exposed. The possibility for the public to link certain transactions to a specific address might expose it to phishing attacks, fraud, or other malicious activities.

Data Corruption: Corruption of blockchain data, whether through software bugs, human error, or malicious tampering, can undermine the reliability and accuracy of the system.

Third-Party Risks: Crypto-assets often rely on third-party services such as exchanges and wallet providers for trading and storage. These platforms can be susceptible to security breaches, operational failures, and regulatory non-compliance, which can lead to the loss or theft of crypto-assets.

I.6 Mitigation Measures

A. Mitigation of Offer-Related Risks

To address price volatility, the Issuer recognizes that the price of the ESX Token is inherently linked to the popularity and performance of the Project. While price fluctuations are an unavoidable feature of the crypto market, the Issuer has implemented a comprehensive strategy to drive the long-term success of the Project. This includes ongoing marketing efforts, partnerships, and strategic collaborations aimed at increasing adoption and demand for the Token. The Issuer also aims to provide transparent communication and updates about the Project's progress to maintain investor confidence and reduce extreme fluctuations in price.

B. Mitigation of Issuer-Related Risks

Regulatory Compliance Risks: The Issuer has conducted a thorough review of applicable regulatory frameworks in all jurisdictions where the offer will be available. To mitigate regulatory risks, the Issuer is working closely with legal experts to ensure full compliance with all relevant laws, including those governing crypto-asset issuance, and anti-money laundering (AML) procedures. The Issuer is also proactively seeking legal and regulatory advice to stay updated on any regulatory changes and adjust operations accordingly.

Operational Risks: To minimize operational risks, the Issuer has invested in robust internal processes and technologies, including secure data management systems and disaster recovery protocols. The Issuer has established a dedicated team of professionals to oversee operations and ensure the efficiency and integrity of day-to-day activities. Regular audits and performance assessments are conducted to identify and address any potential vulnerabilities.

Financial Risks: The Issuer has established a strong financial foundation, ensuring sufficient liquidity and financial resources to manage operations effectively. The Issuer has also put in place a risk management framework that includes diversified funding sources and capital reserves to mitigate liquidity or market risks.

Legal Risks: To reduce legal risks, the Issuer has sought legal counsel to ensure that all aspects of the offering are compliant with relevant laws, including intellectual property rights, tax obligations, and contract law. The Issuer also ensures that all holders of ESX are provided with clear terms and conditions, including disclosures about potential legal risks and uncertainties.

Fraud and Mismanagement Risks: The Issuer has implemented stringent internal controls to prevent fraud and mismanagement. This includes regular audits, transparency in financial reporting, and comprehensive governance procedures. The Issuer also adheres to best practices for the protection of funds, ensuring that all token sales are conducted through secure and transparent channels.

Reputational Risks: To mitigate reputational risks, the Issuer has committed to maintaining high standards of integrity and security throughout the Project. This includes ensuring transparency in all communications, addressing customer concerns promptly, and safeguarding the Project from any association with illicit activities. The Issuer also engages in proactive public relations efforts to strengthen the brand's image.

Technology Management Risks: The Issuer continually updates its technological infrastructure to stay ahead of evolving threats. Regular security audits, code reviews, and the use of advanced cryptographic techniques ensure the ongoing security and scalability of the Platform. The Issuer also prioritizes maintaining a flexible technological architecture capable of adapting to industry advancements.

Dependency on Key Individuals: Recognizing the potential risks posed by the loss of key personnel, the Issuer has developed a succession plan to ensure that leadership transitions are seamless. Additionally, the Issuer has built a strong team of skilled professionals to support the long-term development of the Project, reducing the reliance on any single individual.

Conflicts of Interest: To prevent conflicts of interest, the Issuer has established clear governance structures and decision-making processes. These structures ensure that decisions are made in the best interest of the token holders and the broader community. Regular audits and reviews are conducted to ensure transparency and accountability in all actions.

Counterparty Risks: The Issuer has carefully selected partners, suppliers, and collaborators, conducting thorough due diligence to assess their financial stability and operational capabilities. To mitigate risks, the Issuer includes robust contract terms, including performance guarantees and dispute resolution mechanisms, in all agreements with counterparties.

C. Mitigation of Crypto-Assets-Related Risks

Market Risk: The Issuer has implemented risk management practices to protect against market volatility. By actively engaging with the community, developing new use cases for ESX, and strengthening the underlying Project, the Issuer aims to provide value that supports ESX long-term sustainability. The Issuer also offers transparent updates to help users understand market conditions and potential impacts on ESX value.

Liquidity Risk: To ensure liquidity, the Issuer is establishing relationships with leading trading platforms to list the Token on reputable platforms. Additionally, the Issuer is exploring options for liquidity pools and decentralized exchanges (DEXs) to facilitate seamless trading of the Token.

Custodial Risk: The Issuer cooperates only with trading platforms that implement highest security standards in custody of client's crypto-assets.

Smart Contract Risk: The Issuer has conducted audit of all smart contracts associated with the Project. This audit is performed by reputable third-party security firm to identify vulnerabilities, ensuring that the code is robust and secure.

Regulatory and Tax Risk: The Issuer actively monitors regulatory changes in different jurisdictions to ensure that the offering remains compliant. The Issuer also works with tax advisors to provide clear guidance on tax obligations for Token holders.

Counterparty Risk: To mitigate counterparty risk, the Issuer only collaborates with reliable partners and conducts due diligence on all third-party service providers. Contracts are designed to ensure that all obligations are clearly outlined and enforceable.

Reputational Risk: The Issuer takes all necessary steps to protect its reputation, including stringent security measures, clear communication with stakeholders, and active management of the Project's public image.

D. Mitigation of Project Implementation-Related Risks

Adoption Risk: The Issuer has designed the Project with a focus on mass adoption, including user-friendly interfaces and robust educational materials. Active outreach to potential users and key industry partners will help ensure broad participation in the Project.

Regulatory Risk: The Issuer puts effort to work closely with regulators to ensure that the Project is fully compliant with all applicable regulations. The Issuer is also prepared to make necessary adjustments to the Project's operations in response to changing regulatory environments.

Legal Risk: The Issuer has consulted legal experts to navigate the complex legal landscape of crypto-assets. The legal team ensures that all aspects of the Project are compliant with applicable laws and that all stakeholders are informed about their legal rights and responsibilities.

E. Mitigation of Technology-Related Risks

Private Key Management Risk and Loss of Access to Crypto-Assets: The Issuer educates users on the importance of secure private key management and encourages their responsible use.

Settlement and Transaction Finality: The Issuer utilizes blockchain protocols with strong security and finality guarantees, minimizing the risk of transaction reversal or ledger discrepancies.

Scaling Limitations and Transaction Fees: The Issuer is actively developing solutions to enhance the scalability of the Project to reduce transaction fees and improve processing speeds.

Economic Self-Sufficiency and Operational Parameters: The Issuer ensures that the Project is designed to be economically viable in the long term, focusing on achieving a sustainable transaction volume and maintaining incentives for network participants.

Network Attacks and Cyber Security Risks: The Issuer has implemented robust cybersecurity measures, including regular penetration testing, encryption, and intrusion detection systems, to safeguard the network against cyber-attacks.

Consensus Failures or Forks: The Issuer ensures that the consensus mechanism in the blockchain networks utilized in the Project is regularly tested for robustness, with a clear governance model in place to address any potential forks or failures.

Smart Contract Security Risk: The Issuer conducts thorough smart contract audits to identify vulnerabilities, leveraging third-party experts to ensure the security and reliability of all contract code.

Dependency on Underlying Technology: The Issuer ensures that the Project is compatible with a wide range of technologies, regularly updating infrastructure and collaborating with technology providers to maintain security and performance.

Risk of Technological Disruption: The Issuer monitors emerging technologies and evaluates their potential impact on the Project, ensuring that the Project remains adaptable to future technological developments.

Governance Risk: The Issuer has implemented a decentralized governance model, allowing community involvement in key decision-making processes, to ensure that the Project evolves in a manner that aligns with the interests of all stakeholders.

Anonymity and Privacy Risk: The Issuer adheres to best practices for protecting user privacy, ensuring that sensitive data is encrypted and users have control over their information.

Data Corruption: The Issuer employs robust data integrity checks, including redundant backups and verification protocols, to minimize the risk of data corruption.

Third-Party Risks: The Issuer carefully selects third-party service providers based on security, compliance, and operational capabilities, and establishes strong contracts to minimize exposure to risks from external parties.

By addressing these risks with proactive measures, the Issuer aims to provide a secure and reliable crypto-asset offering that protects both participants and the Project's long-term viability.

J. INFORMATION ON THE SUSTAINABILITY INDICATORS IN RELATION TO ADVERSE IMPACT ON THE CLIMATE AND OTHER ENVIRONMENT-RELATED ADVERSE IMPACTS

J.1 Mandatory information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism

General information	
S.1 Name Name reported in field A.1	EstateX B.V.
S.2 Relevant legal entity identifier Identifier referred to in field A.2	ELF: 54M6
S.3 Name of the crypto-asset Name of the crypto-asset, as reported in field D.2	ESX
S.4 Consensus Mechanism The consensus mechanism, as reported in field H.4	BNB Smart Chain utilizes the Proof-of-Staked-Authority ("PoSA") consensus mechanism, a hybrid model that combines the best features of Delegated Proof-of-Stake (DPoS) and Proof-of-Authority (PoA). This mechanism enables shorter block times and lower fees, making it highly efficient for both developers and users. In PoSA, validators are chosen based on their staked BNB and their reputation. The consensus process involves a limited number of validators who take turns producing blocks, with the selection process being partially randomized. This approach ensures network security, high throughput, and energy efficiency. Validators are incentivized through transaction fees and block rewards, encouraging active and honest participation in the network. Staking and Delegation Staking on BNB Smart Chain involves BNB holders committing their tokens to support network operations. Validators, who are responsible for block production and transaction validation, are selected based on the amount of BNB staked. BNB holders can either become validators themselves or delegate their stake to existing validators, thereby participating in the network's security and earning a share of the rewards. Delegated staking lowers the barrier to entry, allowing more participants to contribute to network consensus. The PoSA mechanism

	ensures that validators with higher stakes have a proportionally higher chance of being selected to produce blocks, thereby aligning incentives with network security and efficiency. Despite being staked, BNB tokens remain liquid, allowing holders to use them in other network activities or withdraw their delegation at any time.
S.5 Incentive Mechanisms and Applicable Fees Incentive mechanisms to secure transactions and any fees applicable, as reported in field H.5	The BNB Smart Chain employs a fee and incentive structure designed to ensure the long-term sustainability of the network, encourage active participation in its consensus mechanism, and maintain reasonable and predictable transaction costs for users. BSC uses a unique fee model that balances network sustainability with fairness and cost predictability. Transaction fees on BSC are calculated based on the complexity of the transaction, using a gas-based system. Each transaction requires a certain amount of gas, determined by the computational effort needed to execute the operation. The gas price is set by the market, allowing users to choose how much they are willing to pay per unit of gas, which helps keep fees predictable and aligned with network usage. Incentives on BNB Smart Chain revolve around its PoSA consensus mechanism. Validators are rewarded for securing the network and producing blocks. These rewards come from the transaction fees collected and are distributed among validators and delegators who have staked their BNB tokens. By staking, participants are incentivized to act in the best interest of the network, ensuring its integrity and security. This model encourages active participation, aligning the interests of users, validators, and the overall ecosystem.
S.6 Beginning of the period to which the disclosure relates	2024-01-01
S.7 End of the period to which the disclosure relates	2024-12-31
Mandatory key indicator on energy consumption	
S.8 Energy consumption	73 584 (kWh)

Total amount of energy used for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions, expressed per calendar year	
Sources and methodologies	
S.9 Energy consumption sources and methodologies Sources and methodologies used in relation to the information reported in field S.8	BNB Smart Chain utilizes 21 validators in a lightweight Proof-of-Staked-Authority consensus mechanism. Assuming each validator draws 400W, it can be ascertained that each validator node consumes 9.6kWh per day. All BNB Smart Chain network validators consume a total of 201.6kWh per day. Multiplying the number by 365 days equals 73 584 kWh.

J.2 Supplementary information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism

Supplementary key indicators on energy and GHG emissions	
S.10 Renewable energy consumption Share of energy used generated from renewable sources, expressed as a percentage of the total amount of energy used per calendar year, for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions.	Does not apply.
S.11 Energy intensity Average amount of energy used per validated transaction	Does not apply.
S.12 Scope 1 DLT GHG emissions – Controlled Scope 1 GHG emissions per calendar year for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions	Does not apply.
S.13 Scope 2 DLT GHG emissions – Purchased Scope 2 GHG emissions, expressed in tCO ₂ e per calendar year for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions	Does not apply.
S.14 GHG intensity	Does not apply.

Average GHG emissions (scope 1 and scope 2) per validated transaction	
Sources and methodologies	
S.15 Key energy sources and methodologies Sources and methodologies used in relation to the information reported in fields S.10 and S.11	Does not apply.
S.16 Key GHG sources and methodologies Sources and methodologies used in relation to the information reported in fields S.12, S.13 and S.14	Does not apply.