



Company analysis: **Blockchain Capital**

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DESCRIPTION

Blockchain Capital is a platform that simplifies the management, purchase and storage of digital assets. The Project is a Digital Bank on the Ethereum blockchain, accessible at any time from anywhere in the world. The purpose is to monetize the growing trend of the cryptocurrency market, focusing on:

1. The multiplication of personal finances of customers in the crypto-asset market with the help of specially created tools;
2. The creation of a commercial bank with a complete digital ecosystem, including scoring systems for credit and insurance business, currency and commodity trading platforms, seed and venture capital investment instruments, digital ID and surety services and other features, listed in this presentation.

MARKET

There are plenty of options for investment. One of the most popular ways to invest and quickly increase your capital is investing in digital assets. This is a risky move, especially if you take into account the dynamics of 2018. Even if you rely on the fact that the total market capitalization will be flat, investors should be aware of a big risk, after all, when investing in cryptocurrency, no one knows whether it will last in its place or disappear from the market, and a more technological and ambitious project will take its place.

In this case, the best way to hedge risks is to diversify your portfolio. In this step, many users also face challenges and greater risks.

Investing is not quite difficult to Bitcoin, you can use the standard exchanger and get coins on your wallet. But what about the purchase of other cryptocurrency? The set of coins present in popular wallets is very poor. And by using different exchanges users face problems such as poor security, large commissions, slow speed of support in case of problems.

COMPANY

Blockchain Capital is a kind of Digital Bank, gradually expanding its functionality and planning to surpass the opportunities of currently present in the market classical banks in the future.

One of the main objectives of the Project is to provide customers with the ability of a quick purchase and secure storage of digital assets. The Company manages personal finances of customers, thus excludes the participation of employees and automates all processes. This is to maximize transparency and reduce the likelihood of fraud.

The Project greatly simplifies investment and interaction with virtual currency. The Company operates by analogy with the existing classical banks and exchange-traded funds investment scheme, but there is a significant difference. The advantage lies in

the fact that the whole factory of smart contracts on the blockchain is responsible for the relationship with customers, as well as for all other operations, which allows you to be confident in the reliability of asset storage. The user is only required to perform three steps: register, gradually invest and make a profit.

Blockchain Capital also pays out different rewards with the help of the Ethereum blockchain, this contributes to a significant reduction in employee costs and allows the Company to direct the saved funds to improve the security of storage and the development of the services required by users.

The main product of the Company is the WBT index token, which reflects price movements of 95% of the cryptocurrency market. By purchasing WBT, a customer invests in the top 20 blockchain economies at once.

This allows you to hedge risks during the downturn of some assets and gives you confidence in the reliable accumulation and increase of equity. In addition, Blockchain Capital pays great attention and actively develops such areas as scoring systems for credit and insurance business, currency and commodity trading platforms, seed and venture investment instruments, digital ID, surety services and other opportunities.

The Company is registered in Saint Vincent and the Grenadines. This choice is due to the fact that this jurisdiction allows you to operate in almost all countries of the world and enter into offer agreements on the official website, as well as to operate without worrying about the safety of customer investments, as the regulation of this area in the country is very favorable.

The management considers the possibility of moving to Switzerland in the future to obtain the right to operate with money of third parties in Fiat.

According to the Project Team, the financial revolution has already come, and now is the time to act and create new technological ecosystems that can gain a foothold in the new world and take the place of inefficient traditional banks.

Referral Program

The distribution network of the Project is a powerful force for development. The platform is the world's first MLM Company that pays referral fees based on a smart contract. The system is simple and effective. Investors attract new customers to the Company themselves, and then receive a reward from personal and group sales. In general, the Company uses eight-level linear marketing, in which any user can make an international career, dealing with the distribution of products.

1 уровень	2 Статус	3 Объем продаж (оплата WB1)	4 оплата WBT					5 Категория карьеры
			WB1	WB2	WB3	WB4	WB5	
8	Director of Region	10 000 000 \$	50%	30%	20%	10%	5%	6 Директорская
7	Director of Group	5 000 000 \$	40%	24%	16%	8%	4,5%	
6	Director	2 500 000 \$	35%	21%	14%	7%	4%	
5	Manager of Region	500 000 \$	30%	18%	12%	6%	3,5%	7 Менеджерская
4	Manager of Group	150 000 \$	25%	15%	10%	5%	3%	
3	Manager	35 000 \$	20%	12%	8%	4%	2,5%	
2	Silver Agent	5 000 \$	16%	10%	6%	3%	2%	8 Представительская
1	Agent	0 \$ - 4999 \$	12%	8%	5%	2%	1%	

- | | |
|-------------------------|---------------------|
| 1 - Level | 5 - Career category |
| 2 - Position | 6 - Director |
| 3 - Sales (WB1 payment) | 7 - Manager |
| 4 - WBT payment | 8 - Representative |

The Company has a large base of active investors and with the help of network marketing plans to attract 500,000 users by the end of 2019, providing a strong foundation for rapid economic growth.

The role of the WBT token

Briefly about the Product:

- The Company promotes the WBT (Wealth Builder Token) index token, which reflects the profitability of cryptocurrencies with the highest capitalization.
- WBT index tracks the prices of 20 leading cryptocurrency and, accordingly, 95% of the virtual asset market.
- Wealth builder token is a diversified portfolio in one token, it is a good tool for hedging risks.
- The value of the index depends on the natural growth/fall of the market.

Product Details

The platform provides customers with a favorable entry to the cryptocurrency market using the WBT index token. With its help, the Company accumulates investors' funds and distributes them among the top 20 cryptocurrencies through a smart contract. Using this product, people will save themselves from routine tasks in studying the true

right way to increase their capital by investing in cryptocurrencies. This tool allows you to buy only one type of token, which includes 20 digital assets with the largest capitalization on the market.

When you purchase WBT tokens, the funds are included in the smart contract, after which certain processes are performed. First of all, referral fees are paid, then the funds are sent to the exchange and distributed in virtual currencies with the largest capitalization. If the list of the top 20 cryptocurrencies changes, a customer does not lose his funds, the portfolio is instantly reformed automatically, taking into account the pre-set parameters.

It is worth noting that a customer at any time has the opportunity to check the amount of funds raised, the number of generated WBT tokens and withdraw funds if necessary. This factor gives confidence to customers and allows you not to worry about the safety of investments. All data concerning the Wealth Builder smart contract can be checked on the [Etherscan website](#). By clicking on the link, you can track exactly how the invested funds are distributed. It is impossible to forge this information, since it is written to the blockchain, and the immutability of already added blocks is one of its properties. So the Blockchain Capital team does not have even a theoretical opportunity to abuse the trust of investors.

Reasons to choose this strategy

The Company is confident in its strategy and explains the choice with the following indicators. In total, there are more than 2000 digital assets on the cryptocurrency market. For an ordinary investor it is difficult to determine the most promising and reliable project. The Company has undertaken to solve this difficult task as follows. Since the top 20 cryptocurrencies have about 95% of the market capitalization, it is enough to choose this number of assets to diversify risks. If one of the virtual coins can be in trouble, then the probability that all 20 of the cryptocurrency will begin to lose its capitalization is much lower. Thus, the portfolio will be most protected from unexpected situations.

To determine the advantages of portfolio investment, let's compare the potential result of investments in bitcoin and in the cryptocurrency portfolio for 2017. For example, the investor has identified a start-up capital of \$1000.

1. When investing in bitcoin in early 2017 and withdrawing funds at the peak of the coin value, the profit would amount to \$19,261.
2. If the same amount was invested in a portfolio of 20 cryptocurrencies with the highest capitalization, then for the same period of time the profit would be about \$43,783.

As for the best time to invest, it is difficult to predict when it is best to make a purchase in the cryptocurrency market, so the Company recommends making regular investments in the WBT index. Thus, a customer always has the opportunity to buy assets at a lower price and get the largest number of assets.



WBT course dynamics

- 1 - Performance of the WBT against the USD
- 2 - Price change period
- 3 - Last year

There is a system on the platform, according to which funds are distributed at a certain interest rate depending on the payment. In total, the smart contract provides the user with the opportunity to deposit funds 15 times. In this case, the smart contract does not bind purchases to time, there is no fixed date for making a payment, it all depends on the possibility of a customer. Nevertheless, managers recommend to make purchases at least once a month.

Stages of investing in WBT:

1 payment:

Commission — 75% (50% — for the referral program, 25% — for the service, 25% — for the purchase of assets)

2 payment:

Commission — 50% (30% — for the referral program, 20% — for the service, 50% — for the purchase of assets)

3 payment:

Commission — 35% (20% — for the referral program, 15% — for the service, 65% — for the purchase of assets)

4 payment:

Commission — 20% (10% — for the referral program, 10% — for the service, 80% — for the purchase of assets)

5 payment:

Commission — 10% (5% — for the referral program, 5% — for the service, 90% — for the purchase of assets)

6-15 payment:

Commission — 0% (0% — for the referral program, 0% — for the service, 100% — for the purchase of assets)

The total commission for the entire investment period will amount to only 12.67%, as

it is charged only from the first five contributions of a customer.

The smart contract distributes this commission in favor of IT developers, owners of WBT, among consultants for helping customers. Payment of commission in installments greatly simplifies the use of the Program, reducing the financial burden.

This tool, which allows to diversify the investment portfolio, has obvious advantages and disadvantages.

Advantages:

1. The WBT token has a high yield.
2. Payments are absolutely transparent and reliable, as you can at any time track information about your own investments not only in your personal account on the Company's website, but also in the Ethereum public network.
3. Security. The organization at the time was audited, as a result of which no critical comments were identified. The Project Team has confirmed its competence in the development of smart contracts.
4. The inducement system, which consists in attracting new users, guarantees the receipt of profit even in the "red" market.
5. Time and reliability. The user is not required to start several separate wallets and store passwords from them, as well as to register on the exchanges and form an investment portfolio of cryptocurrencies manually.

Disadvantages:

1. In a falling market, the service commission is justified only in the case when the market will rise and the value of the token will exceed its costs.
2. With obvious prospects for the growth of the price of one of the digital currencies, the user will not be able to exchange the available assets for this cryptocurrency in a timely manner, since under the terms of the smart contract all funds should be distributed relatively evenly.
3. The whole process is automated, and as a result, a customer has a low level of awareness about the cryptocurrency industry. It does not reduce the chances of earning, but at the same time does not give a decent level of knowledge about the available assets in the portfolio.

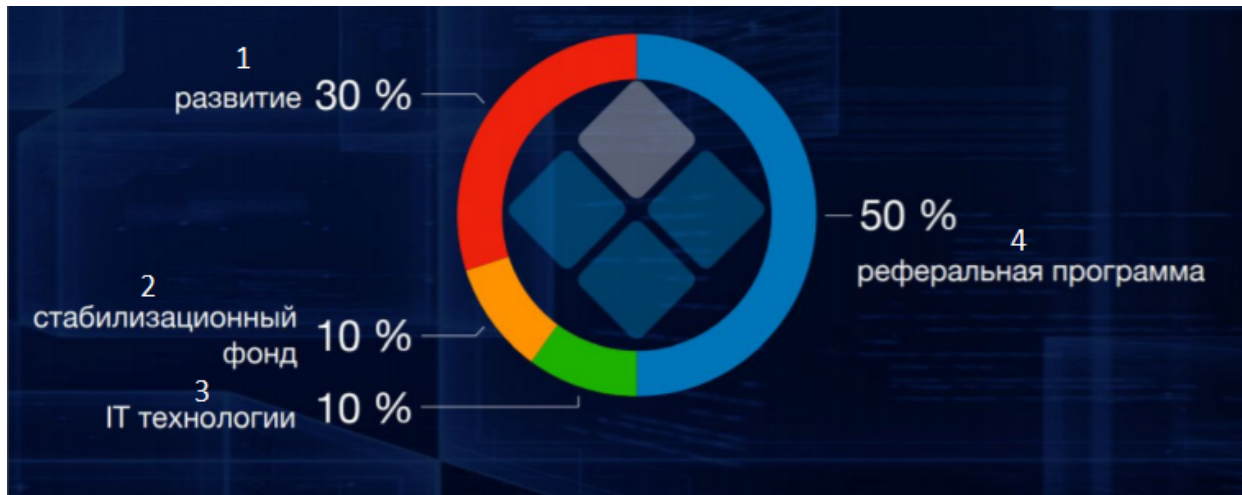
ICO and SCO

From October 1, 2017 to February 10, 2018, Blockchain Capital, LTD has successfully implemented the ICO. The collected funds were enough to launch the service for automated management of digital assets of customers and the development of appropriate technologies based on a smart contract.

The Project has produced and distributed WBT tokens for the equivalent of \$200,000. These security tokens give the right to share in the Company's profits. 10% of WBT product revenue is distributed annually between all the owners of

WBT, who purchased tokens for ICO.

Token distribution as a percentage:



- 1 - development
- 2 - stabilization fund
- 3 - IT technologies
- 4 - referral program

On July 8, 2018, an additional issue of WBT in the amount of 20,800,000 was implemented, and the start of SCO (secondary coin offering) was announced, namely the secondary placement of tokens. The Project is being scaled up, it is planned to attract the necessary investments and reach the next level of development.

Users who purchased WBT tokens before August 31, 2018, have received a one hundred percent bonus and, thus, the number of acquired assets has doubled. During the sales period of SCO, the cost of WBT has grown significantly and currently amount to \$7.5. According to the forecasts of analysts of the Project, after the creation of an internal exchange, the price can grow 3-5 times, and with timely withdrawal to the international exchange it will increase tenfold.

ROAD MAP

In the near future, the Company plans to take the following steps:

1. The development of an internal exchange to create an internal, free, liquid exchange of WBT tokens in November 2018. In the future, it will trade not only the Company's own tokens, but also other cryptocurrencies.
2. Listing of WBT on international exchanges such as Finance, Polonies, Bitfinex and others.
3. The launch of the blockchain-based life insurance service (scheduled for December 2018 — February 2019).
4. The creation of an index token that includes the top 100 cryptocurrencies, which will allow customers to invest in 99% of the

cryptocurrency market in November.

As the Company develops, the team makes new decisions and responds quickly to market changes, for this reason, the road map can be adjusted.

In the future, a number of new products is expected, with the creation of which the Company will begin its way to becoming an entire ecosystem, which has all the necessary services for an ordinary customer, which will simplify the interaction with virtual assets. Blockchain Capital is already creating a full-fledged Digital Bank and is actively developing such areas as P2P and express loans, issuing credit and debit cards, acquiring payments, savings deposits, crowdfunding, insurance, brokerage operations and others.

Advantages:

1. Token listing on the private trading platform and international exchanges will significantly increase the Company's capitalization and the cost of WBT.
2. The creation of an internal exchange for the exchange of its own tokens is clearly positive. This step will create the liquidity of WBT, after which their addition to listing on international exchanges will not be such a difficult and expensive task.
3. Providing customers with the opportunity to trade WBT tokens not only in pairs with bitcoin and ether, but also to make other trading transactions. This step will not only create comfortable conditions for the Company's customers, but will also attract the attention of foreign users.
4. The road map shows that the most important events are scheduled for the coming months. The fact that the deadlines are met will have a very good impact on the Company's reputation and, obviously, will push the token rate up.
5. The creation of a second index token for providing customers with the opportunity to invest in the top 100 cryptocurrencies is a great idea. In case of stagnation of the top 20 digital assets and rapid development of cryptocurrencies with the least capitalization, the investor will not lose his funds, but will significantly replenish the balance.
6. The abundance of services, developed by the team right now, indicates serious plans for the future of the platform. The Project can really grow from an organization that provides a couple of services to a full-fledged commercial bank and compete with market leaders.

Disadvantages:

1. For some of the services, implemented by the Company, to flourish, it will be necessary to obtain permission from regulators in countries where a significant part of customers has already been attracted.
2. Listing of WBT tokens on international exchanges will attract users or speculators who are not interested in the prosperity of the Project, this can be followed by pump and dump schemes, which usually have a negative

impact on a project.

3. Rapid development and a huge set of implemented services can unfocus management's attention. After that, with a certain probability an untimely release of products will follow or, even worse, their output with serious bugs and defects.

TEAM

The Project Team consists of experts with successful experience in the field of Finance and IT.

At the head of the Project is Zinnat Gusmanovich Khusnullin, President of the Company, who determines the overall strategy.

He is the creator and founder of several international companies, as well as an ardent supporter of the development of the cryptocurrency industry. Since 1991, he has been a founder and director of several industrial and commercial companies. Since 1995, he has been engaged in international business, namely banking and insurance activities, as well as investing in raw materials. In 2002, he became Sales Director in a Swiss company, engaged in underwriting (underwriting is offering shares of high-technology companies, IPO). From 2007 to 2016, he has been Chairman of the Board of a large credit institution in Russia, which aims to provide extra-budgetary financing for small-sized businesses.

Arthur Zinnatovich Khusnullin is CEO of the Company, entrepreneur, financier with international education, with fifteen years of experience in the field of Finance, Factoring and Financial Institution Organization. He began his career on the position of broker, engaged in the promotion of IPO mostly of foreign companies, and then he created a credit organization with the aim of supporting small- and medium-sized business in Russia. During the management of the Company, he participated in the development of the draft law on the regulation of the credit cooperation market. Today, he is an ardent supporter of blockchain technology and monetary relations without intermediaries. The author of the book "Digital Money".

The position of Director of Information Technologies is held by the Project partner Evgeny Arkhipov. Under his management is the Department of developers, responsible for the successful operation of Wealth Builder smart contracts. Evgeny has a great experience and track record, at the moment he also heads the Blockchain Commission at Ak Bars Bank in the Republic of Tatarstan, and his team of programmers is a part of the Blockchain Committee in the Central Bank of the Russian Federation. He is also a member of the Fintech Association working group, mentor of the FinTech Lab accelerator, speaker of 20+ blockchain conferences, CEO of DDS Soft, Buydentity and developer in ICO projects of Nitro.live, Qvolta.com, IZX.io, GG Platform.

Overall impression of the team

The management has a lot of experience, understands its goals and confidently goes to them.

IT developers have previously been successful in implementing a wide range of projects and were among the first to use Blockchain Technology in Russia in real business. There are prerequisites to believe that the Project will be able to realize the full potential and create a broad digital ecosystem.

RECENT ACHIEVEMENTS

1. September 14, 2017 — registration of the Company.
2. October 2017– February 2018 — ICO (offering of WBT tokens), development of WBT product, smart contracts based on the Ethereum blockchain, creation and testing of the trading platform.
3. February 8, 2018 — unloading and launch of the platform, the start of sales of the WBT index token.
4. 1 quarter 2018–3 quarter 2018 — implementation of the crowdfunding system, functioning with the help of the referral program.
5. July 8, 2018 — the start of SCO (secondary coin offering), namely the secondary offering of WBT tokens.

For 8 months of work without significant advertising costs, the Company has achieved such indicators:

1. Attracted active users: more than 2,000.
2. The revenue from the sale of WBT amounts to: ~ \$1,000,000.
3. The asset purchase fund: ~ \$200,000.
4. Referral payments: ~ \$150,000.
5. Paid dividends: ~ \$ 5,300.
6. The cost of the WBT token has increased 7.5 times.
7. Geographic coverage: Russia, Kazakhstan, Germany, Hungary, Morocco, the United Arab Emirates, China, Romania.

Today, Blockchain Capital is among a small number of companies in the world that have implemented their projects and fulfilled all obligations to investors.

Valuation of the Company

For current and potential investors when making investments, the main interest is the ability of the Company's managers to generate positive cash flows that not only cover all the necessary expenses, but also provide welfare gains.

Since investors pay special attention to this issue in the decision-making process, it was decided to assess the value of Blockchain Capital. It is based on the income method or discounted cash flow method. The income method is based on the principle of direct connection of the company's value with the current value of its

future income. That is, after the assessment of the present situation, we will see the prospects of Blockchain Capital.

This assessment method is not chosen by chance. It is well applied when the company's cash flows are unstable and change significantly from year to year, it is suitable for assessing young and growing organizations and is effective in conditions of economic uncertainty.

The assessment was made according to this algorithm:

1. The financial model of business for 5 years with a planning step of 1 month was constructed.
2. The cash flow statement was prepared with direct method for the period of 5 years.
3. The free cash flow of the Company was allocated, namely, the post-tax cash flow from operating activities minus net investments to fixed and working capital, available to investors.
4. The discount rate was determined, which is used to convert future cash flows into a single amount of current value.
5. Calculations were made of the cash flows in the forecast period and the NPV was calculated, which amounted to \$12,456,665.
6. Calculations were made of the Company's value in the post-forecast period, assuming that the further growth of the business will be stable. According to him, the cost of the Company after 5 years on the market will amount to \$3,337,680,190.
7. The estimated overall value of the Company has amounted to \$2,129,657,885. It was formed from the capitalization of the Company given to date in the forecast and post-forecast periods.
8. The cost of the Company was calculated for one digital token. To do this, the cost of the Company was divided by the number of WBT. The fair price of the WBT token has amounted to \$101.

Comparing the obtained value with the current market value, it was determined that the fair price of a digital asset is 15 times higher than the market price. This indicates a very attractive moment for buying tokens. However, the upcoming launch of the Company services, such as trading platform (exchange), insurance products and others, was not taken into account in assessing the cost of WBT.

If we take into account that the calculation of the main method of discounting flows revealed a fair price of \$101, then how much will WBT cost after the launch of the trading platform and the improved sales network?