BUSINESS PLAN

NEOETF Funds in Luxembourg

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EXECUTIVE SUMMARY

As of early 2023, Luxembourg remains the world's second-largest fund domicile, with assets under management in Luxembourg-domiciled funds surpassing €5.1 trillion. This growth is driven by both traditional UCITS and a strong increase in alternative investment funds. Meanwhile, the global cryptocurrency market has also seen significant expansion, reflecting a broader trend towards diverse and innovative investment vehicles. This environment presents a strategic opportunity for launching an investment multiple compartment (umbrella) funds in Luxembourg, capitalizing on the country's robust financial infrastructure and favorable regulatory landscape.

The estimated size of the Global Cryptocurrency Market in 2024 is USD 2.61 trillion, with revenue anticipated to demonstrate an annual growth rate (CAGR 2024-2028) of 8.62%, reaching a projected total of US$71.7 billion by 2028. Furthermore, the global cryptocurrency market is forecasted to expand at a CAGR of 17.10% from 2024 to 2032.

The legal structure of the creation and management of the company. The beneficiaries and founders of the fund are licensed specialists and have extensive experience in the market.

1. Mr. Marat Valikhanov founder of GP NEOETF MANAGEMENT PARTNER;
2. DIGITAL GRAVITY INTELLECT LLP founder of NEOETF DIGITAL FUND;
3. E-MARQAR OÜ founder of NEOETF ENERGY FUND;
4. NEOETF MANAGEMENT PARTNER cofounder NEOETF DIGITAL FUND and NEOETF ENERGY FUND with a share of 1 share in each fund.

NEOETF DIGITAL FUND is a société en commandite spéciale (SCSp) in the process of being incorporated under the laws of the Grand-Duchy of Luxembourg and which will be registered with the Luxembourg Trade and Companies Registry. The declared authorized capital of the Fund is 100 million euros. The remaining shares will arise during the entry of new shareholders of the Fund, each time they purchase the corresponding packages, shares of shares. The fund is designed to help individuals and legal entities in the transfer and storage of digital, fiat and other types of assets in full compliance with the regulatory requirements of the FATF.

NEOETF ENERGY FUND is a société en commandite spéciale (SCSp) in the process of being incorporated under the laws of the Grand-Duchy of Luxembourg and which will be registered with the Luxembourg Trade and Companies Registry. The declared authorized capital of the Fund is 100 million euros. The license will be renewed to 500 million euros during the year. The remaining shares will arise during the entry of new shareholders of the Fund, each time they purchase the corresponding packages, shares of shares. The Fund attracts investments for the mining of crypto assets.

INTEGRATED PROJECT INDICATORS

NEOETF DIGITAL FUND, €000	
Fund	100 000
Net Present Value (NPV)	124 921
Internal Rate of Return (IRR),%	12,8%
Return On Sales (ROS)	159%
Return On Capital (ROI)	222,9%
Net Terminal Value (NTV)	140 600
Total revenue	2 381 483
EBIDTA	222 927
Operating margin,%	9,3%
Net profit	222 927
Net profit margin,%	9,3%
Dividends total	222 927
Dividends % av/y	36,8%
Dividends per 1 share av/y, €	0,36

NEOETF ENERGY FUND, €000	
Fund	450 000
Net Present Value (NPV)	275 697
Internal Rate of Return (IRR),%	7,9%
Return On Sales (ROS)	106,2%
Return On Capital (ROI)	73,2%
Net Terminal Value (NTV)	310 300
Total revenue	640 278
EBIDTA	544 829
Operating margin,%	85,1%
Net profit	329 612
Net profit margin,%	51,4%
Dividends total	329 612
Dividends % av/y	29,7%
Dividends per 1 share av/y, €	0,29

General overview for 2023

In 2023, the financial landscape in the European Union has been marked by a concerted effort to address a variety of challenges and prioritize regulatory reforms to ensure economic stability and growth. The European Central Bank (ECB) has maintained a strategic focus on managing the passive runoff of its public sector purchase programme, while planning to reinvest maturing bonds under the pandemic emergency purchase programme until at least 2024. This approach underlines the ECB's commitment to supporting the euro area's financial system during the ongoing economic recovery.

The Regional Economic Outlook for Europe by the IMF in April 2023 painted a picture of a region grappling with the dual challenges of controlling inflation and spurring economic growth amidst financial sector vulnerabilities. The report emphasized the importance of tighter macroeconomic policies, enhanced financial regulation and supervision, and the implementation of bold supply-side reforms. These measures are considered crucial for overcoming the residual impacts of the COVID-19 pandemic and the energy crisis, as well as for ensuring financial stability across Europe.

EU institutions have also laid out their financial regulatory priorities for the year, focusing on completing outstanding Basel III reforms, conducting enhanced EU-wide stress tests, and advancing the Data Strategy to improve regulatory data management. These priorities highlight the EU's proactive stance towards strengthening its financial regulatory framework and enhancing the resilience of its financial markets.

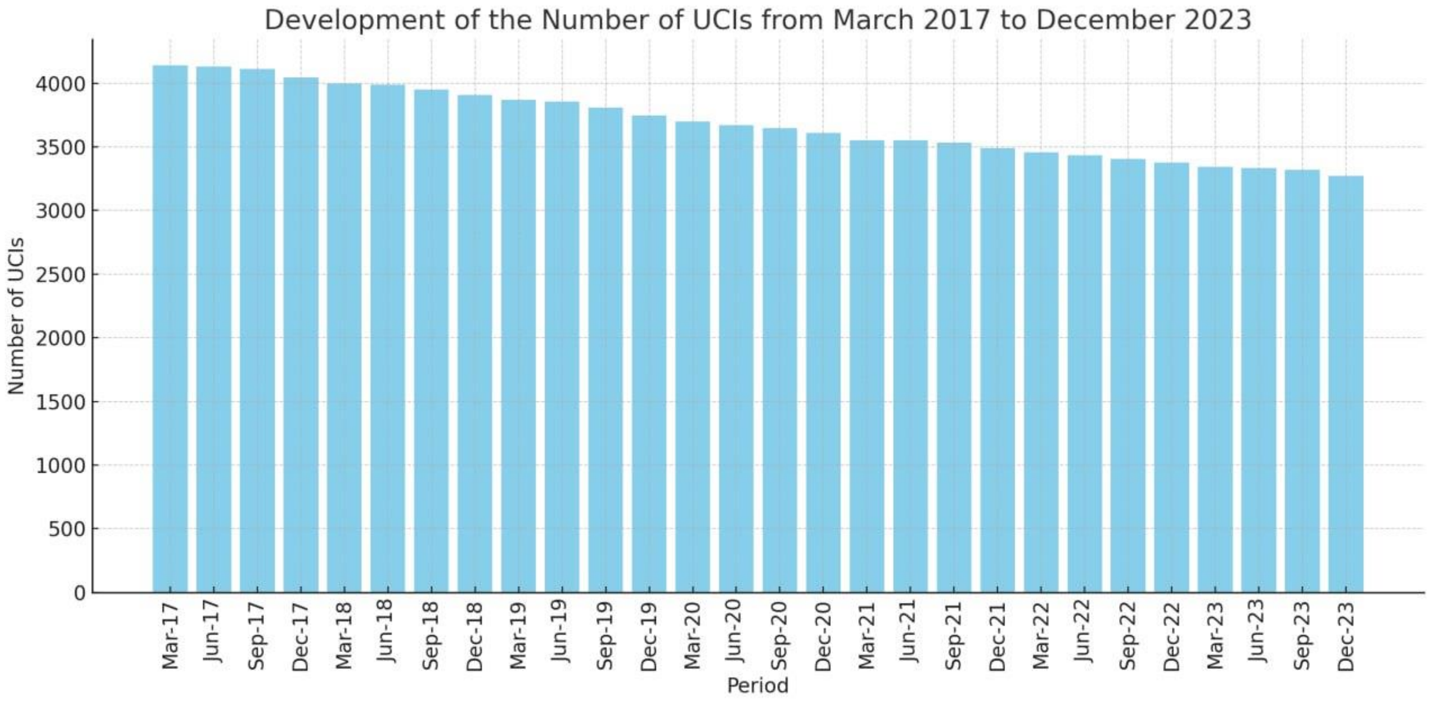
This strategic approach reflects a broader recognition of the need for vigilance and adaptability in managing the complexities of the current financial environment. By focusing on regulatory reforms and financial stability measures, the EU aims to navigate through the challenges posed by inflation, economic growth, and financial sector risks, aiming for a balanced and sustainable economic future.

Total number of investment funds

The total number of undertakings for collective investment (UCIs) in Luxembourg overall increased during the period from 1990 to 2015, where it peaked and then decreased the following years. UCIs are financial institutions that collect capital among investors and manage that money collectively following an established investment policy.

They can offer two main investment assets: an UCTIS (Undertakings for Collective Investment in Transferable Securities, which at its core stands for investment funds that are domiciled in Europe and regulated by the European Union) or an AIF (Alternative Investment Funds, all investment funds that have not yet been regulated by the European Union such hedge funds, funds of hedge funds, venture capital, private equity funds and real estate funds). As for December 31, 2023, the number of UCIs in Luxembourg amounted to over 3,200.

The histogram visualizing the development of the number of Undertakings for Collective Investments (UCIs) from March 2017 to December 2023, based on the data provided by the CSSF.



GLOBAL CRYPTOCURRENCY MARKET

Cryptocurrency adoption is growing around the world. As of 2023, the global crypto currencies ownership rates at an average of 4.2%, with over 420 million crypto currencies users worlwide.

Coin Market Capitalization

As of February 2, 2024m Bitcoin makes up 48.6% of the total value of the crypto market.

Top Countries

- India (93 million);
- USA (48 million);
- Vietnam (20 million);
- Pakistan (15 million).

Owners Demographics

- 63 % male, 37% female;
- 72% are aged under 34;
- 71% have a bachelor's degree or higher;
- US $25k is the annual income of the average crypto currencies owner.

TOP 20 COUNTRIES WITH THE LARGEST NUMBER OF CRYPTO OWNERS

Data ownership of crypto currencies up to 2023.

№	Country	Number of crypto owners, mln	Percentage of the population
1	India	93,5	6,55%
2	China	59,1	4,15%
3	US	52,8	15,56%
4	Vietnam	20,9	21,19%
5	Pakistan	15,8	6,6%
6	Philippines	15,7	13,43%
7	Brazil	25,9	11,99%
8	Nigeria	13,26	5,9%
9	Iran	12	13,46%
10	Indonesia	12,2	4,4%
11	Russia	8,74	6,0%
12	Thailand	6,9	9,6%
13	South Africa	6,0	10%
14	Ethiopia	2,2	1,79%
15	Turkey	4,8	5,62%
16	Mexico	8,4	6,5%
17	Bangladesh	4,3	2,5%
18	France	3,1	4,72%
19	Ukraine	3,8	10,57%
20	United Kingdom	3,8	5,74%

CRYPTOCURRENCY ACROSS INDUSTRIES

E - commerce

- More than 85% of US merchants view enabling crypto currencies payments as a high priority.
- Merchants who accepted crypto currencies payments saw an average ROI of 327% and an increase of up to 40% of new customers.
- Customers who use crypto currencies spend about $250 more per transaction on average than what the average customer spends.

Luxury

- The global market for Luxury Goods is projected to grow from US $1.2 trillion in 2022 to US $1.4 trillion in 2025 with millennials representing 50% of the total market by that time.
- In 2021, 94% of all crypto currencies' buyers are millennials and gen Zs' under the age of 40.

Remittance

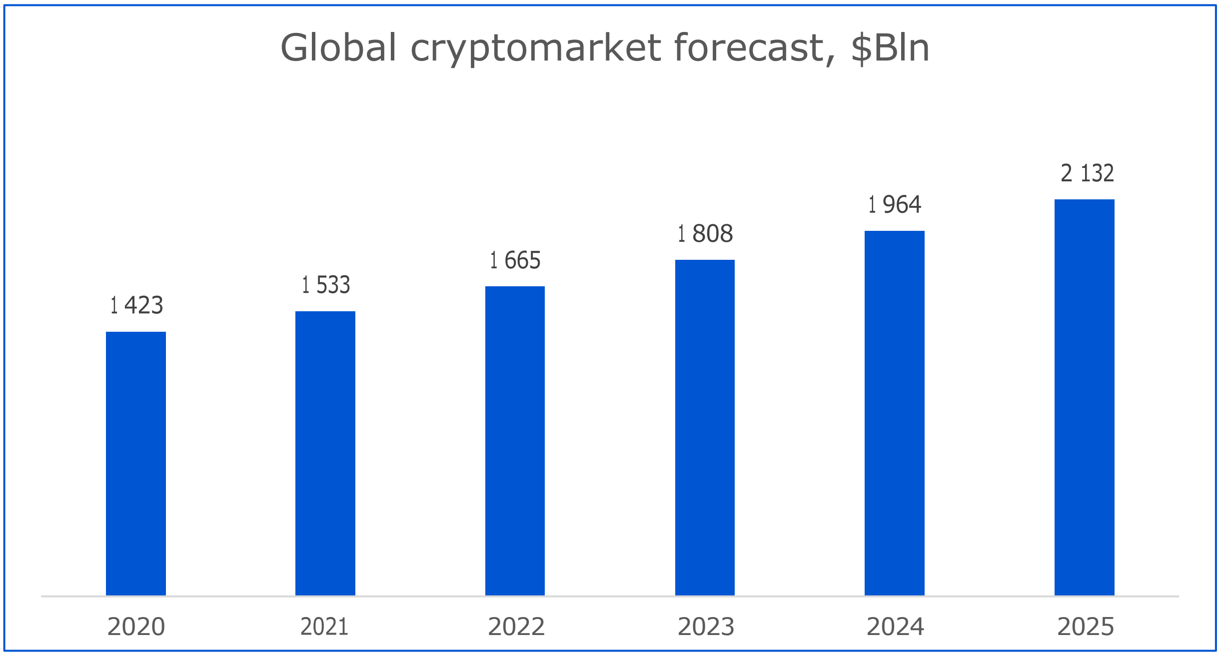
- Digital cross - border remittances is projected to grow from $295 billion in 2021 to $428 billion in 2025.
- 15.8% of remitters are already using cryptocurrency for money transfer.
- Crypto currencies remittance is 388 times faster and 127 times cheaper than traditional remittance methods.

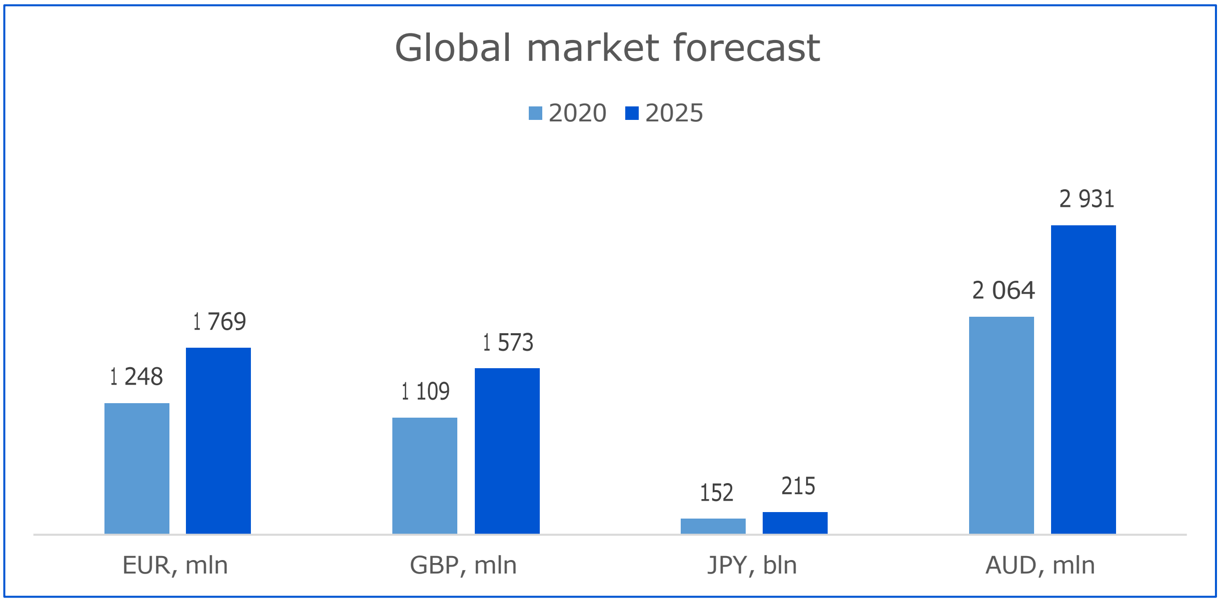
Gaming

- The gaming market is set to reach US $222 billion in 2022, and it is expected to reach a value of US $340 billion in 2027.
- 25.1% of crypto currencies owners have used crypto currency to make purchases for online gaming or gambling in 2021.
- 48.6% of crypto currencies owners will consider spending crypto currency on online gaming or gambling in the future.

GLOBAL MARKET SIZE

The Global Cryptocurrency Market size was estimated at USD 1,423.95 Bln in 2020 and expected to reach $1,533Bln in 2021, at a Compound Annual Growth Rate (CAGR) 8.06% from 2020 to 2026 to reach $2,132Bln by 2025.





MAIN CRYPTOCURRENCY

A cryptocurrency, broadly defined, is currency that takes the form of tokens Or “coins” and exists on a distributed and decentralized ledger.

Beyond that, the field of cryptocurrencies has expanded dramatically since Bitcoin was launched over a decade ago, and the next great digital token may be released tomorrow.

Bitcoin continues to lead the pack of cryptocurrencies in terms of market capitalization, user base, and popularity.
Other virtual currencies such as Ethereum are being used to create decentralized financial systems for those without access to traditional financial products.

Some altcoins are being endorsed as they have newer features than Bitcoin, such as the ability to handle more transactions per second or use different consensus algorithms like proof-of-stake.

Rank	Name (Symbol)	Market Cap ($, bill)	Market Share
1	Bitcoin (BTC)	1, 313	52.29%
2	Ethereum (ETH)	447	17,82%
3	Tether (USDT)	100	3,98%
4	BNB (BNB)	62,8	2,5%
5	Solana (SOL)	58,3	2,32%
6	XRP (XRP)	35,2	1,40%
7	USDC (USDC)	28,9	1,15%
8	Cardano (ADA)	27,4	1,09%
9	Dogecoin (DOGE)	26,3	1,04%
10	Shiba Inu (SHIB)	24,1	0,96%

KEY PLAYERS IN THE GLOBAL CRYPTOCURRENCY MARKET

The global market consists of several key players operating at regional and global levels. These giants focus on enhancing their platforms by acquisitions, partnerships, and expanding their digital infrastructures.

Key Players in the Global Cryptocurrency Market are:
- BitGo Inc. (U.S.)
- Binance, com (Malta)
- Bitfury Group Limited (The Netherlands)
- Coinbase (U.S.)
- Coindesk.com (U.S.)
- Intel Corporation (U.S.)
- Ripple Labs Inc. (U.S.)
- Xilinx (U.S.)
- Bitmain Technologies Ltd. (Saint Bitts LLC) (China)

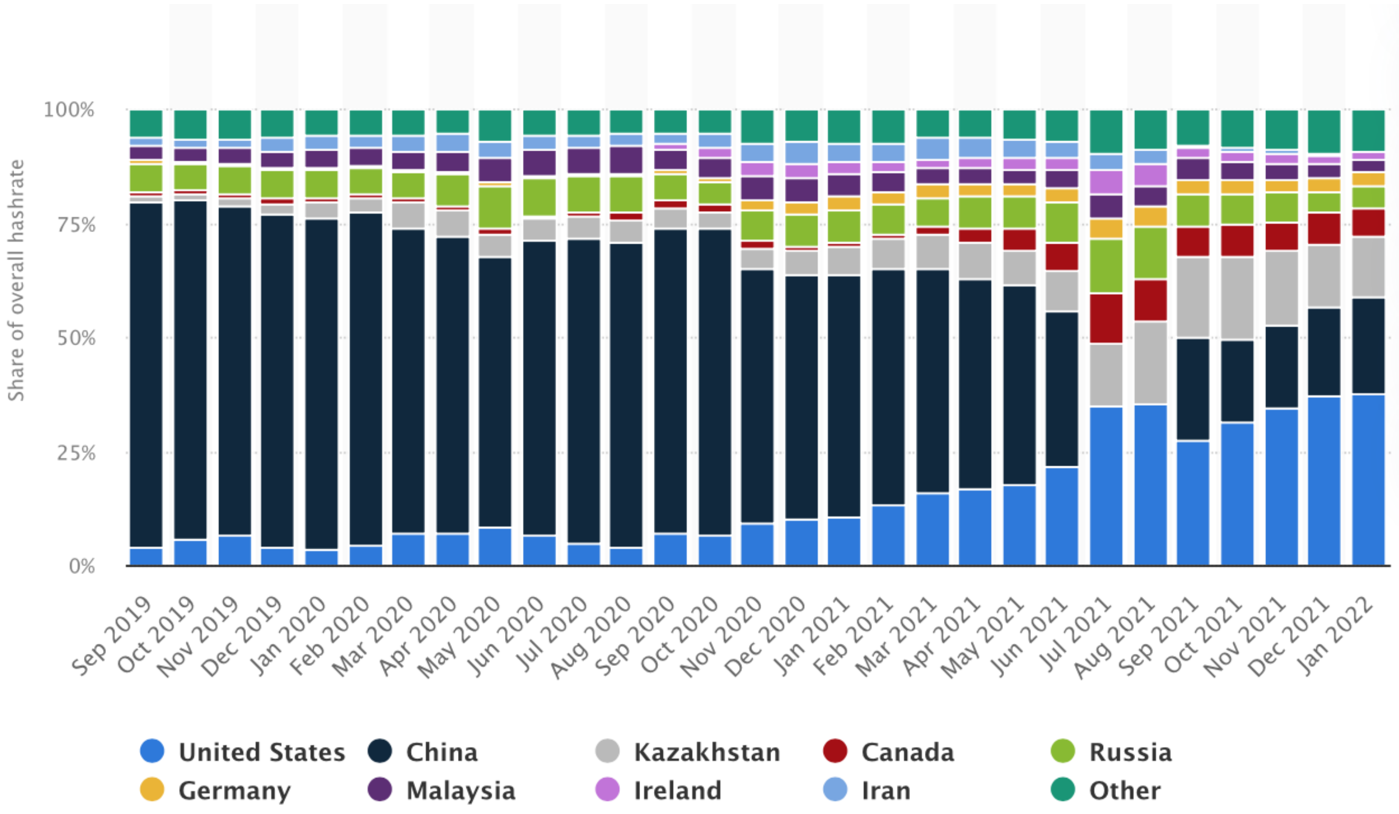
The largest crypto exchanges in the world by trading volume March, 2024

№	Exchange	Trading volume (24h)	Avg.liquidity
1	Binance	$57,192,247,720	859
2	Coinbase exchange	$9,661,007,331	728
3	Bybit	$9,063,610,876	638
4	OKX	$9,063,610,876	637
5	Upbit	$13,951,595,809	558
6	Kraken	$2,682,627,173	734
7	Gate.io	$3,806,153,546	556
8	KuCoin	$3,807,804,939	585
9	HTX	$3,073,480,418	436
10	Bitfinex	$1,080,494,246	517

CRYPTOCURRENCY MINING

Most Bitcoin mining occurred in the United States, according to IP addresses from so-called hashers that used certain Bitcoin mining pools in 2021. Likely this is connected to energy prices worldwide: Electricity costs in Germany were over 10 times more expensive than in, for example, China - the country that for a long time was the largest crypto miner until late 2021. Bitcoin requires energy for hashing, or the PC processing power needed to build the blockchain. Simply put, the more hashing occurs, the more Bitcoin is being mined. These figures attempt to show where most of this hashing - and, consequently, Bitcoin mining - occurs. Note that mining figures are different from figures on Bitcoin trading: Africa and Latin America were more interested in buying and selling BTC than some of the world's developed economies.

Distribution of Bitcoin mining hashrate from September 2019 to January 2022, by country



ASIAN CRYPTOCURRENCY MARKET

With Asia accounting for 60% of world population, infrastructure companies across the world are interested in tapping the growing market. By the end of last year, six of the top ten largest crypto unicorns in the world were located in Asia. Today, of the top 20 token projects, over 40% of the market capitalization is based in Asia. Asian companies also account for 98% of ETH and 94% of BTC futures volumes.

Asia has an outsize role in the crypto markets due to a variety of reasons. Each country has its own nuances, but factors include high penetration of public market investing, high-technology pedigree, prevalence of WiFi, deep penetration of e-payments, propensity for gambling, and high percentage of computer- science graduates. Furthermore, Asia’s development as a finance hub has helped contribute to fintech progress. Japan, Shanghai, and Hong Kong are among the top five largest stock markets in the world. Asian enterprises were quick to introduce new products and dominate the crypto futures market, accounting for 98% of ETH and 94% of BTC futures volumes. Nevertheless, given that crypto is a nascent industry and adoption rates are increasing rapidly, spot markets are still the most popular in Asia.

On May 18, 2021, the People's Bank of China banned financial institutions from doing business related to virtual currency, and also warned investors against speculative cryptocurrency trading. And the authorities of five Chinese provinces have imposed a ban on the work of mining centers. Many miners fled China. The Chinese cryptocurrency market is currently toxic.

Japan

Current atmosphere towards the crypto market is general caution. Despite regulations, banks are conservative in beginning relationships with new crypto infrastructure players due to AML and CFT (combating the financing of terrorism) concerns.

The KYC process in Japan is unique to the market, so regulators prefer that Japanese exchanges cater to local clients. This limits foreigners' access to the Japanese crypto market and fiat services, so it can be a challenge to get JPY (Japanese yen) services outside Japan for crypto companies. Given the lack of JPY support outside the country, there are fewer international market makers in Japan as well. Some exchanges mitigate the risk of wide spreads by offering maker fees.

Japanese exchanges also typically have a limited number of available tokens as each listing requires FSA approval. For example, while USDT is one of the most popular tokens globally, it is not approved by regulators due to lack of clarity by the issuer. The Japan regulators want crypto markets to thrive, but foremost, they are concerned with protecting Japanese investors.

South Korea

South Korea has the highest penetration of crypto investors with a third of workers invested in crypto. Moreover, unlike neighboring Japan, crypto is not primarily for millennials, as up to 8% of older residents in their 60s and 70s are supportive of the market. Demand for exposure was so intense that South Koreans paid "kimchi" premiums up to 50% for bitcoin in 2017 due to capital controls and a ban on servicing foreigners.

Unlike most countries, banking service access for infrastructure players is easy. Banks are required to provide fair services to crypto exchanges in South Korea. Bithumb, Upbit, Coinone, and Korbit have official banking partners. Through the banks, regulators can ensure proper compliance processes, including KYC and AML.

Singapore

Singapore is one of the more lax Asian markets for crypto-specific regulations, though strict on AML, KYC, fit-and-proper controllers, and FATF Travel Rule compliance. Regulations are not confirmed and do not require client asset segregation, client suitability assessments, wallet insurance, single legal entity undertakings, professional investor requirements, and market surveillance.

Rest of Southeast Asia

Philippines

The Philippines has one of the largest overseas foreign workers populations in the world, ranking fourth in global remittance recipients. As a result, crypto initially penetrated the market as a solution to financial inclusion and remittance services. Remittances account for 10% of GDP, though nearly 80% of Filipinos do not have a bank account even if they can afford it, mostly because the source of funds is overseas. As a result, a large part of the Philippines economy uses blockchain technology as enterprises are using crypto on behalf of its customers.

The Philippines has the highest ownership of cryptocurrency, likely due to remittances purposes (following page). Most of the population doesn't have the money to speculate so the industry is divided by the urban, affluent working professionals and those using blockchain for efficient transfers.

Thailand

With the exception of Singapore, Thai investors are relatively more sophisticated and affluent compared to the rest of Southeast Asia. Order values tend to be higher, and ownership of crypto for investment purposes is growing, with organic interest. The market is also more evolved with sophisticated market makers and clients comfortable with order books. After initially banning Bitcoin in 2013, regulators have softened their stance but keep a short leash on the industry.

Indonesia

Similar to India, Indonesia has long favored gold as a form of investment. The country, which is moving away from its strong dollar-dependency, saw a 500% devaluation of the rupiah (IDR) in the Asian Financial Crisis of 1999. Currently, there are soft capital controls, which is regulated by the central bank. Individuals can't physically carry more than Rp 100 million ($7,000) at any one time, and the transfer of foreign currencies more than $25,000 per month requires information disclosure and approval.

With a population of 300 million, Indonesia had one of the largest in total population investing in bitcoin in 2015, though the total USD value was small. As a result, Indonesia has 2 million registered crypto investors, the same number of investors in the Indonesia Stock Exchange. Bank Indonesia has since banned crypto as a means of payment to protect the IDR. However, the Commodity Futures Trading Supervisory Agency (BAPPEBTI) treats crypto like commodities and published guidelines for licensing in 2019 for exchanges and custodians.

Vietnam

Similar to Indonesia, Vietnam banned crypto as a means of legal payment. The State Securities Commission (SSC) and the State Bank of Vietnam (SBV) are the main regulatory authorities for digital assets. In 2018, the Prime Minister signed a directive restricting crypto activities, following which the SBV banned the import of crypto mining machines. The SSC also banned any crypto activities by public companies and securities firms. Currently, there is no other recognition of crypto and no licensing guidelines available.

India

The government's attitude towards crypto has been cautious. However, this is broadly due to the government's stance on capital flows, the currency, and economic policy.

During this period, the volume of BTC traded in India doubled. In March 2020, the India Supreme Court overturned the RBI ban. The ruling prompted a 450% surge in trading in just two months. Approximately six million people have interacted with digital assets though only two million are estimated

to be involved. People are generally worried about government regulations and further bans. Currently, it is still difficult to get banking services, and exchanges are judged by how long they've been operating and their existing KYC and AML processes. Banks are still rejecting services to crypto exchanges, but some tier two banks are interested in learning more.

Most of the volume is in retail, focused on the top 20 tokens with fiat INR pairings. Trading against INR is limited to the top 20 tokens as Indian clients use local exchanges to trade the large cap tokens. The retail market is active as customers dabble in bitcoin as an alternative to gold. India is a big market for gold as a store of value and also as jewelry. Institutional participation is still trivial in India due to legal uncertainty. According to market participants, it's hard to surpass $30 million in trading per day.

COVID-19 Impact

Coronavirus has plummeted the growth of the financial market across the globe, including the cryptocurrency market. The level of stability in the digital currency landscape has considerably diminished. The market is attracting investments despite the uncertainty prevailing in the digital currency industry. Digital currencies like Ethereum, Bitcoin, etc., have witnessed inflation in prices despite the pandemic. Firms across several nations have paused their mining operations due to the pandemic. Some countries like Russia have delayed the deployment of cryptocurrency laws due to the pandemic.

Raging Coronavirus to Sway Market Potential

The outbreak of COVID-19 has negatively impacted the global economy. The regression in the stock market has directedly created concerns for the bitcoins. For instance, 12 March 2021, the price of Bitcoin fell below USD 4,000 after a sharp decline in the S&P Index in the U.S. The market crash has incited an increase in investment capital by blockchain companies to compensate for the losses. Giant blockchain analytics, Elliptic, Chainalysis, and CipherTrace declared that they have cut-price and reduced staffs or intend to do so in the immediate future to lessen the economic effects of the coronavirus pandemic. For instance, CipherTrace has decreased the jobs of the advertising and marketing departments. Whereas Elliptic has eliminated 30% of the workers in the U.S. and the U.K and Chainalysis has planned to reduce employees' wages by 10% to mitigate the risks.

Market Driver

The rising pattern of cryptocurrency has prompted the acknowledgment of computerized coins like Bitcoins, Litecoins, Ethers, and the sky is the limit from there. The simple and adaptable conditional strategy offered by cryptographic money has encouraged the Central Bank Digital Currency (CBDC) movement arrangements across the world. For example, the Bank of Thailand and the Central Bank of Uruguay have applied for the tool stash to its CBDC assessment measure. The toolbox conveys a guide for the nations to gain ground rapidly and break down CBDC as a trade medium.

Moreover, the expanding interest in blockchain and cryptographic money by significant organizations will empower the rapid development of the market. For example, in October 2021, Qtum Chain Foundation, a publicly released blockchain application stage situated in Singapore reported an association with Amazon Web Services (AWS) China to convey blockchain frameworks on the AWS cloud. The organization will permit help AWS clients to utilize Amazon Machine Images (AMI) to create and distribute shrewd agreements effectively and productively.

The Luxembourg AIFM Law

The Luxembourg AIFM Law revamped and updated the legal framework for limited partnerships under the 1915 Law, i.e. the société en commandite simple (SCS). In addition, the AIFM Law also introduced another form of limited partnership under Luxembourg law, namely the société en commandite spéciale (SCSp), which, unlike the SCS, does not have legal personality itself. Both vehicles have increasingly been used for structuring private equity or venture capital investments.

Records of the Luxembourg trade register show that by September 2018, 2,260 SCSp have been set up since its introduction in July 2013, seemingly substituting the former vehicle of choice, the SARL While the principal reasons for choosing the legal form of a Luxembourg private equity or venture capital investment vehicle may often be driven by considerations of applicable foreign (tax) law, the increased structuring flexibility of the SCS or the SCSp is another decisive aspect.

The Limited Partnership Agreement will fix the company's operating rules and its tax transparent status (under Luxembourg tax law and subject to appropriate structuring under applicable foreign tax law, to the extent applicable) has added to its increased popularity.

Luxembourg PE or VC investment structures downstream of a PE or VC fund (residing in Luxembourg or not) typically consist of either a SOPARFI, an unregulated SCS/SCSp, a SICAR, RAIF or SIF or of a combination of the latter two with one or more holding companies.

In the case of an FCP-SIF or FCP-RAIF, SCS and SCSp qualifying as a tax transparent structure, the use of intermediate companies may (depending on the applicable tax regime to the investors and/or the investments of the relevant vehicle) proof useful to benefit from double tax treaties and EU directives that only companies can benefit from, unlike an FCP, SCS or SCSp.

Investors can also invest either directly into the Luxembourg investment vehicle or fund or indirectly via an additional Luxembourg-based or non- Luxembourg-based feeder (fund) vehicle. The following charts are examples of typical Luxembourg PE or VC investment structures using investment vehicles residing in Luxembourg or not.

Special Limited Partnership

The partnership needs to have at least one limited and one unlimited partner. The roles of the limited and unlimited partners can be performed by the same person, nevertheless partners have to be a legally separated entities (e.g. same beneficial owner of two different companies).

The partnership is created from the moment of signing the limited partnership agreement (LPA). The LPA may be concluded under the form of a private deed, and as such does not require the intervention of a notary. Only an extract of the LPA is published which means that names of the limited partners are not publicly available.

The partnership can be set for a limited or unlimited duration. The partnership needs to maintain the register with shareholders. The assets of the SCSp will only guarantee the debts and liabilities of the partnership itself and not those of its partners.

Contractual Prerogatives:

- The voting and distribution rights do not need to be proportional to the contributions of partners and can be freely determined by the partnership agreement
- Rights to information can be restricted in the partnership agreement, as well as the access of the partners to the shareholder registry
- Partnership interests can take the form of cash, contribution in kind
- Partnership interests can be represented by securities, which can be issued freely including for new partners as per the limited partnership agreement
- The partnership can issue debt securities

The recent EU Directive on Alternative Investment Fund Managers ('AIFMD') transposed to the Luxembourgish law expanded the corporate legal framework by introducing a new form of limited partnership - a special limited partnership (société en commandite special or a SCSp).

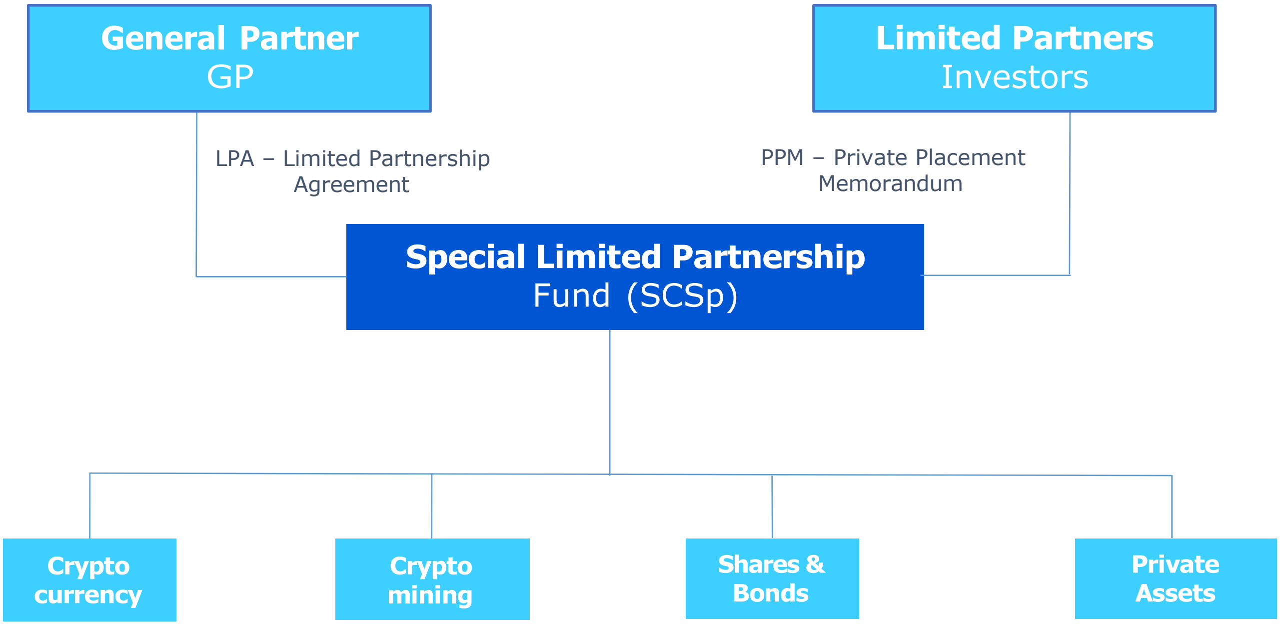
REGULATORY FRAMEWORK

The new SCSp is similar to the Anglo-Saxon Limited Partnerships, which are characterized by the corporate flexibility and tax transparency. Therefore, the new SCSp's shall be particularly attractive to investors, in in the fields of real estate and private equity sector. The main specificity of the SCSp is that it is not vested with legal personality, although the assets can be registered in the name of the partnership.

In regard to application of income tax the Luxembourg Tax Law (LTL) considers that such SCSp's are deemed as tax transparent.

If the General Partner has the form of Luxembourg company and holds less than 5% of interest in the Spiecial Limited Partnership (SCSp), the income of the SCSp will not be deemed to be a business income.

Consequently if the activity of the SCSp is restricted to the management of the private wealth (typical for Real Estate and Private Equity funds) the income of SCSp should not be classified as business income.



Tax environment

One of the key factors in favor of private equity or venture capital operations in Luxembourg remains its favorable tax environment. A stable tax framework, a highly competitive social security system (for companies, employers and employees) and the lowest VAT rate in Europe greatly contribute to making Luxembourg one of Europe's most attractive jurisdictions for private equity or venture capital operations and investments. Of key importance remains, however, the double tax treaty network that Luxembourg has built up over many years. The Luxembourg tax environment is extremely beneficial for private equity or venture capital investment vehicles, both regulated and unregulated.

The SICAR, organized in the form of an SCS or SCSp, is tax transparent and thus not subject to corporate, municipal business and net wealth tax. Income and gains received or realized are thus not subject to tax in the hands of the SICAR. Income and gains may furthermore be paid to investors without any Luxembourg source taxation. SICARs in the corporate form organized as an SA or an SCA, are fully taxable companies. The income from transferable securities as well as any capital gains on the disposal of such securities are however exempt under specific conditions.

The SICAR in the corporate form will equally not be subject to net wealth tax (except for the minimum net wealth tax). Dividend distributions are also not subject to any Luxembourg taxation at source.

Luxembourg has bilateral tax treaties in force with all EU Member States and with a number of other countries (including almost all OECD Member States). This network of tax treaties is constantly being expanded. SICARs and RAIFs which invest in risk capital, and SOPARFIs as Luxembourg taxable companies, are, from a Luxembourg perspective, entitled to treaty benefits and therefore benefit from double tax treaties concluded between Luxembourg and third countries.

The application of tax treaties to SIFs and RAIFs taking the corporate form is to be assessed on a case-by-case basis depending on the wording of the treaty provisions and their interpretation by the relevant foreign authorities.

Fiscally transparent SIFs and RAIFs themselves may generally not benefit from treaty provisions due to their tax transparency.

Accounting

Luxembourg vehicles may choose to adopt Luxembourg Generally Accepted Accounting Principles ("Lux GAAP") or International Financial Reporting Standards ("IFRS") as adopted by the EU.

Limited Partnerships (SCSp) are allowed to apply any accounting principles as described in their Limited Partnership Agreement ("LPA") and will therefore be allowed to use Lux GAAP, IFRS, UK GAAP, US GAAP or "Other GAAP".

Other unregulated vehicles (SARL, SA, SCA) are subject to the requirements of the 1915 Law and therefore are required to prepare their annual accounts in compliance with Lux GAAP or IFRS. A derogation can be granted in special cases, as ruled by Art. 27 of the Law of 19 December 2002, as amended.

In practice, the standalone annual accounts of Luxembourg private equity and venture capital vehicles are very frequently prepared in accordance with Lux GAAP whereas consolidated annual accounts (whether legally required – see below – or contractually required – for example as a consequence of raising external financing) are frequently prepared under IFRS as adopted by the EU.

Through its international exposure, Luxembourg service providers have significant experience in the application of IFRS. Note that while most companies are required to prepare annual accounts there are specific size thresholds that will determine if an audit by an approved statutory auditor (Réviseur d'entreprises agréé) under International Standards on Auditing ("ISA") is required by law.

The audit of the annual accounts is required for regulated vehicles, for the RAIF and in general when at balance sheet date the company exceeds the limits of two of the following three criteria, for two years in a row: balance sheet total: 4.4 million EUR net turnover: 8.8 million EUR average number of full-time staff employed during the financial year.

Since interest, dividend income and capital gain don't qualify as net turnover, in many cases no legal audit would be required for unregulated investment vehicles, though an audit might be required by the LPA.

UCITS, 2010 Law Part II UCIs, SIFs and RAIF can be structured:

- In contractual form as a common fund (FCP). A common fund must be managed by a management company
- In corporate form as an investment company:
- With variable capital (SICAV)
- With fixed capital (SICAF)

A UCI may take the form of a single compartment UCI (a "stand alone" UCI) or a multiple compartment UCI (a multiple "sub-fund" UCI, also known as an "umbrella" UCI).

Multiple compartment UCIs

Multiple compartment UCIs (otherwise known as umbrella funds) are UCIs which comprise, or may comprise, two or more compartments (sub-funds), each with different features — generally a different investment policy/strategy. The assets of each compartment of a multiple compartment UCI are generally segregated and the accounting records of each compartment are kept separate.

Multiple compartment UCIs are recognized under Article 181 of the 2010 Law, Article 71 of the SIF Law and Article 49 of the RAIF Law. Multiple compartment UCIs may be created provided their constitutional document expressly permits it and specifies the applicable operational rules, and their prospectus or offering document specifies the investment policy and specific features of each compartment.

Multiple compartment common funds must meet the following conditions:

- The UCI must have a single management company (i.e., the same management company for all compartments)
- The UCI must have a set of management regulations, either global or per compartment, which define the general rules of valuation, supervision, subscription and redemption and investment restrictions

Share or unit classes

Multiple share or unit classes may be created within a UCI or, in the case of a multiple compartment UCI, within a compartment.

While the investment policy is defined at the level of the UCI or the compartment, share or unit classes permit the implementation of features, generally customized to one or more specific needs or preferences, such as a specific fee structure, currency of denomination, hedging policy, dividend policy, investor type or country of distribution.

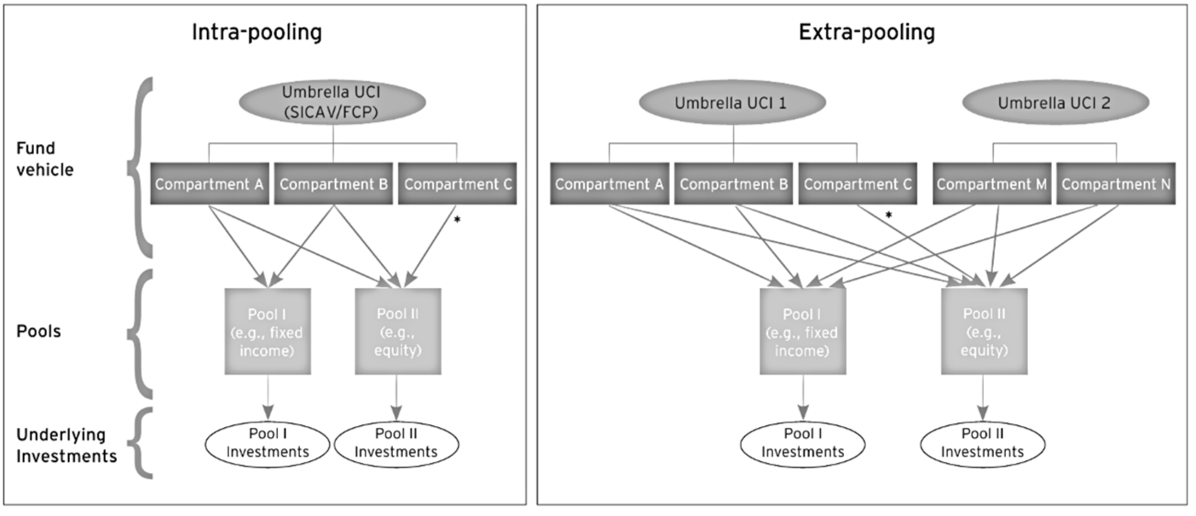
CO-MANAGEMENT AND POOLING OF ASSETS

To ensure efficient portfolio management, and provided the investment policies so permit, the management of a UCI may decide to co-manage, or pool, certain assets within a single fund vehicle (intra-pooling) or between two or more Luxembourg fund vehicles (extra-pooling).

Cross-border pooling between fund vehicles domiciled in different national jurisdictions may also be permitted. The assets being co-managed are commonly referred to as a "pool". Pooling enables different compartments of a fund or funds to invest in a pool or several pools of assets. This arrangement is an administrative process that can reduce portfolio management, administration, and custody costs without changing the legal rights and obligations of shareholders or unitholders.

The pools are not legal entities and are not directly accessible to investors. Each of the co-managed funds remains entitled to its specific assets, and responsible for its liabilities. Where the assets of one or more funds are pooled the assets of the pool attributable to each fund will initially be based on the value of the assets allocated to the pool.

Subsequently, each fund's portion of the pool will vary according to withdrawals from and additional allocations to the pool.
Each line item held within the pool, as well as all gains and losses made by the pool, must be allocated to each fund investing in the pool in accordance with the ratio of the pool each fund is entitled to.



CROSS INVESTMENT

Multiple compartment UCIs are permitted to invest in other compartments of the same UCI (cross investment) as long as certain conditions are met.

The target compartment does not invest in the investing compartment
Not more than 10% of the assets of the target compartment must be invested in other compartments of the same UCI

The voting rights of the investing compartment in relation to its investment into the target compartment are suspended during the period of investment
The value of cross investments must not be taken into account in calculating the net assets in the context of meeting the minimum net assets requirements

Where a UCI or a compartment thereof is invested in illiquid assets, some or all of these assets may, under certain conditions, be transferred to a side pocket. Side pockets may be created within 2010 Law UCIs, SIFs and RAIFs. However, a side pocket may only be created within a UCITS in very limited circumstances. Side pockets may not be used to solve temporary valuation problems.
The two main types of side pocket are:

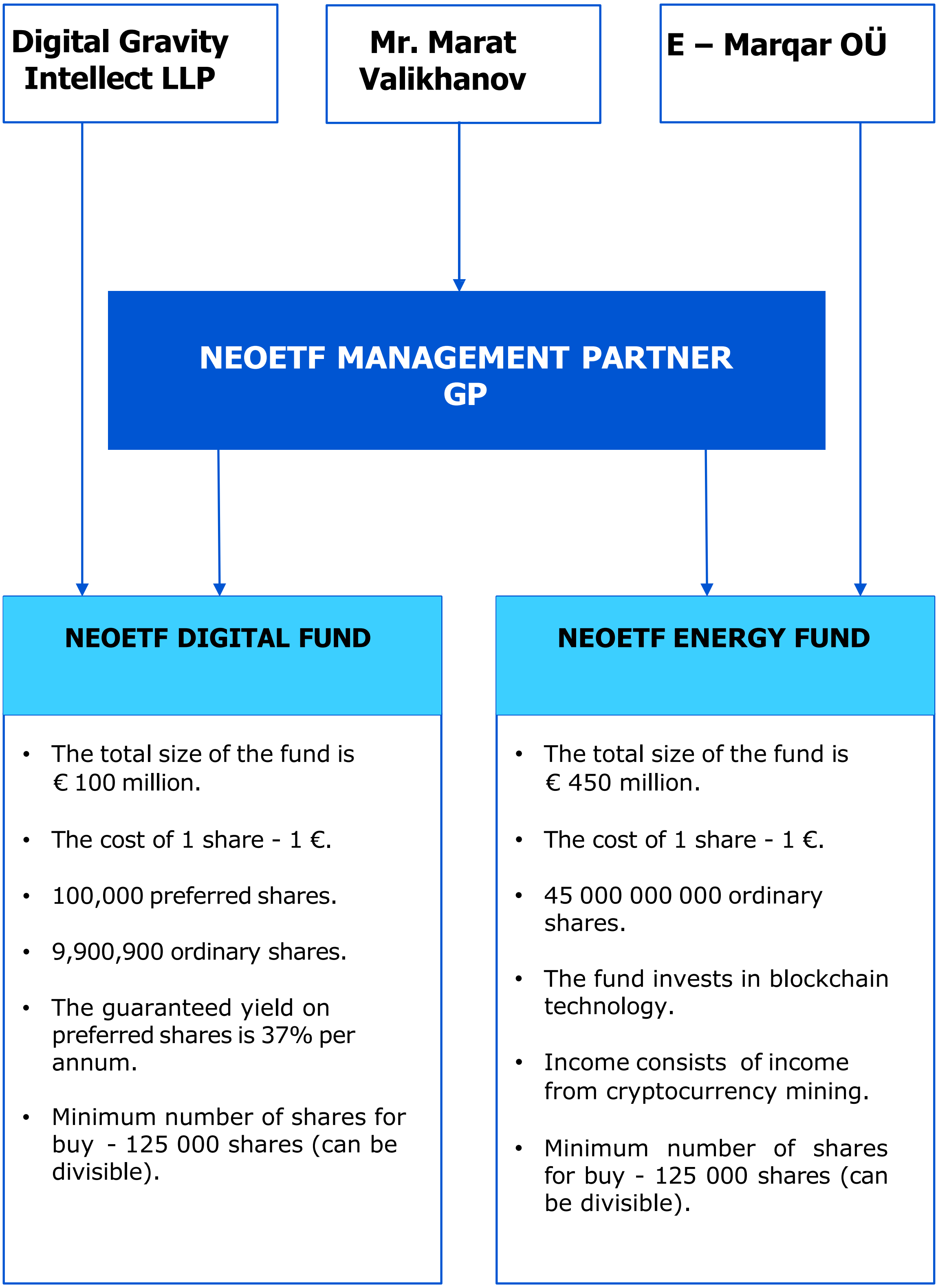
- A spin-off from an existing share class or unit class to a new share class or unit class
- A spin-off from an existing compartment to a new compartment

On the date of creation of the side pocket, the illiquid assets are allocated to the new share class, unit class or compartment — the side pocket. The investors of the existing share class, unit class or
compartment receive shares or units in the side pocket on a pro rata basis according to their holding in the existing share class, unit class, or compartment.

The side pocket is closed to any new subscriptions and suspended for redemptions (and conversions).

The manager is required to manage the assets in the side pocket with the objective of realizing them in the best interests of, and distributing the proceeds to, investors. Upon the sale of the assets in the side pocket, its shares or units are redeemed or cancelled.

THE FUNDS STRUCTURE



NEOETF DIGITAL FUND is a leading private investment fund specializing in the professional management of innovative fintech projects built using blockchain and web 3.0 technologies.

IDEA

An international fund designed to help individuals and legal entities in the transfer and storage of digital, fiat and other types of assets in full compliance with the regulatory requirements of the FATF.

CONSORTIUM

The NEOETF Digital Fund specializes in providing blockchain-based payment services. To expand its client base, the fund has established the NEOETF Consortium, which represents a strategic partnership between the Fund and individuals joining to create an extensive ecosystem of trade, with a focus on developing new projects.

Consortium participants receive income from the Fund's services, incentivizing their active participation in the development and growth of the community. The Consortium operates by expanding its community for the Fund’s services.

ESTABLISHMENT OF PARTNERSHIP RELATIONS

NEOETF Digital Fund actively works on establishing partnership relations with local organizations and companies in the Eurasian region.

These partnerships contribute to a deeper understanding of local market conditions and requirements, which is a key factor for the successful implementation and operation of service expansions. Strategic ties in these regions also strengthen the fund's position as an innovative participant in developing global opportunities for interaction between users and entrepreneurs

INVESTMENT DIRECTIONS

The Fund issues tokens backed by shares of the fund. The LDFT token (Luxembourg Digital Fund Token), developed on the TRON blockchain, represents a unique investment instrument symbolizing ownership in the activities of the NEOETF Digital Fund. This allows investors not only to invest in the fund but also to actively participate in its projects.

All funds raised are directed towards financing various projects, a detailed list of which is available on the official website of the NEOETF Digital Fund at digital.neoetf.fund. Thus, investors not only receive a unique token but also become involved in diverse and promising initiatives of the fund.

MAIN INVESTMENT DIRECTIONS

NEOETF Digital Fund focuses on investments in the following key areas:

- F2C Marketplace: Investments in global marketplaces that create unique opportunities for interaction between users and entrepreneurs, promoting global integration and opening new horizons for international business and cooperation.

- Service H2K: System for:
    - managing and maintaining the registry of fund participants and ARM document submission using digital signatures and two-factor authentication mechanisms;
    - processing and storage of payment information.

The integration of the F2C marketplace and the H2K service enables the expansion of the consumer environment and flexible mechanisms for accounting and settlements between participants in investment projects.

COMPLIANCE WITH FATF STANDARDS

NEOETF Digital Fund is committed to ensuring full compliance with FATF (Financial Action Task Force) standards in anti-money laundering (AML) and countering the financing of terrorism (CFT). To achieve this, we actively integrate systems and processes based on international standards.

- Integration with SumSub for KYC/KYB

Collaboration with SumSub service for conducting KYC (Know Your Customer) and KYB (Know Your Business) checks. This partnership enables thorough verification of the identity and business structures of all clients, including document verification, analysis of funding sources, and compliance with international AML (Anti-Money Laundering) standards.

- Continuous Transaction Monitoring

NEOETF Digital Fund plans to integrate the AML Bot, automating transaction monitoring and analysis to strengthen compliance with FATF standards. This step will enhance the effectiveness of anti-money laundering measures and provide additional protection for LDFT token holders.

- Partnership with Group IB

As part of strategy to ensure the security and reliability of operations, special attention is given to the implementation of fraud prevention systems. This includes the deployment of the Fraud Hunting Platform system for detecting and preventing various types of fraudulent activities. Monitoring and analytics systems will enable the prompt identification of suspicious activity and the taking of appropriate measures to protect the interests of clients and investors.

NEOETF ENERGY FUND is Investment fund based on blockchain technology.

PROJECT IDEA

Investment Fund - AIFC and Investment Fund in Luxembourg (mining companies) - companies that mine Bitcoin and the creators of the Token (owners of equipment for mining).
On the territory of the less exposed to the SEC USA.

PROJECT OBJECTIVE

Create a Fund within which Bitcoin mining will be carried out.
Create a Token to attract Investments for the implementation of projects based on BLOCK CHAIN technology.

PROJECT PARTICIPANTS

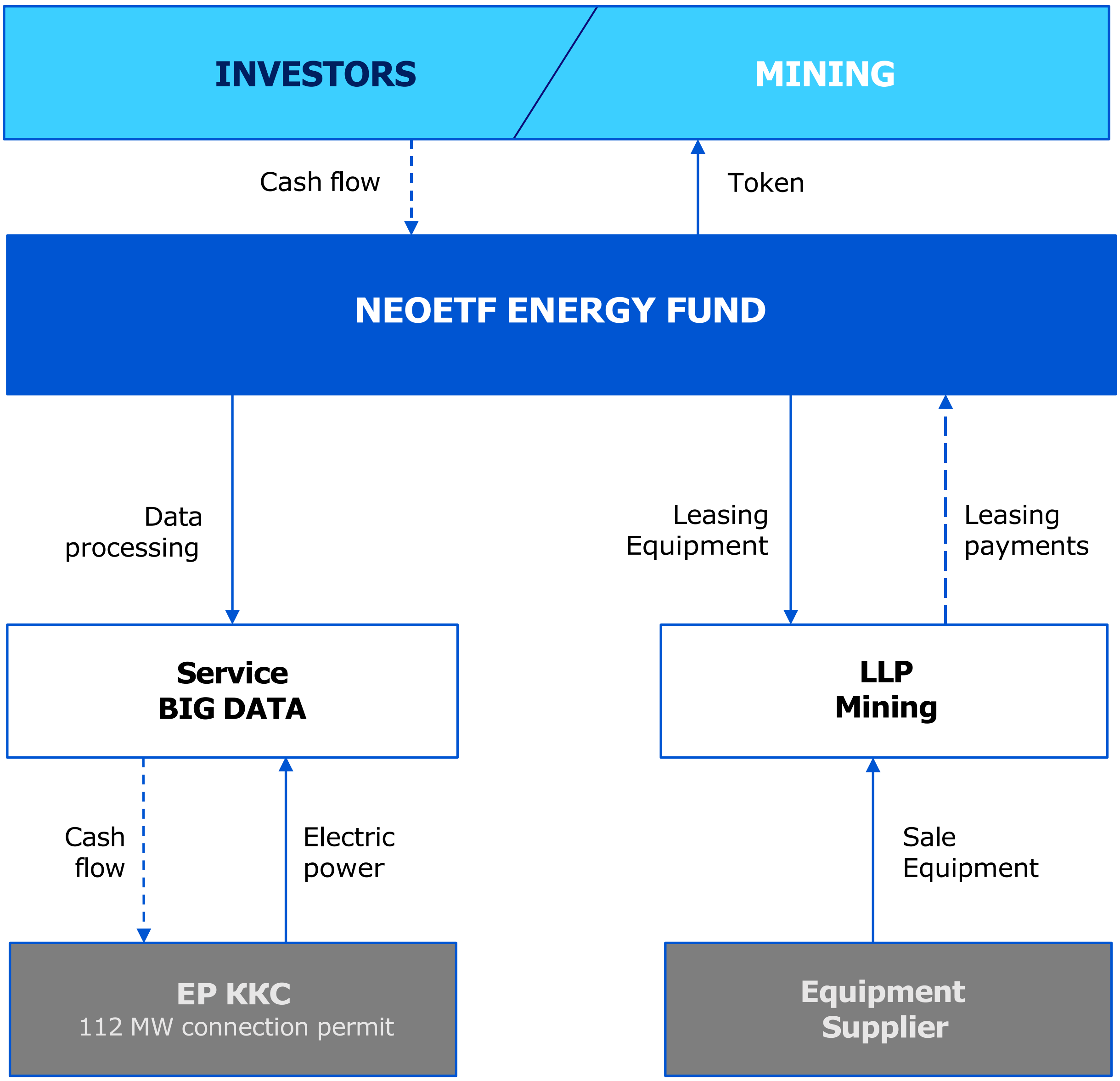
- Management Company – Investment Manager
- Data Center – owner and lessor of premises for mining;
- KKC Ltd-is an energy company providing networks and electricity for mining.

ENERGY COMPANY
KKC Ltd is one of the four largest energy companies in Kazakhstan
installed electric power ~1.1 GW.
installed thermal capacity ~2,771 Gcal/h.
3 power plants in the portfolio of assets.
It has a developed electricity distribution system, including power transmission lines with a length of 36 thousand km.

Developed sales business serving more than 1.3 million individuals and 48 thousand legal entities.

KKC Ltd business includes four segments – generation, transmission, distribution and sale of heat and electricity, which allows the company to participate in all elements of the heat and electricity supply chain, as well as to minimize the volatility of financial indicators for the Group as a whole.
Ability to transfer 130 MG Watts when the project needs 112 MB Watts.

NEOETF ENERGY FUND



NEOETF ENERGY FUND SWOT ANALYSIS

STRENGTHS

- The value of the Investment Fund will be estimated according to the Economy TOKEN
- Atomic Swap's "know-how" will affect the increase in the value of the Fund’s shares
- The value of the token can be formed by the market
- Investments are indexed in Bitcoin when the price decreases
- Implementation of TOKEN without the framework provided by the financial regulator.
- Lack of financial reporting
- Minimum investment of funds

WEAKNESSES

- Investments are indexed in Bitcoin when the price rises
- Possible code error during token formation
- Hacker attacks
- Linking to technical personnel

POSSIBILITIES

- Unlimited fund raising
- Attraction with sufficient funds partial sale of token
- Absence of the need to maintain the Fund’s rating on the site (audit)
- Creation of an unlimited number of Data Centers

THREATS

- Possible barriers of the financial regulator of the country of registration of the Criminal Code and the Fund

MAIN CONDITIONS AND ASSUMPTIONS

Month of commencement of activity	01.02.2022				
TAX TERM		1 y	2 y	3 y	4 y
Corporate Tax (by GP)	%	17,0%	17,0%	17,0%	17,0%
Net assets tax	%	0,01%	0,01%	0,01%	0,01%
COSTS AND PRICES					
income					
Average transaction amount NDF	€K	7	7	7	7
Transaction fee	%	3%	3%	3%	3%
COSTS					
Management fee from revenue	%	0,5%	0,5%	0,5%	0,5%
Performance fee	%	20%	20%	20%	20%
Front fee	%	3%	3%	3%	3%
Banking and other fee from revenue	%	1,5%	1,5%	1,5%	1,5%
Marketing from gross profit	%	7%	7%	7%	7%
Payments to shareholders from transactions	%	0,5%	0,5%	0,5%	0,5%

The financial plan of the project is based on the following assumptions:

- Planning step - 1 year
- Project planning horizon - 4 years
- Settlement currency: euro, €
- The unit of payment - 1000€

INTEGRATED PROJECT INDICATORS

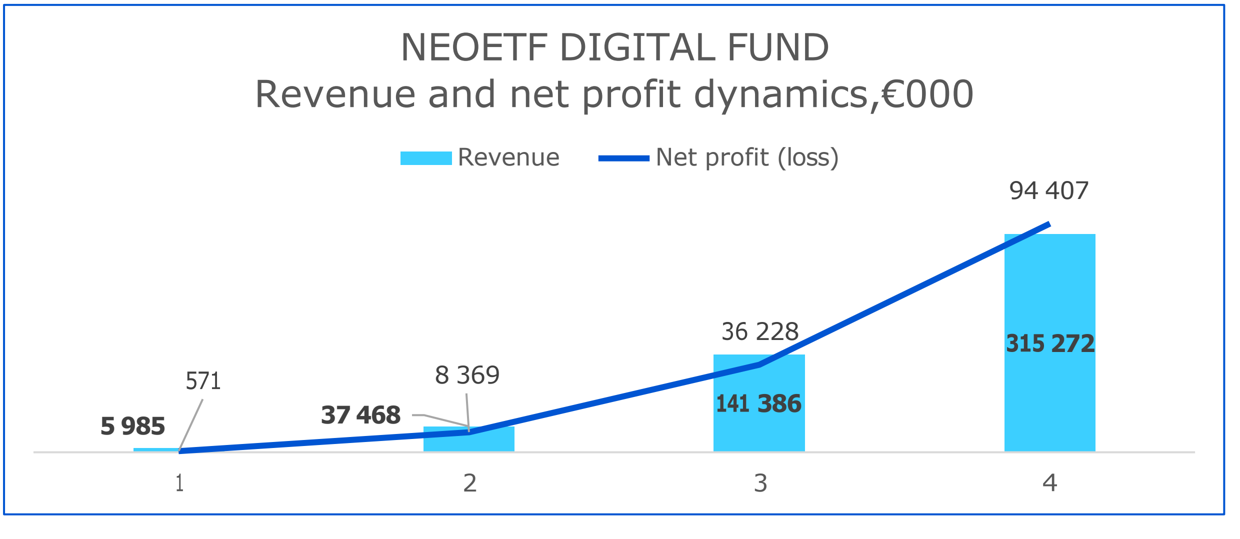
NEOETF DIGITAL FUND, €000	
Fund	100 000
Net Present Value (NPV)	124 921
Internal Rate of Return (IRR),%	12,8%
Return On Sales (ROS)	159%
Return On Capital (ROI)	222,9%
Net Terminal Value (NTV)	140 600
Total revenue	2 381 483
EBIDTA	222 927
Operating margin,%	9,3%
Net profit	222 927
Net profit margin,%	9,3%
Dividends total	222 927
Dividends % av/y	36,8%
Dividends per 1 share av/y, €	0,36

NEOETF ENERGY FUND, €000	
Fund	450 000
Net Present Value (NPV)	275 697
Internal Rate of Return (IRR),%	7,9%
Return On Sales (ROS)	106,2%
Return On Capital (ROI)	73,2%
Net Terminal Value (NTV)	310 300
Total revenue	640 278
EBIDTA	544 829
Operating margin,%	85,1%
Net profit	329 612
Net profit margin,%	51,4%
Dividends total	329 612
Dividends % av/y	29,7%
Dividends per 1 share av/y, €	0,29

The performance indicators of the fund's investment strategy are higher than the market average, which is evidence of the fund's attractiveness for investors.

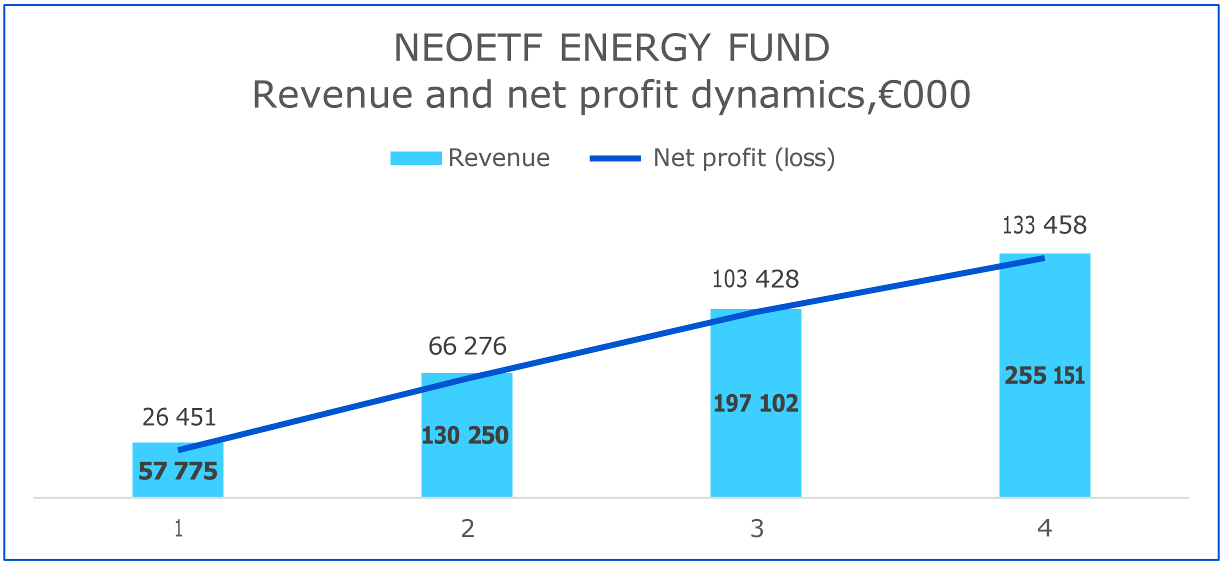
NEOETF DIGITAL FUND Forecast

Parameters, €000	2022	2023	2024	2025
Platform revenue				
Deals number	28498	178421	673268	1501297
New user	5350	28622	89828	161318
Average transaction amount	7	7	7	7
Turnover	199486	1248950	4712873	10509076
Revenue	5985	37468	141386	315272
Costs				
Direct costs	-2992	-18734	-70693	-157636
Banking services from revenue	-2992	-18734	-70693	-157636
Gross profit	2992	18734	70693	157636
Administrative costs	-1618	-8966	-34194	-69261
Salary	-324	-1116	-4320	-4320
Rental	-18	-18	-18	-18
Office maintenance	-10	-36	-143	-143
IT expenses	-60	-240	-1200	-1200
Marketing	-209	-1311	-4949	-11035
Payments to shareholders from transactions	-997	-6245	-23564	-52545
Sales profit	1374	9768	36499	88375
Management costs	-802	-1399	-271	6031
Profit (loss) before tax	571	8369	36228	94407
Net profit (loss)	571	8369	36228	94407
Dividends	-571	-8369	-36228	-94407
Retained earnings	0	0	0	0
Cash flow				
Net CF by operation	571	8369	36228	94407
Net CF by operation cum.	571	8940	45169	139575
Investment inflow	20000	40000	40000	0
Investment outflow	-20000	-40000	-40000	0
Net CF NDF	571	7797	27860	58178
Net CF NDF cum.	571	8369	36228	94407



NEOETF ENERGY FUND Forecast

Parameters, €000	2022	2023	2024	2025
Revenue				
The number of BTC mined, units.	1126	2084	2836	2066
Average price of BTC	51	63	70	124
Revenue	57775	130250	197102	255151
Costs				
Direct costs	-9995	-20116	-28967	-36370
Gross profit	47780	110134	168135	218781
Administrative costs	-17718	-46022	-74325	-102620
Depreciation	-17718	-46022	-74325	-102620
Sales profit	30062	64112	93810	116160
Management costs	-3611	2164	9617	17297
Profit (loss) before tax	26451	66276	103428	133458
Corporate Tax				
Net profit (loss)	26451	66276	103428	133458
Dividends	-26451	-66276	-103428	-133458
Retained earnings	0	0	0	0
Profit cumulative total	0	0	0	0
Cash flow				
Net CF by operation	26451	66276	103428	133458
Net CF by operation cum.	26451	92727	196155	329612
Investment inflow	105000	100000	120000	125000
Investment outflow	-105000	-100000	-120000	-125000
Net CF NEF	26451	39825	37152	30030
Net CF NEF cum	26451	66276	103428	133458



EXIT STRATEGY

The Fund's investment objectives extend over a period of 10 years.

At the end of the planned period and the achievement of the profitability targets, the Fund's activities may be terminated.

The procedure for registration of termination of the Fund's activities is carried out in accordance with the legislation in force at the time of termination of the Fund's activities.

In case of termination of the Fund's activities, the invested units are returned to investors, taking into account the profitability received during the Fund's activity, taking into account dividends paid earlier.

MANAGEMENT COMPANY Forecast

Parameters, €000	2022	2023	2024	2025	Total
Income	**27022**	**74645**	**139656**	**227864**	**469188**
Profit from NDF	571	8369	36228	94407	139575
Profit from NEF	26451	66276	103428	133458	329612
Costs	**-4409**	**777**	**9182**	**22365**	**27915**
Management fee NDF	-30	-187	-707	-1576	-2501
Management fee NEF	-289	0	0	0	-289
Performance fee NDF		114	1674	7246	9034
Performance fee NEF		5290	13255	20686	39231
Front fee NDF	-600	-1200	-1200	0	-3000
Front fee NEF	-3150	-3000	-3600	-3750	-13500
Administrative costs	-120	-120	-120	-120	-480
Legal fee	-120	-120	-120	-120	-480
Registration costs	-100				-100
Gross profit	**22613**	**75422**	**148838**	**250229**	**497103**
Profit (loss) before tax	22613	75422	148838	250229	497103
Tax base	30	73	-967	-5669	-6533
Corporate Tax (by GP)	-5	-12	164	964	1111
Total costs	-4414	765	9346	23329	29026
Cost distribution for:					
NDF	**-802**	**-1399**	**-271**	**6031**	**3558**
NEF	**-3611**	**2164**	**9617**	**17297**	**25467**

Total costs consist of:

- Administrative expenses for the maintenance of staff and economic expenses of the fund
- Management fee. 0,5 % from revenue
- Front fee. Remuneration of a financial broker. 3% of the amount of attracted capital for the period of attraction.
- Legal fee. Legal expenses during the organization of the foundation and support in subsequent periods.
- Registration costs. Fees and registration costs.
- Profit fee. Remuneration of the management company is 20% of the return.

Direct costs are attributable to the activities of the relevant fund, indirect costs are divided equally between the funds.

PROJECT RISKS

Risk assessment is based on the international FERMA standard (Federation of European Risk Management Associations). FERMA standard is based on the terminology of International Organization for Standardization, ISO.

Risk is a combination of the probability of an event and its consequences (ISO/IEC Guide 73). According to ISO/IEC standards, risk assessment is a risk analysis and qualitative/quantitative assessment.

Any of these risks could cause a -fund to lose money, to perform less well than similar investments, to experience high volatility), or to fail to meet its objective over any period of time.

Regulatory risk

One of the biggest risks faced by cryptocurrencies is the lack of a regulatory framework in a single country. Every time a crypto exchange announces an unfavorable legislative outlook, the market panics.

The risk of hacker attacks

Hacker attacks are one of the most important problems on the planet. They are becoming more powerful, sophisticated and cunning. Cryptocurrency wallets on exchanges and private bitcoin accounts of people are hacked by intruders.
Hackers attack large cryptocurrency exchanges. The losses of the project reach hundreds of millions of dollars, and it is extremely difficult to cope with this.

Management risk

The fund's management team may be wrong in its analysis, assumptions, or projections. This includes projections concerning industry, market, economic, demographic, or other trends.

Currency risk

Changes in currency exchange rates could reduce investment gains or increase investment losses, in some cases significantly. Exchange rates can change rapidly and unpredictably. The currency risk could extend to 100% of the fund.

Hedging risk

Any attempts to hedge (reduce or eliminate certain risks) may not work as intended, and to the extent that they do work, they will generally eliminate potentials for gain along with risks of loss.
Any measures that the fund takes that are designed to offset specific risks may work imperfectly, may not be feasible at times, or may fail completely.
The fund may use hedging within its portfolio. Hedging involves costs, which reduce investment performance.

Market risk

Prices of cryptocurrencies change continuously and can fall based on a wide variety of factors.

Examples of these factors include:
- political and economic news
- government policy
- changes in technology and business practices
- changes in demographics, cultures, and populations
- natural or human-caused disasters
- weather and climate patterns
- scientific or investigative discoveries
- costs and availability of energy, commodities, and natural resources.

The effects of market risk can be immediate or gradual, short-term or long-term, narrow or broad.

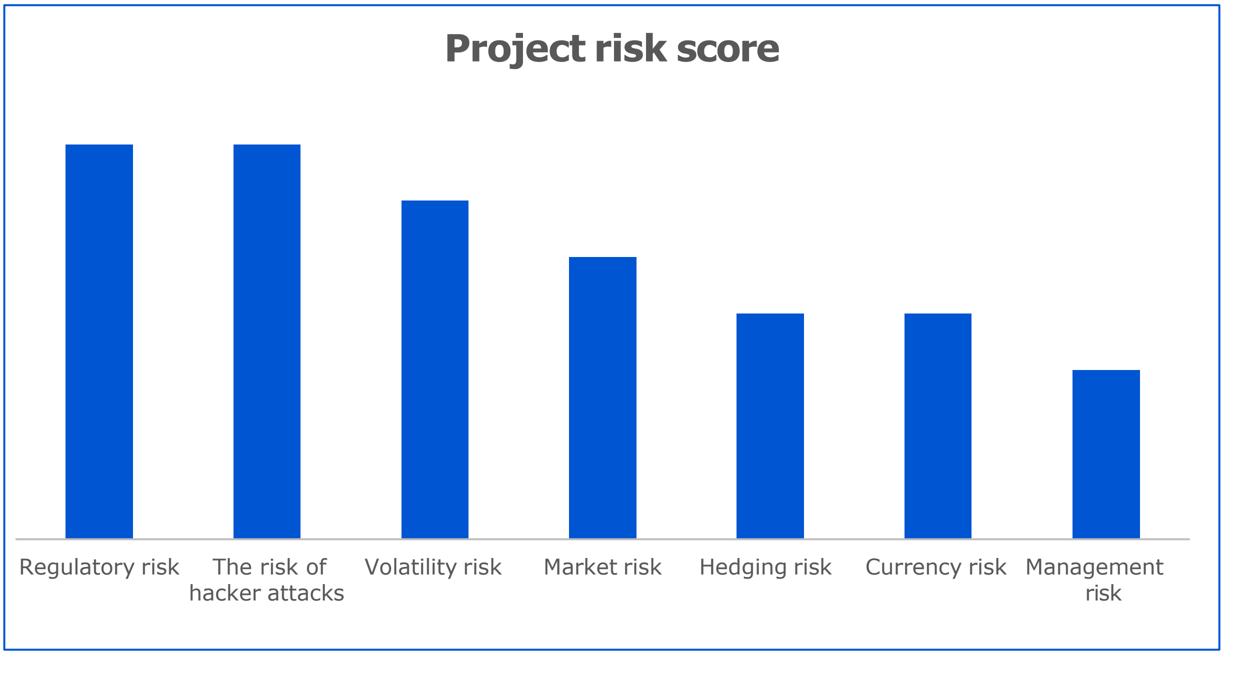
Volatility risk

Changes in the volatility patterns of relevant markets could create sudden and/or material changes in the fund's share price.

RISK ANALYSIS

Risk	Negative impact of risk	Measures to reduce the risk
Regulatory risk	The occurrence of losses due to non-compliance with the laws of individual countries	Constant monitoring of market conditions
The risk of hacker attacks	Server shutdown, loss of trust in the company and loss of profit, fines	Using of modern security technologies
Volatility risk	Reduction of the fund's share price	Constant monitoring of market conditions
Market risk	Drop in sales	Constant monitoring of market conditions
Hedging risk	Reduced investment efficiency	Optimization of hedging methods
Currency risk	Reduced investor profits	Regulation of the currency position
Management risk	Inefficiency management	Selection of qualified personnel

Risks	Impact of risk	Risk Probability	Score
Regulatory risk	70	40%	28,0
The risk of hacker attacks	70	40%	28,0
Volatility risk	60	40%	24,0
Market risk	50	40%	20,0
Hedging risk	40	40%	16,0
Currency risk	40	40%	16,0
Management risk	30	40%	12,0



EU ANTI MONEY LAUNDERING DIRECTIVE

In the implementation of this business plan, the company intends and undertakes to comply with the requirements established Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (4th AMLD) was adopted by the European Parliament and the Council in June 2015.
One of the main objectives of the 4th AMLD is to align EU AML/CFT legislation with the international standards on combating money laundering and the financing of terrorism and proliferation that the Financial Action Task Force (FATF), an international anti-money laundering standard setter, adopted in 2012.
The preventive measures set out in the 4th AMLD (except for the requirement to establish beneficial ownership registers) have been implemented into Liechtenstein law. The relevant provisions can be found in the Law on Professional Due Diligence to Combat Money Laundering, Organized Crime and Terrorist Financing (Due Diligence Act; DDA) and the associated Due Diligence Ordinance (DDO).1 The revised rules came into effect on 1 September 2017.

The 4th AMLD introduces a new definition of beneficial ownership with respect to legal persons and arrangements. Pursuant to the revised definition implemented in Article 3(1) DDO, the following persons are deemed to be beneficial owners in corporate bodies, including establishments with a corporate structure or trust enterprises, and companies without legal personality:

1. Natural persons, who ultimately directly or indirectly:
hold or control a share or voting right amounting to 25% or more in such legal entities;
have a share of 25% or more in the profits of such legal entities; or exercise control over the management of such legal entities in another way;
2. Natural persons, who are members of the executive body if – after exhausting all alternatives and provided there are no grounds for suspicion – no such person as referred to in no. 1 can be identified;

With respect to foundations, trusteeships and establishments with a structure similar to that of a foundation or trust enterprise, the following persons must be identified as beneficial owners:
1. Natural persons, who are effective, non-fiduciary sponsors, founders or settlors, irrespective of whether they exercise control over the legal entity after its foundation;
2. Natural or legal persons who are members of the foundation board or board of directors or of the trustee;

1. Any natural persons who are protectors or persons in similar or equivalent functions;
2. Natural persons who are beneficiaries;
3. If the beneficiaries have yet to be determined, the group of persons, in whose interests the legal entity is primarily established or operated.
4. In addition to the above, the natural persons who ultimately control the legal entity through direct or indirect ownership rights or in any other way.

Politically exposed persons. The definition of "politically exposed person" (PEP) has been extended to encompass persons who are or have been entrusted with prominent public functions domestically and with respect to senior figures in international organizations.

Business profile.
It is set out more explicitly in the revised law that the information obtained with respect to the customer and the beneficial owner (including information on the origin of the deposited assets, economic back-ground of the assets, occupation and business activity of the effective contributor of the assets, and intended use of the assets) needs to be reviewed at regular, risk-based intervals. For higher-risk business relationships, this review needs to be performed at least every two years.

Suspicious transaction reporting.
It is now clearly set out in the revised DDA that the responsibility for submitting suspicious transaction reports to the Financial Intelligence Unit (FIU) Liechtenstein lies with the member appointed at the executive level (board of directors or supervisory board). Moreover, the FIU is now empowered to suspend the execution of a current transaction that might be connected with money laundering, predicate offences to money laundering, organized crime, or terrorist financing for a maximum period of two working days, irrespective of any suspicious transaction reports submitted. During this period the FIU may analyze the transaction, examine the reasons for suspicion, and subsequently forward the results of the analysis to the prosecution authorities.

Third-party reliance.
Even though this option is now only rarely used in practice, obliged firms may continue to have certain due diligence carried out by third parties, provided that they are domiciled in another EEA Member State or third country and their due diligence and record-keeping requirements and due diligence supervision are in line with the requirements of the 4th EU Anti-Money Laundering Directive. Based on the assessments of relevant international agencies, the FMA must issue a list of states that meet these requirements. The FMA is currently engaged in evaluating the relevant states.

In the implementation of this business plan, the company intends and undertakes to comply with the requirements established REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 April 2016 On the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)

The purpose of the GDPR is to harmonize data protection requirements in European countries within the framework of the common EU data protection regulation. It applies to legal entities governed by public and private law, acting as a data controller or processor. The new law is aimed at protecting the rights and freedoms of individuals, increasing the trust of personal data subjects to organizations that store or process their data, as well as strengthening the internal market of the EU. To achieve these goals, the GDPR offers a single set of rules governing the processing of personal data throughout the EU. However, the capacity of the GDPR to harmonize requirements across the EU is partly limited by so-called introductory articles, which allow EU countries to adopt their own laws and requirements relating to certain aspects of data processing.

These introductory articles may require controllers and data processors to comply with additional requirements and obligations, but do not change the provisions of the regulations.

Fundamentals.
The GDPR introduces several new legislative requirements that may have a significant impact on the activities of the controller or processor. Therefore, each controller or processor needs to find out what GDPR requirements apply to it and ensure that they are properly implemented.

General principle.
In accordance with the General principles of processing, the GDPR regulations require that data processing be lawful, proportionate, transparent, adequate, accurate, secure, confidential, time-limited and consistent with stated purposes, subject to standards of responsibility and accountability (which implies the application of appropriate security measures, including technical and organizational measures, to ensure the integrity and confidentiality of data)

Personal data.
The GDPR clearly defines "personal data" as data relating to an identified or identifiable individual. Article 4(1) of the GDPR rules States: "an identifiable natural person is an individual who can be directly or indirectly identified, inter alia, by means of signs such as name, identification number, location data, online identifier or by one or more factors relating to the physical, physiological, genetic, mental, economic, cultural or social identity of the individual. This term explicitly includes metadata and other related data, such as IP addresses, cookies and other identifiers, as well as combinations of such data that allow you to trace the path to an individual. The GDPR regulations have expanded the previously used catalogue of special categories of personal data to include genetic data, biometric data when used to uniquely identify an individual, and data relating to criminal records and offences.

Legitimacy.
The processing of personal data is lawful only if it meets one of the criteria for the authorization of such processing established by the GDPR. In the absence of a direct authorization under the law, organizations are required to obtain consent from the individuals whose data will be processed.

This consent shall apply to all purposes for which the organization intending to process the data collects and processes the data; the regulations also imply the right of an individual to withdraw the consent at any time. Therefore, concepts such as General consent or global consent for various undefined purposes are not applicable to the processing of personal data.

Accountability.
The GDPR regulations are aimed at increasing the accountability of organizations processing personal data and increasing the transparency of the processed data. With all the similarities of the structure and essence of the GDPR with the current EU Directive, the new regulation provides for much more stringent measures for its implementation. Penalties for violations of the regulations are extremely severe, including administrative fines of up to 4 per cent of the organization's global annual turnover or 20 million euros (the larger of the two amounts applies). Potential claims for damages and other legal liability risks are intended to encourage companies to develop the internal structures and processes necessary to ensure compliance with the provisions of the regulations.

Additional data and Reference

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