

STRICTLY PRIVATE & CONFIDENTIAL

# **EVM Blockchain Limited**

(of the Cayman Islands)

## Private Placement **INFORMATION MEMORANDUM**

*for 150,000,000 EVM tokens in EVM Blockchain Limited*

*Token Issuer*

EVM Blockchain Limited

(Cayman Islands – constituted 2 January 2018)

*General Partner*

Evarei General Partner 1 Ltd

(Cayman Islands u/f)

*Manager*

Evarei Investment Management Ltd

(Cayman Islands u/f)

*Legal counsel*

Taylor Wessing (Middle East) LLP

Dubai, UAE

## NOTICE TO ALL PROSPECTIVE CONTRIBUTORS

This Prospectus is for the use of the recipient only. Recipients are required to keep and to procure that their respective directors, officers, employees and advisers keep the information contained herein confidential. It may not be copied or distributed or otherwise made available by any recipient without the express written consent of the General Partner. By accepting delivery of this Prospectus, each recipient agrees to the foregoing and to the return of this Prospectus if such person does not purchase an Interest.

This Prospectus is issued by **EVM Blockchain Limited** of the Cayman Islands as an intended Limited Partner of the Fund that this Prospectus provides information on. Once the General Partner is formed, this Prospectus (or an abridgement/variation thereof) may also be re-issued jointly with or separately by the General Partner in relation to attracting non-Token acquiring participation in the Fund the form of direct Limited Partner interests.

Statements of belief and/or opinion, projections, forecasts, and expectations in connection with the Offering, Tokens and/or the Fund represent the Issuer's assessment and interpretation of information available to it at the date of this Prospectus. No representations are given that such statements of belief and/or opinion, projections, forecasts or expectations are correct or that the objectives of the Fund will be achieved and no responsibility is accepted by the General Partner, the Manager, the Promoter or the Fund or any of their respective directors, officers, employees or advisers in respect of each of them. Potential investors must determine for themselves what reliance they should place on such statements of belief and/or opinion, projections, forecasts and expectations. None of the General Partner, the Manager, the Promoter or the Fund or any of their respective directors, officers, employees or advisers accepts any responsibility for the information contained in this Prospectus. Nothing in this paragraph shall limit or exclude any liability for fraud or fraudulent misrepresentation.

Certain statements in this Prospectus are forward-looking statements. In some cases, they may be identified by terms such as "anticipates", "believes", "could", "estimates", "expects", "targets", "intends", "may", or "will" or the negative of those terms or comparable terms. In particular, any target return of the Fund, its expectation as to whether and when investments will be realised and its expectation as regards to the performance of the economies, countries, sectors or investments in which the Fund proposes to invest are all forward-looking statements. Forward-looking statements are based on the Issuer's present beliefs, expectations, intentions and projections regarding the Fund's future performance, anticipated events or trends and other matters that are not historical facts. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements.

The Issuer, General Partner, Manager, Promoter, Advisor and the Fund expressly disclaim all representations, warranties or undertakings, express or implied, as to the fairness, accuracy, completeness or reasonableness of the statements and data provided herein, and related information provided in connection herewith. Further, the Issuer, the Manager, the Promoter and the Fund disclaim any liability for the use by the receiving party or its agents of this Prospectus and related information except as otherwise provided in any definitive agreements relating to the Fund and except in the case of fraud or fraudulent misrepresentation.

Neither the Issuer nor the General Partner undertakes any obligation to update or revise the information (including any forward-looking statements) in this Prospectus to reflect events or circumstances occurring after the date of this Prospectus or to reflect the occurrence of unanticipated events. The delivery of this Prospectus at any time does not imply that the information contained herein is correct as of any time subsequent to the date of this Prospectus.

No person is authorised by the General Partner, the Manager, the Promoter, Advisor or the Fund to give any information in connection with the placing of the Interests other than as set out in this Prospectus, and if given or made, such other information and representations must not be relied upon.

The Fund is to be formed and registered as a Cayman Islands exempted limited partnership. No offer or invitation to subscribe for the Interests may be made to the public in the Cayman Islands.

This Prospectus does not constitute an offer or the solicitation of an offer by any person within any jurisdiction to any person to whom such offer or solicitation would be unlawful.

The jurisdictions in which Interests and this Offering may be offered to potential participants are strictly restricted to those which are subject to adherence with relevant legal requirements and disclosures as further detailed in "Section 13 – General Information to Subscribers" herein – and otherwise in accordance with the EVRM offering and Subscription Agreement platform. The Interests referred to herein have not been and will not be registered under the Securities Act, or the laws of any state, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws (if available and applicable). This Prospectus is not being made available, directly or indirectly, in or into or by use of the mails or by means of instrumentality (including without limitation, facsimile or email, telex or telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of the United States. The Interests have not been and will not be registered under the Securities Act, or the securities laws of any state or political sub-division of the United States and may not be offered, sold, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act and such state or other securities laws. The securities referred to herein are being offered only outside the United States in offshore transactions in reliance on Regulation S, to investors who are not US Persons (as defined in Regulation S).

Potential investors should seek professional advice as to the legal requirements, exchange control regulations and applicable taxes in the countries of their citizenship, residence or domicile. Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, financial, investment or any other matters. Potential investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, redemption or other disposal of Interests; (b) any foreign exchange restrictions which they might encounter; and (c) the income and other tax consequences which may apply in their own countries relevant to the purchase, holding, redemption or other disposal of Interests. Potential investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, financial, investment and other matters concerning the Fund and an investment in the Interests.

The Issuer is fully formed and constituted in the Cayman Islands as of 2 January 2018 and has not traded. Notwithstanding anything written or that may be construed to the contrary in this Prospectus, or where the context otherwise implies, the Fund, GP, Manager and all other companies and entities as referred to herein may not be presently established and instead may be due to be established in the near future. The Advisor has been fully established however and is acting as advisor for these entities prior to their establishment.

For the purposes of investors in the United Kingdom, this communication is being made to and directed only at persons who:

- have professional experience of participating in unregulated schemes falling within Article 14 (investment professionals) of the Financial Services and Markets Act 2000 (Promotion of CIS) (Exemptions) Order 2001 (the **CIS Order**) and fall within Article 19 (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the **FPO**);
- fall within Article 22(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the CIS Order and Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or
- persons to whom this report may otherwise be lawfully made to or directed at.

This Prospectus is subject to and qualified in its entirety by reference to the Limited Partnership Deed which should be reviewed for complete information concerning the rights, privileges and obligations of investors in the Fund. In the event that the descriptions or terms in this Prospectus are inconsistent with the Limited Partnership Deed, the Limited Partnership Deed shall prevail. The Issuer shall ensure that the Limited Partnership Deed entered into on behalf of the Token holders shall reflect substantially the terms as set out in this Prospectus.

All factors relating to the Fund's activities and the Interests offered hereunder should be considered by potential investors prior to investing in the Interests. The Interests involve significant risk as more fully discussed in Section 12 (*Risks Associated with the Fund*).

Currently, there is no market for the Interests or Tokens. As a result, it may be difficult or even impossible for potential investors to sell them to third parties. Potential investors should note that, whilst the Tokens are intended to be registered with relevant cryptocurrency exchanges, this does not guarantee their tradability or the ability for Token holders to relinquish their Interest in the Fund. The Fund Interests are transferable only with the prior written approval of the General Partner.

All defined terms in this notice have the meanings assigned to them in Section 1 (*Definitions*).

Prospective investors may request clarification and further documentation including all transaction documents in respect of the Token and Fund by contacting or emailing the Issuer as follows:

**EVM Blockchain Limited** (*Cayman Islands*)

FAO: The company Secretary

*Registered office:*

Maples Corporate Services

Limited, PO Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands

Email: [inquiries@evareium.io](mailto:inquiries@evareium.io)

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Please note that currently the DFSA do not have any rules or regulations related to crypto-currencies and that all relevant risks related to investing in crypto-currencies are stated in this document."

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## Section 1 Definitions

In this Prospectus, the following words and expressions shall have the following meanings:

**Accounting Period** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Accounting Period”;

**Additional Limited Partner** means a person who becomes a Limited Partner after the Initial Closing Date in accordance with the Limited Partnership Deed, or to the extent of its additional Commitment, a Limited Partner which increases its Commitment at a subsequent Closing;

**Additional Payment** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Closing(s)”;

**Administrator** means the administrator and registrar of the Fund who may be appointed by the General Partner or Manager from time to time;

**Advisory Agreement** means the agreement entitled ‘Advisory Agreement’ entered into by and between EVM Blockchain Limited and Evarei Management LLC on 3 January, 2018 and pertaining to the establishment, setup and marketing of the Offering and the Manager and payment of the Setup Fee.

**Advisory Board** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Advisory Board”;

**Advisor** means Evarei Management LLC, a company duly established in Sharjah Media City – Free Zone Authority in the United Arab Emirates.

**Affiliate** means the Advisor and/or any person which in relation to the person concerned (if a body corporate) is a parent company or a subsidiary of that body corporate or a subsidiary of that parent company and any other person which controls, is controlled by or is under common control with that first person;

**Arrangement Fee** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Arrangement Fee”;

**Auditors** means the auditors of the Fund from time to time and who at the date of this Prospectus are PricewaterhouseCoopers;

**Board** means the board of directors of the Fund;

**Business Day** means a day on which banks are ordinarily open for the transaction of normal business in the UAE;

**Carried Interest** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Distributions and Carried Interest”;

**Cause** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Removal of General Partner”;

**CIS Order** has the meaning given to it on page 3 under Notice to All Prospective Contributors;

**Closing** means any date when a Limited Partner is admitted to the Fund by subscribing to the Limited Partnership Deed;

**Co-investment Policy** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Co-investment Policy”

**Commitment** means, with respect to any Limited Partner, the aggregate sum agreed to be contributed to the Fund by such Limited Partner excluding any applicable Arrangement Fee;

**Contribution** means, with respect to any Limited Partner, the aggregate of the amounts of its Commitment drawn down and paid to the Fund but excluding any Additional Payment, the Administration Charge referred to in 3 (*Summary of Key Terms*) under the heading “Drawdowns” and any applicable Arrangement Fee;

**Core Limited Partner** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Core Limited Partners” ;

**Core Partners** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Core Limited Partners”;

**Defaulting Partner** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Defaulting Partners”;

**DFSA** means the Dubai Financial Services Authority;

**DIFC** means the Dubai International Financial Centre;

**Disposition Proceeds** means the net value of the Investment upon the transfer (or conversion or similar process) of an Investment received by the Fund into a real estate investment trust (or similar) vehicle, or any other receipt by the Fund in respect of an Investment (including dividends by Investee Companies);

**Disposition Recommendation** has the meaning given to it in Section 4 (*Investment Objective and Restrictions*) under the heading “Disposals”;

**Drawdown** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Drawdowns”;

**Drawdown Notice** means a notice served on the Limited Partners by the General Partner requiring payment of a Contribution by each Limited Partner;

**DSO** means the digital securities offering of EVRM tokens to qualified investors;

**Dubai Subsidiary** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Manager”;

**EU** means the European Union;

**Evarei Management LLC** means the company duly existing and validly under the laws of Sharjah Media City Free Zone of the Emirate of Sharjah, and Federal Laws of the United Arab Emirates.

**FEC** means family entertainment centres;

**Final Closing Date** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Closing(s)”;

**Follow-on Investments** means an Investment to enhance, preserve or protect the value of an Investment;

**FPO** has the meaning given to it on page 3 under Notice to All Prospective Contributors;

**Fund** means Evarei MENA Real Estate Investments L.P., a Cayman Islands Exempted Limited Partnership;

**GCC** means the member states of the Gulf Cooperation Council from time to time, comprising on the date of this Prospectus the Kingdom of Saudi Arabia, the Kingdom of Bahrain, the Sultanate of Oman, the State of Qatar, the State of Kuwait and the United Arab Emirates;

**GDP** means gross domestic product;

**General Partner** means Evarei General Partner 1 Ltd or any other person who becomes a general partner of the Fund in accordance with the terms of the Limited Partnership Deed, in such person’s capacity as general partner of the Fund;

**General Partner’s Share** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “General Partner’s Share”;

**IFRS** means International Financial Reporting Standards;

**IMF** means the International Monetary Fund;

**Indemnified Person** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Indemnification”;

**Information Memorandum** means this document, including all schedules and appendices, and as amended, supplemented and replaced from time to time;

**Prospectus** means this information memorandum, as amended, supplemented and replaced from time to time;

**Initial Closing Date** has the meaning given to it in Section 3 (*Summary of Key Terms*) under heading “Closing(s)”;

**Interest** means an interest in the Fund;

**Investee Company** means a body corporate or other entity in which the Fund directly or indirectly invests;

**Investment Committee** has the meaning given to it in Section 6 (*The Evareium Token, Fund Structure and Management*) under the heading “Manager”;

**Investment Objective** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Investment Objective”;

**Investment Period** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Investment Period”;

**Investment Recommendation** has the meaning given to it in Section 4.4.;

**Investment Restrictions** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Investment Restrictions”;

**Investments** means any investment acquired by the Fund, including without limitation, common stock, warrants, debt and debt related instruments, shares and other equity related to quasi-equity instruments but for the avoidance of doubt, will exclude Temporary Investments;

**Investor** means a Limited Partner in the Fund;

**IPO** means initial public offering;

**IPR** has the meaning given to it in Section 12 (Risks Associated with the Fund);

**KSA** means the Kingdom of Saudi Arabia;

**LCIA** means the London Court of International Arbitration;

**Limited Partner** means an individual, trustee, corporation, partnership or other entity or person which subscribes to the Limited Partnership Deed as a limited partner or which is subsequently admitted to the Fund as an Additional Limited Partner or Substitute Limited Partner, in each case with effect from the date of its admission to the Fund and for so long as it remains a Limited Partner in accordance with the Limited Partnership Deed;

**Limited Partner Consent** means the written consent consisting of one (1) or more documents in the same form each signed by one (1) or more of the Limited Partners (excluding any Defaulting Partners and Prejudicial Partners) and together representing fifty per cent. (50%) or more of the total Commitments (excluding for the purposes of this calculation the Commitments of a Defaulting Partner or a Prejudicial Partner);

**Limited Partner Special Consent** means the written consent consisting of one (1) or more documents in the same form each signed by one (1) or more of the Limited Partners (excluding any Defaulting Partners and Prejudicial Partners) and together representing seventy five per cent. (75%) or more of the total Commitments (excluding for the purposes of this calculation the Commitment of a Defaulting Partner or a Prejudicial Partner);

**Limited Partnership Deed** means the limited partnership deed to be entered into between the General Partner and the Limited Partners, as from time to time amended, supplemented and/or restated in accordance with its terms;

**Management Agreement** means the management agreement to be entered into between the Fund, the General Partner and the Manager;

**Manager** means the manager of the Fund who, at the date of this Prospectus, is Evarei Investment Management Ltd, a company to be incorporated in the Cayman Islands;

**MENA** means the Middle East and North Africa Region comprising the United Arab Emirates, Kingdom of Saudi Arabia, State of Kuwait, Kingdom of Bahrain, Sultanate of Oman, State of Qatar, Lebanon, Jordan, Turkey, Egypt, Tunisia, Morocco;

**Middle East** means the United Arab Emirates, Kingdom of Saudi Arabia, State of Kuwait, Kingdom of Bahrain, Sultanate of Oman, State of Qatar, Lebanon, Jordan and Turkey;

**North Africa Region** means the countries of Egypt, Morocco and Tunisia;

**MENASA** means the Middle East and North Africa Region, and South Asia;

**OPEC** means Organisation of the Petroleum Exporting Countries;

**Other Expenses** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Other Expenses”;

**Oversight Committee** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Oversight Committee”;

**Preferred Return** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Distributions and Carried Interest”;

**Prejudicial Partner** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading “Prejudicial Partners”;

**Premier** has the meaning given to it in Section 6.9;

**Primary Region** means MENASA with a particular focus on the UAE and India as a first priority, and then the remaining members states of the GCC;

**Promoter** means Evarei Investment Management Ltd, a company to be incorporated in and registered under the laws of the Cayman Islands;

**Proposed Change** has the meaning given to it in Section 4 (*Investment Objective and Restrictions*) under the heading "Changes to the Investment Objective and/or the Investment Restrictions";

**Proposed Terms of Investment** has the meaning given to it in Section 4.4.;

**Regulation S** means Regulation S under the Securities Act;

**Related Person** means any person which in relation to the person concerned (if a body corporate) is a parent company or a subsidiary of that body corporate or a subsidiary of that parent company and any other person which controls, is controlled by or is under common control with that first person, and/or any director, officer, manager or employee of any such person or of that first person

**Secondary Region** means Europe, Asia, North America and South America;

**Securities Act** means the US Securities Act of 1933, as amended;

**Setup Fee** means an amount paid by the Issuer jointly to the Advisor and Manager totalling US\$ 1.75 million (one million seven hundred and fifty thousand United States of America dollars, or equivalent), paid immediately upon receipt (in all or in part) from the first net proceeds raised by the Issuer as is received from the sale of the Offering of Tokens, payable in full in US\$ (or as the Issuer and Advisor may otherwise agree) to be used entirely at the Advisor's and Manager's discretion to generally support and/or service (be such in the form of temporary, bridge, working or expended capital, as the case may be) the costs and expenses of establishing and marketing the Offering, Fund and the Manager, including the costs of services rendered by the Advisor as further detailed in the Advisory Agreement;

**South Asia** means India, Pakistan, Bangladesh, Sri Lanka, Malaysia, Singapore and Myanmar;

**SPV** means special purpose vehicle;

**Subscription Agreement** means the subscription deed entered into between the Fund and a Limited Partner under which a Limited Partner agrees to subscribe for an Interest;

**Substitute Limited Partner** means a person admitted under the Limited Partnership Deed as the successor to all or part of the rights and liabilities of a Limited Partner in respect of its Interest;

**Technical Partner** means any technical partner and their affiliates, associates and subsidiaries, duly appointed by the Issuer from time to time, including their partners, advisors, contractors, subcontractors, service providers, executives and related parties (as the case may be).

**Target Region** means the Primary Region and Secondary Region;

**Temporary Investment** has the meaning given to it in Section 3 (*Summary of Key Terms*) under the heading "Temporary Investments";

**UAE** means the United Arab Emirates;

**Uncalled Commitments** means, with respect to a Limited Partner and subject to the Limited Partnership Deed, the amount of its Commitment that has not yet been drawn down;

**US, U.S. or United States** means the United States of America;

**U.S. Person or US Person** means a natural person or legally formed entity which is registered in, operating from or based in the United States and hence falls within and is subject to the rulings of the Federal laws of the United States.

**US GAAP** means Generally Accepted Accounting Principles in the United States; and

**US\$ or USD** means United States dollars, the lawful currency of the United States of America.

**UTC** means Coordinated Universal Time time zone.



## Section 2 Executive Summary

### 2.1 Introduction

This Prospectus provides detailed information about the **EVM Blockchain Limited** (“**EBL**” or the “**Issuer**”) token offering and the underlying Fund – a Cayman Islands exempted limited partnership – in which EBL shall enter into as a limited partner in accordance with the terms and documentation of this Prospectus and accompanying documentation. It outlines the EBL offering of Tokens, the Fund’s Investment Objective and restrictions, key terms and market opportunities. It also provides background on the board of directors of the General Partner, the management team of the Advisor of the Manager, which is established in the United Arab Emirates and operating from Dubai, and the investment decision making process.

This Prospectus also provides a summary of key risks, marketing restrictions, conflicts of interest relating to the General Partner and the Manager, fees and expenses relating to the Fund and material contracts.

The information set out below has been derived from and should be read in conjunction with the full text of this document.

### 2.2 The Token Offering

EBL is offering to acquirers (each such acquirer accepted by the GP being a “**Tokenholder**”) the issuance of up to 150,000,000 (the “**Tokens**” or the “**EVRM Tokens**”) ERC20-based (founded on the Ethereum software platform) smart contract tokens to be issued by EVM Blockchain Limited (the “**Issuer**”), subject to the terms and conditions of this document, and to be called “**Evareium**” or “**EVRM**” (the “**Offering**”).

The Issuer is an incorporated and established limited liability company in the Cayman Islands. The Issuer has been established for the sole material purpose of entering commercial interests in the Fund as documented herein, and managing such interest on an ongoing basis solely on behalf of the Token holders. The Issuer owns and manages the [www.evareium.io](http://www.evareium.io) website and may from time to time enter into a service agreement with a Technical Partner to provide related services.

Accordingly, upon closing of this Offering, or at any time during the fundraising if the Issuer determines that it has raised sufficient funds/assets under the DSO to do so, the Issuer shall, within approximately 20-days, undertake its sole, material commercial undertaking which shall be to enter into the Limited Partnership Deed pertaining to Evarei MENA Real Estate Investments L.P., a Cayman Islands Exempted Limited Partnership, and the Tokenholders shall thereafter avail solely the full, beneficial interests of Issuer’s stake in such Fund.

The Issuer and/or the Fund may also avail joint ventures and/or similar agreements (either directly or indirectly as a beneficial interest) with third parties whereby the Issuer and/or Fund will have commercial interest in such ventures but which don’t involve direct investment by EVM Blockchain Limited, thereby giving additional potential upside to tokenholders without any direct investment in such ventures. For example, EVM Blockchain Limited tokenholders may avail joint ventures the Issuer procures whereby third parties want to be associated with Evareium and benefit from the goodwill and global network generally associated with such, and where the Issuer or Evarei can therefore potentially procure a beneficial stake in such ventures by virtue of such aspects, thereby providing an additional feature and potential investment proceeds opportunity for tokenholders. Such joint ventures shall not however create a lien on the assets or holdings of the Issuer or Fund but simply be a beneficial shareholding (or similar interest) managed by the GP, Manager or shareholders of the Issuer.

The Fund is to be managed by Evarei General Partner 1 Limited (the “**General Partner**” or “**GP**”), a Cayman Islands incorporated company, which will issue such limited partnership interest in the Fund to the Issuer in exchange for the net proceeds of this Offering minus the Issuer’s payment first of the Setup Fee and any placement or commission fees of the Issuer.

The Issuer may redeem any or all Tokens at any time (i) after five years from the original issue date of the Tokens in consideration for and at the valuation equivalent to the then net asset value of the Issuer (as would in such case be determined by the auditors of the Issuer) or (ii) as the Issuer may deem necessary upon receipt of information that a Tokenholder’s possession or ownership of such Token or Tokens (as the case may be) causes regulatory concerns for the Issuer and/or the General Partner (see the ensuing paragraphs where these matters are discussed and defined in greater detail).

Subscriptions for EVRM Tokens may be paid in commonly accepted digital currencies only, being Bitcoin (“**BTC**”) and Ethereum (“**ETH**”). FIAT currencies are accepted via our licenced arranger; interested parties may contact

inquiries@evareium.io. Other crypto currencies, including Ripple (XRP), Litecoin (LTC) and Bitcoin Cash (BCH), may also be accepted from time to time at the discretion of the Issuer and if so the website [www.evareium.io](http://www.evareium.io) will be updated with the ability to purchaser Tokens using these currencies. The GP may accept, at its sole discretion, direct subscribers to the Fund that do not acquire EVRM Tokens but invest directly into the Fund as a Limited Partner; in such cases, US\$ will be accepted via nominated fiduciary.

This Offering is open during 2018 (the exact dates will be revised and announced on the official website: [www.evareium.io](http://www.evareium.io), and will end at on or before 31 December 2018, or as extended or otherwise altered by the Issuer acting in their sole discretion. Such offering period may also be left open longer for direct Limited Partners (i.e. that would not be acquiring EVRM Tokens but investing directly into the Fund).

The GP or Issuer will advise the Token subscribers (the “Subscribers”) as to the status of the fundraising and its closing and if such subscriber’s application to acquire EVRM Tokens was accepted (at the GP’s and/or Manager’s sole discretion). Successful subscribers will be advised therefore by email or other form of communication by the GP (or their duly appointed informant), and an update to Token holders’ accounts via the Evareium online software site/portal (as defined herein).

The Issuer intends to register and list the EVRM Tokens on appropriate cryptocurrency exchanges (from time to time) which are generally suitable to and in the general interests of the Token holders. Token holders may be required to conform to the policies and acceptance procedures of such exchanges, which may vary from time to time, in order to utilize the benefits of potentially trading EVRM Tokens on such exchanges.

Investment in the EVRM Tokens and the Fund carries substantial aspects of risk (see Section 12 herein for a detailed (but not exhaustive) description of the risks involved in acquiring and holding Tokens). Each Tokenholder shall be required to assess their own capability and suitability to undertake an investment in the Tokens, and will be required to adhere to and maintain the terms, parameters and standards of acceptability as a Tokenholder as established and further set out in this Offering documentation.

### 2.3 How to Purchase EVRM Tokens

EVRM Tokens are being offered exclusively through the official Evareium website: <https://www.evareium.io>.

In order to qualify for entering into this Offering and acquiring Tokens, a person that is interested in purchasing EVRM Tokens must first read thoroughly this Prospectus and seek their own professional, independent advice on their intended subscription to the Tokens.

In order to purchase EVRM Tokens, a subscribing party shall be required to execute the electronic Subscription Agreement which shall be made available for online completion at <https://www.evareium.io>. By executing the Subscription Agreement, the subscriber shall attest and represent that he, she or it (each, a “Subscriber”):

- has received, read and understands this Prospectus documentation (including all country notifications and disclaimers and risk factors presented herein), the Subscription Agreement and any and all other communications and materials relating to Evareium;
- irrevocably and unconditionally accepts and agrees to the terms of the EVRM Tokens in entirety;
- shall be purchasing the EVRM Tokens for their own account for investment purposes only and not with a view to resale or distribution;
- qualifies and is capable of purchasing EVRM Tokens because he, she or it is an “accredited investor” as is applicable to them, such term having the meaning as defined in Rule 501 of Regulation D under the U.S. Securities Act of 1933 and/or are not a person in any jurisdiction where EVRM Tokens are not permitted to be promoted or sold under applicable law (see “Section 13 – General Information to Subscribers” herein), and is ready, willing and able to promptly prove such if required by the Issuer;
- represents that their purchase of the EVRM Tokens is permissible and complies in all respects with laws applicable to them and that they are duly authorized to enter into the Subscription Agreement as a Subscriber in the case that they are doing so on behalf of an entity;
- does and shall respectively comply with current and future imposed ‘know your client’ (“KYC”) and anti-money-laundering (“AML”) requirements we have and/or may introduce as part of this Offering (failure to do so may jeopardize further involvement in and benefits from holding the Tokens as a Tokenholder);

- is in compliance with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended; and
- is not knowingly on any governmental authority criminal watch list or database.

All Subscribers shall be subject to acceptance by the Issuer in accordance with the Issuer's rules, terms, laws, regulations and exemptions thereof. The Issuer will accordingly accept and notify successful Subscribers via <https://www.evareium.io>.

Issuer reserves the right to reject any Subscriber from the Offering, or honour all or part of their Subscription at the Issuer's absolute and sole discretion, and, if a rejection of such is affected, Issuer shall not be required by any Subscriber, advisor or authority to cite reasons for such rejection.

The EVRM Tokens may be allocated among Subscribers in accordance with the Issuer's preference and policy, and hence Subscribers shall not necessarily be accepted in chronological order of the Issuer receiving their subscriptions. Token allocation, Subscriber acceptance and priority may (or may not) be given by the Issuer to those Subscribers whose applications are received earlier, or whose subscriptions to the Token represent proportionately larger investments, or where such Subscriber represents a deemed important strategic partner for the Offering and/or Fund.

If a Subscriber and their subscription is rejected (in all or part) by the Issuer, then funds received by the Issuer from such Subscriber shall be returned promptly to the Subscriber following the closing or termination of the Offering.

Within twenty (20) business days following a successful closing of this Offering:

- the EVRM Tokens will be issued to subscribers who receive an allocation;
- the Issuer will transfer the gross proceeds from this Offering to the Issuer, which will, in exchange, accord 100% of the Issuer's limited partnership interests to the Issuer when the Limited Partnership Deed is entered into by the Issuer; and
- the costs, expense payments and reimbursements pertaining to this Offering will be transferred by the Issuer directly to the applicable service providers.

The **Par Value price per EVRM Token** is **USD 1.00** (one United States of America dollar) as per the terms set out in this Prospectus.

Subscribers can subscribe to EVRM Tokens by paying in BTC or ETH or FIAT currency. Other crypto currencies, including Ripple (XRP), Litecoin (LTC) and Bitcoin Cash (BCH), may also be accepted from time to time at the discretion of the Issuer and if so the website [www.evareium.io](http://www.evareium.io) will be updated with the ability to purchase Tokens using these currencies. There is no minimum subscription provided that each investor is certified as an "accredited investor" as previously described.

This Offering will close and cease to be available:

- (1) after **31 December, 2018** (such date may however be extended by the Issuer in its sole discretion); or
- (2) any other date that the Issuer so advises in its sole discretion, or
- (3) when all the Tokens are allocated and the Issuer determines it shall close the Offering for further subscription.

Successful Subscribers shall be advised through <https://www.evareium.io> of their success (or otherwise) of their subscription. Should the Issuer terminate the Offering or a Subscriber's subscription be rejected all or in part by the Issuer, the relevant amount received by such rejected Subscriber will be returned by the Issuer, net of handling and transfer fees, acting promptly and diligently after closing the Offering.

The Issuer intends to prudently manage its assets and accordingly manage deposits of currency and crypto currency carefully to ensure capital asset protection. Assets and currency may therefore be reserved and exchanged from time to time from/to USD, EUR, Bitcoin ("BTC"), Ether ("ETH") or other respected cryptocurrency or Fiat currency as deemed appropriate and needed by the Issuer, GP and/or Manager (inevitably, from time to time, this may result in foreign exchange loss (or gain) on such capital. The Issuer, GP and Manager do not however intend to speculate substantially (nor permit high risk activity relating to such currency trading/movement) on the capital subscriptions received pursuant to this Offering from Subscribers.

## 2.4 Summary of the Evareium Offering

The following is the Issuer's select summary of pertinent features of the EVRM Tokens, which should be read and interpreted accordingly only in conjunction with the content of the remainder of this Prospectus.

<b>The Offering</b>	The issuance of up to <b>150,000,000</b> (one hundred and fifty million) Evareium Tokens as a private placement to qualified investors.
<b>The Issuer</b>	EVM Blockchain Limited, a newly incorporated limited liability company in Cayman Islands established for the sole purpose of implementing this Offering.
<b>Legal Counsel</b>	Taylor Wessing, Middle East, LLP, Dubai, UAE
<b>EVRM Token</b>	An ERC20 digital token representing a direct interest in the Issuer and (through the Issuer) an indirect fractional non-voting economic interest in the Fund: Evarei MENA Real Estate Investments L.P., a Cayman Islands a recently arranged Exempted Limited Partnership, designed and established for the sole purpose of implementing this Offering as set out in this Prospectus.
<b>Interests</b>	The Issuer has no significant assets (nor liabilities) at the time of this Offering and has been established to accumulate the Subscriber's remittances and subscriptions to the Tokens. The Issuer intends to be a major (or possibly the sole) Limited Partner in the Fund.
<b>Target Fundraise</b>	The Offering target raise is USD 90,000,000.  Since the Fund is mandated to acquire predominantly real estate assets, there is no hard cap (given that the Manager is confident all funds raised can be efficiently deployed).
<b>Par Value Price Per EVRM Token</b>	USD 1.00 per 1 EVRM Token (the " <b>Par Value</b> ")
<b>Currencies Accepted</b>	BTC, ETH and USD (other FIAT currencies may be accepted at the Issuer's discretion). Other crypto currencies, including Ripple (XRP), Litecoin (LTC) and Bitcoin Cash (BCH), may also be accepted from time to time at the discretion of the Issuer and if so the website <a href="http://www.evareium.io">www.evareium.io</a> will be updated with the ability to purchaser Tokens using these currencies.
<b>Offering Deadline</b>	31 December, 2018 (such date being subject to potential alteration and/or extension at the Issuer's sole discretion).
<b>Minimum Subscription</b>	Subject to each participant's own jurisdictional requirements on minimum investment requirements, Subscribers remitting BTC or ETH to subscribe to this Offering shall be subject to a minimum subscription requirement of 0.5 BTC or 20 ETH (other crypto currencies, including Ripple (XRP), Litecoin (LTC) and Bitcoin Cash (BCH), may also be accepted from time to time at the discretion of the Issuer and if so the website <a href="http://www.evareium.io">www.evareium.io</a> will be updated and minimum requirements will be informed there also).
<b>Smart Contract</b>	The EVRM Tokens represent an indirect fractional non-voting economic interest in the Issuer's direct interest as a Limited Partner subscriber to the Fund. The EVRM Tokens are issued electronically through an ERC20 smart contract computer software as may be coded, developed and maintained by a Technical Partner, and utilizing the Ethereum blockchain and as distributed at the address to be published by the Technical Partner (the " <b>Smart Contract</b> "). The software code of this Smart Contract is open source and will be published and verifiable at Github by the relevant Technical Partner.
<b>Distribution and Pricing</b>	The <a href="http://www.evareium.io">www.evareium.io</a> portal and Smart Contract shall be the sole subscription system used for Subscribers of the EVRM Token up to and until listing of the Token on any crypto digital exchanges (as and when).

Notwithstanding anything herein this Prospectus to the contrary, the Issuer shall have the right to issue Tokens to Subscribers at 'fair market rate' prices per EVRM Token (which may deviate and vary to the Par Value denominated value), at the Issuer's sole discretion, acting however in the best interests of completing the full issuance of the Offering and provided that such terms are negotiated on an arm's length basis with such incoming Subscriber(s) and ONLY as and when the Tokens are available for exchange on digital currency exchanges, in that and whereupon the Issuer may issue remaining Tokens it holds at the relevant market price on such exchange(s) or an approximation of the same at its sole discretion.

#### **Manager's Tokens**

The Manager of the Fund (or their nominee) shall be provided with 9,000,000 EVRM Tokens on a gratis basis, to be retained, issued as bounties/bonuses and to support the EVRM Token through trading activities etc as the Manager deems fit from time to time (the "**Manager's Tokens**").

#### **Unallocated and Unsold Tokens**

Any Tokens which are not allocated or sold during the Offering period (which as stated may be extended or altered by the Issuer at their sole discretion) shall be discarded. No further EVRM Tokens shall thereafter be created, issued or provided by the Issuer other than by trading outstanding EVRM Tokens.

#### **Distributions of Proceeds**

If the Fund returns Distribution Proceeds to the Issuer as a Limited Partner, then the Issuer through the Smart Contract shall distribute the same proceeds received to the Tokenholders, net of any proceeds which may be retained for the purpose of EVRM Token repurchases or redemptions (see Token Redemptions below) and related expenses, and/or reasonable administrative costs and expenses of the Issuer.

The Issuer may distribute such amounts to the Tokenholders by way of a cash or cryptocurrency (as the case may be) issuance to the respective Tokenholders, and/or through the repurchase or redemption of Tokens by other means that comply with applicable law ("**Token Redemptions**"). Such distributions by the Issuer shall be at the discretion of the Issuer.

#### **Fixed Price Offer**

The Manager and/or the Issuer may, at any time after the issuance of the first NAV report, offer to conditionally repurchase EVRM Tokens at a fixed price notified by a notice published on the <https://www.evareium.io> website (or alternate, official channel), with prior notice of at least thirty days in compliance with applicable law. Such repurchased EVRM Tokens may be resold by the Issuer in compliance with applicable law.

#### **No Voting Rights**

One class of EVRM Tokens shall be issued. All EVRM Tokens shall have no voting rights meaning Tokenholders shall not be permitted to attend nor contribute to meeting of the board of directors or shareholders of the Issuer. The Manager is however responsible to ensure that regular reports on the progress and valuation of the Fund and the underlying assets underpinning the Token are provided.

#### **Distribution Policy**

EVRM Tokenholders shall be subject to the distribution policy and procedures of the Fund, GP and the Manager as described in detail in this Prospectus.

#### **Optional Redemption**

The Issuer may redeem any or all of the EVRM Tokens at any time after the tenth anniversary of the Fund's Initial Closing, giving no less than thirty days' notice and in accordance with honouring a redemption price equal to the NAV per EVRM Token, as determined by the Auditors of the Fund and Issuer at the time of such redemption notice being provided. Such redemptions may be made in BTC, ETH or other cryptocurrency.

<b>Listing</b>	<p>The Issuer may permit and activate the enlisting of the EVRM Tokens on appropriate cryptocurrency exchanges (which may vary from time to time), and in doing so acting in the best, general interests of the Tokenholders to provide as is reasonable the opportunity for liquidity in the form of demand for Token trade and exchange. The Issuer shall have the right to continue to sell Tokens to private investors via such exchange(s) as and when implemented.</p>
<b>Transfer Restrictions</b>	<p>The EVRM Tokens have not been registered by any U.S. or non-U.S. federal, state, provincial or territorial laws or with any securities authority of the foregoing, nor may they be in the future.</p> <p>Subscribers to the EVRM Tokens may not be from the U.S.A since this Offering is not available to U.S. investors.</p> <p>Should there be any U.S.A. investors in the future however, then they may not resell or otherwise transfer the Tokens until after the first anniversary of their issuance to such Subscriber, following which they may not transfer or sell the Tokens to any U.S. Person unless they sell all of their EVRM Tokens to a single U.S. Person. Furthermore, non-U.S. Persons, may not resell or otherwise transfer the Tokens except to other non-U.S. Persons in compliance with Rule 903 or Rule 904 under the Securities Act of the United States, and as an offshore transaction.</p> <p>These transfer restrictions may adversely impact a Subscriber's ability to resell EVRM Tokens they hold and the price at which they may be able to resell the EVRM Tokens, if such is viable at all.</p>
<b>U.S. Accredited Investors</b>	<p>This Offering has not been filed with the SEC and is not available to investors from the U.S.A.</p>
<b>Expenses</b>	<p>Establishment costs and all related expenses pertaining to the Issuer, the Offering, the General Partner and the Fund shall be to the account of the Issuer or the Fund respectively depending upon where such is incurred. For the avoidance of doubt, DSO technical fees shall be paid exclusively by the Issuer.</p>
<b>Management and Administration</b>	<p>The Issuer is a limited liability company and shall be managed accordingly by its board of directors, duly appointed by the shareholders exclusively. The Issuer is not expected nor intended to undertake any other business other than enter into the Fund documentation by becoming a Limited Partner. The board of directors of the Issuer shall accordingly orchestrate only administration and functional/ operational activities of the Issuer and not pass any commercial resolutions which contravene the intent of this Prospectus.</p>
<b>Risk Factors</b>	<p>A Subscriber's acquisition of EVRM Tokens shall involve significant commercial risk by the Subscriber, some of which are listed in "Section 12: Risk Factors Associated with the Fund and Token".</p> <p>Prospective Subscribers who consider such risk factors and/or the onerous terms of this Prospectus to have the potential of impacting negatively their net worth in any degree other than negligibly should expressly not enter into the Subscription Agreement and become a Subscriber or Tokenholder but seek an alternate form of investment suitable to their requirements, available investment funds and risk profile.</p> <p>Importantly, as with any investment, there is no assurance or protection whatsoever over a Subscriber's capital in the acquisition of the Token, and a Subscriber could accordingly lose part or all of their investment in the Tokens. There is also no guarantee that the Token will hold its value over time, nor provide a return on investment to Subscribers.</p>

## 2.5 Overview of the Fund's Investment Objective and Target Returns

The primary investment objective of the Fund is to achieve superior returns through equity and equity-related investments in a diversified portfolio of real estate, hospitality, entertainment, leisure, education, and healthcare sectors-focused real estate developments and investment opportunities in the Target Region. Although the Fund's prime focus will be on taking controlling positions in projects in which it invests, it will also consider minority investments in attractive projects, including related non real-estate ventures, with clear exit strategies.

The geographical focus of the Fund is primarily the MENASA region, with a particular concentration on the UAE, and further emphasis on the GCC and South Asia, with a further focus on the wider MENA region and other locations globally. The Fund may also consider niche investment opportunities outside this Primary Region and, specifically, in the Secondary Region, that have the potential to deliver significant returns, as well as to increase the diversification of the overall Fund portfolio.

The Manager does not intend to take a speculative approach to identifying investments, but proposes to identify unique and contained opportunities that can be structured to minimise risk and exposure to adverse market movements, while delivering substantial value creation potential. Investments will be made in projects that meet identified market demands, that fill gaps in the existing range of available products and that take advantage of price arbitrage opportunities.

The Fund will only make investments in projects that it believes are viable, long-term undertakings that provide attractive returns for the risks involved. In most cases the Fund would expect to hold Investments throughout the design, development and into the operational phase, and until cash flows in the Investments reach a point of optimisation, in order to maximise returns. However, the Fund will also maintain an opportunistic approach to exiting Investments prior to completion should it be determined that this is the optimal route for value realisation.

The targeted composite gross internal rate of return to Limited Partners is 20 per cent. (20%) (targeted return, before fees, carried interest and expenses) calculated per investment made by the Fund at the time of draw down of the Fund's assigned funds into such individual investments. The Fund will seek to achieve this internal rate of return through long-term capital appreciation of each investment made from time to time by the Fund on an individual basis. For the avoidance of doubt, this level of internal rate of return will remain a target and is not guaranteed. The Fund intends to make between 5 and 15 investments initially, and to use leverage to maximise Fund returns whenever appropriate, and then once each investment is sold/exited by the Fund the net gains and proceeds shall be returned to the Limited Partners (and be availed by the Tokenholders through remittances made in FIAT or Cryptocurrency by the Issuer), whereupon the Commitments of the Fund may, at the GP's sole discretion, be reinvested into new investments as identified and accepted by the GP in perpetuity.

While the Fund may consider investments that would generate some level of cash income, the Fund does not expect to provide regular annual distributions, certainly in the initial years of the Fund. Please refer to Section 3 (*Summary of Key Terms*) under the heading "Distributions and Carried Interest" for information relating to distribution to Limited Partners.

## 2.6 Sector Overview

The Fund will focus on the following specific asset classes that offer potential for high investment returns:

**Commercial, Residential and Industrial Real Estate** – numerous opportunities exist within the Target Region and elsewhere globally, where the Manager believes attractive levels of investment return are achievable through acquisition by the Fund and appropriate value-added capital expenditure and management. This may include buildings or lands which are partially developed, yet to be developed or are deemed to be in need of capital expenditure to avail greater long-term capital appreciation, income generation and/or value extraction.

**Leisure, Sports and Entertainment Facilities, including Family Entertainment Centres (FECs)** – Theme and amusement parks and their smaller indoor variants (FECs, games arcades, etc) provide a welcome and increasingly popular escape for families. The sector proved generally resilient to the global financial crisis within areas of the Target Region, with consistently growing visitor figures in some key markets supporting investment fundamentals, even while household expenditure in other areas was typically curtailed.

**Hotels, Resorts and Integrated/Mixed-Use Developments** – The Manager believes that hospitality is an offshoot of the entertainment industry, and that story-telling through design is a key to compelling hospitality and real estate developments for the next generation of activity-based experiences that can command premium yields compared to conventional projects. As our Market Overview section (Section 5) indicates, a limited number of developers across our target territories have created such projects.

**Related Media/Tech Opportunities** – The Fund intends to secure, in some instances, lucrative development rights for investment projects, from holders of key companies, innovations, concepts and brands within the broad media and technology/online/mobile application space.

**Healthcare and Education** – Although a smaller component of the Fund's strategy, the Manager has identified a select number of compelling potential healthcare and education themes where there is a need for a financial investor with a six to nine-year investment horizon. Given the demand for healthcare and education services in the GCC, and strong backing for projects by local and national governments, the Manager is of the opinion that a healthcare and education component to the development strategy of the Fund also presents a defensive diversification opportunity to the Fund's portfolio.

**Exclusions** - The Fund will avoid projects with very low competitive barriers of entry and high associated risk.

## 2.7 The Investment Opportunity

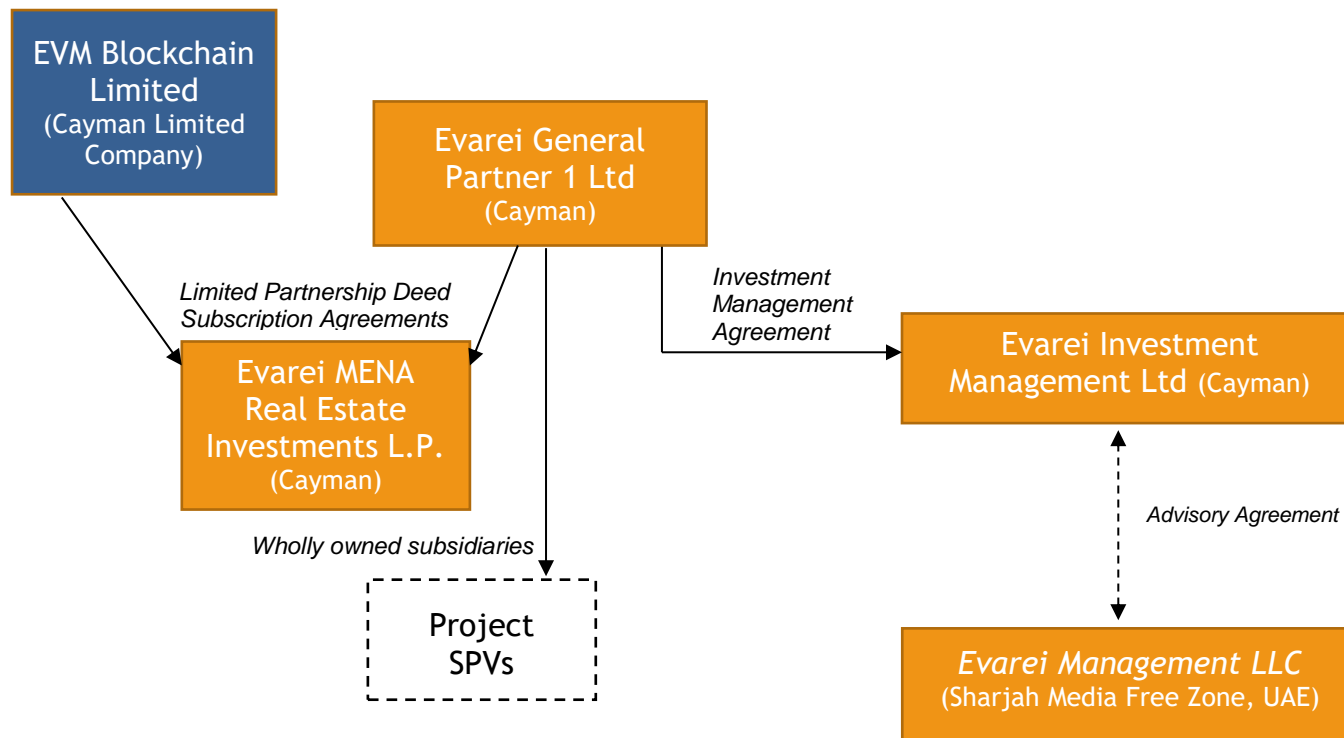
The General Partner is offering prospective Investors (being Tokenholders via the Issuer) the opportunity to invest, by holding Tokens in the Issuer who in turn will be a Limited Partner in the Fund, and avail themselves of investments to be brought forward and examined by the Manager, and determined upon by the General Partner, on behalf of the Fund during the Investment Period. The Fund provides prospective investors with the opportunity to avail positively and directly from niche investments which benefit from the expected macro and micro-sector growth of the Target Region within the asset classes referred to in this Prospectus. The Manager expects the Fund to make superior risk-adjusted returns and to be a valid addition to a long-term investor's diversified portfolio of investments.

## 2.8 Fund Structure

- The Fund has been established as a Cayman Islands exempted limited partnership and will operate as an open-ended fund in perpetuity (no date of liquidation).
- Investors will acquire interests in the Fund (Tokenholders will hold Tokens in the Issuer being a Limited Partner of the Fund)
- Stefan Hickmott (or his nominee), shall hold a majority of the voting shares in the General Partner and in the Manager at the outset.
- The General Partner will be the sole general partner of the Fund.
- Certain activities, roles and responsibilities required to operate the Fund will be managed and orchestrated by the Manager. The Manager will appoint Evarei Management LLC (the "**Advisor**") to advise, possibly on an exclusive basis, the commercial undertakings of the Fund. The Management Agreement may be novated to a Dubai Subsidiary as and when such is established (if applicable).
- The Advisor does not intend to take a direct stake in the Fund but intends to use its own resources to procure opportunities for consideration by the GP and the Fund including investments which may have already been invested into or identified to secure such opportunity for the Fund.



2.9 Fund Structure Chart



### Section 3 Summary of Key Terms

*The following summary should be read in conjunction with the full text of this Prospectus and is qualified in its entirety by reference to the more detailed information included elsewhere in this Prospectus and the Limited Partnership Deed.*

**The Token:** ERC20 smart contract token of all beneficial interests of the Issuer as a Limited Partner of the Fund, which shall be created, delivered and maintained by the GP's Technical Partner.

**The Issuer:** EVM Blockchain Limited of the Cayman Islands.

**The Fund:** Evarei MENA Real Estate Investments L.P. is established as a Cayman Islands exempted limited partnership formed for the purposes of making, managing and exiting Investments principally in the real estate, hospitality, entertainment, leisure, education, healthcare and media sectors in the Target Region.

**General Partner:** Evarei General Partner 1 Limited is the sole general partner of the Fund. The General Partner is a newly incorporated exempted limited liability company incorporated in the Cayman Islands. The General Partner is ultimately beneficially owned by Stefan Hickmott and potentially in the future other shareholders. The General Partner is responsible for the management of the Fund's affairs to the exclusion of the Limited Partners.

Please refer to Section 6 (*Fund, Structure and Management*) under heading "The General Partner" for further details in respect of the General Partner.

**Manager:** The manager of the Fund on the date hereof is Evarei Investment Management Ltd, a firm incorporated as an exempted limited liability company in the Cayman Islands. Evarei Management LLC shall advise the Manager exclusively on all Fund matters. The Manager may, in the future, and at its sole discretion, establish a subsidiary (or other association or commercial relationship with a third party) in/with a competently regulated territory in the United Arab Emirates or elsewhere in the future (**Dubai Subsidiary**).

The General Partner will delegate a number of responsibilities to the Manager under the Management Agreement. However, it will retain, among other matters, responsibility for exercising final decision-making powers in relation to acquisitions of Investments, divestments of Investments and the establishment and operation of the Advisory Board. The General Partner reserves the right to reject any investment/divestment recommendation made by the Investment Committee.

The Manager will manage the Fund in accordance with the Investment Objective and Investment Restrictions.

The Manager will establish an Investment Committee. The Investment Committee will comprise suitably qualified members of the Manager, provided that the Manager may also appoint to the Investment Committee a non-voting observer which is not a member of the Manager. The Investment Committee will oversee the structuring and finalisation of investment recommendations and disposition recommendations and will monitor the Investments.

Please refer to Section 6 (*Fund, Structure and Management*) for further detail in relation to the Manager and the Investment Committee.

<b>Target Offering Size:</b>	The Target Offering size is 150,000,000 Tokens in the Issuer, hard capped at <b>US\$ 90,000,000</b> (in equivalent currencies/cryptocurrencies), but more Tokens could be issued if demand in this Offering requires.
<b>Target size of the Fund:</b>	The target size of the Fund is therefore <b>US\$90,000,000</b> (ninety million) in total Commitments minus fees and charges. However, the General Partner has the right to change the target size of the Fund and Offering to a higher or lower amount. The minimum size of the Fund is US\$10,000,000 (ten million) in total Commitments.
<b>Minimum Commitment:</b>	<p>The minimum investment in the Tokens by a Tokenholder is as stated on page 12 of this document under paragraph entitled 'Minimum Subscription'. The minimum Commitment of a Limited Partner (including the Tokenholders as one bloc through the Issuer) is US\$ 1,000,000, although amounts may or may not be accepted at the discretion of the General Partner in consultation with the Manager.</p> <p>Allocation of the Interests and Tokens in case of over-subscription to either or both will be at the discretion of the General Partner. Emphasis will be placed upon choosing a wide and stable base of Tokenholders and Limited Partners.</p> <p>The Issuer or General Partner in consultation with the Manager may in its discretion accept or reject applications from prospective Tokenholders (and reasons for rejection may not necessarily be cited).</p>
<b>Core Limited Partners:</b>	Any investor who makes an early Commitment or one to the value of US\$5,000,000 (five million) or more (including Tokenholders investing this amount or more through buying Tokens to this value or greater) in US\$ or equivalent accepted currencies/cryptocurrencies will be designated as a core partner by the General Partner ( <b>Core Partner</b> ). Core Partners may be offered preferential opportunities to co-invest with the Fund (as set out below in "Co-investment". A Core Partner may also be invited to nominate a representative to participate on the Advisory Board (please see "Advisory Board" below)
<b>Arrangement Fee:</b>	<p>Each Limited Partner will pay an arrangement fee to the Manager of an amount equal to one per cent. (1%) of its Commitment. Such fee will be paid at the same time as the Limited Partner pays its first Contribution (and in the case of a Limited Partner increasing its Commitment the balance of such fee will be paid to the Manager at the same time as the Limited Partner increases its Commitment (<b>Arrangement Fee</b>). The Arrangement Fee is payable in addition to, and will not form part of, a Limited Partner's Commitment.</p> <p>The Manager may in its sole and absolute discretion waive (with respect to any one or more Limited Partners) all or part of a Limited Partner's Arrangement Fee.</p>
<b>Investment Objective:</b>	The Fund's Investment Objective is set out in Section 4 ( <i>Investment Objective and Restrictions</i> ).
<b>Investment Restrictions:</b>	The Fund's Investment Restrictions are set out in Section 4 ( <i>Investment Objective and Restrictions</i> ).
<b>Investment Period:</b>	The Fund may deploy Commitments into Investments from or prior to the Initial Closing Date, and may again reinvest in a perpetual cycle the Commitments after their return to the Fund (from the SPV of the respective Investment(s) made), be it all or part thereof such Commitments (as the case may be) returned from such Investments made by the Fund.

**Closing(s):**

An initial closing of the Fund will occur on the date on which the Fund has received commitment of US\$10,000,000 (ten million), or on such other date as the General Partner may in its discretion determine (**Initial Closing Date**). Subsequent closings are anticipated to be on such date as the General Partner may in its discretion determine. The final closing of the Fund will be the earlier of 31 December 2018 or the date on which the Fund has received commitments of US\$90,000,000 (ninety million), or such other earlier or later date or amount as the General Partner may determine (**Final Closing Date**).

On admission to the Fund, each Additional Limited Partner will be required to pay to the Fund:

- (a) a sum equal to the amount of its Commitment or additional Commitment which would have been drawn down had it been a Limited Partner with effect from the Initial Closing Date;
- (b) an additional payment (**Additional Payment**) of an amount equal to "X" plus "Y"; where:
  - i. "X" is calculated by multiplying the amount of a Contribution paid in accordance with (a) above by fifteen per cent. (15%) per annum from the Initial Closing Date to the date on which such Additional Limited Partner makes the Contribution, referred to in (a) above; and
  - ii. "Y" is an amount equal to any pro rata increase in the net asset value of the Fund from the Initial Closing Date to the date on which such Additional Limited Partner makes the Contribution referred to in (a) above.

On each closing date the General Partner will apply the Contributions received:

- (a) in payment of the additional General Partner's Share; and
- (b) in debiting and crediting the capital accounts of the Limited Partners in the proportions required to ensure parity of treatment between all the Limited Partners in relation to:
  - (i) entitlement to distributions;
  - (ii) the payment of costs and expenses of the Fund incurred up to and including the relevant Closing.

The General Partner will apply the Additional Payments in crediting the capital accounts of the Limited Partners (excluding the Additional Limited Partners).

The General Partner will have the sole discretion to waive the requirement that an Additional Limited Partner pay the amounts referred to in (b) (i) and/or (ii) of the Additional Payment above.

In implementing the above, the General Partner shall, subject to the exercise of such discretion, take all such steps as may be reasonably necessary to ensure that all Limited Partners are placed in the same economic position as if they had been admitted to the Fund on the Initial Closing Date (ignoring for such purposes any capital that has been recycled prior to the relevant Closing (see "Recycling" above)).

An Additional Limited Partner will also be required to pay the Arrangement Fee on the terms set out under “Arrangement Fee” above.

**Term:** Unless the Fund is earlier dissolved according to the terms of the Limited Partnership Deed, the life of the Fund will be in perpetuity.

**Exits:** The Manager intends to transfer all or part of the Investments from time to time into **real estate investment trust(s) (“REIT”)** – be they other tokenized offerings similar to EVRM (such as the planned “EVRMREIT” token which is entirely separate to this EVRM Offering and excluded therefore from this Prospectus) or conventional REIT structures, that the Manager will arrange, or alternative exit means, which the Manager shall endeavour to achieve within five years of the Initial Closing Date and that the Manager is expected to (but may or may not) remain in management of. Such transfer (or similar process) of the Fund’s Investments (in whole or in part as the case may be) shall be deemed the liquidation of such Investment(s) of the Fund on a case by case basis for the purposes of calculating and dispersing the Carried Interest, but the Limited Partners shall continue to maintain their capital Commitments in the Fund in perpetuity and such shall therefore be available to the General Partner for reinvestment into new Investments on an ongoing and rotational basis.

**Drawdowns:** In the case of the Issuer’s interest in the Fund as a Limited Partner, the Issuer will be obliged to pay into the Fund the amount equivalent to its Commitment, in full, as at the time of subscribing to the Fund (and in accordance with the tranches raised under the Token Offering).

Should the GP accept Limited Partners other than and in addition to the Issuer, draw down of Commitments will be in instalments equal to twenty-five per cent. (25%) of a Limited Partner’s Commitment, or as otherwise called by the General Partner.

**Temporary Investments:** Any Commitments which are drawn down may, pending long-term investment, be placed on deposit or invested in short term investments, for example highly rated, liquid securities including government bonds and bank deposits. Commitments are expected to be held in US\$ but may, at the Manager’s discretion, be held in other currencies (including, potentially, cryptocurrencies) acting responsibly in the general interests of the Tokenholders and Limited Partners.

**Borrowings:** The General Partner may take short term (less than one year) borrowings in respect of working capital requirements. Otherwise the Fund will not obtain financing, save where an investment opportunity arises which requires immediate funding (for example, acquiring a pre IPO or IPO stake, or rapid execution of an asset is required prior to bank debt financing being ready), and where such debt will be repaid within 12 months. Such borrowings will not exceed an amount equal to fifteen per cent (15%) of Commitments at any given time. Borrowings may be incurred by special purpose vehicles and/or Investee Companies (or any direct or indirect subsidiaries thereof).

**Co-investment Policy:** The General Partner may (but is not required to) offer co-investment opportunities to Core Limited Partners before making such opportunities available to other Limited Partners or to third parties. Any such offer to third parties will be on terms that are no more favourable than those offered to the Limited Partners. The General Partner will not be required to offer co-investment opportunities to any Limited Partner (but if it does so it will offer them in the manner set out below), and will be entitled to offer co-investment opportunities to third parties which it does not offer to any or all of the Limited Partners.

Any co-investment opportunities offered to Core Limited Partners will be offered to the Core Limited Partners pro rata to their Contributions (as a proportion of the total Contributions of all Limited Partners), with the remainder offered to one or more Core Limited Partners on any basis determined by the General Partner in its sole discretion. Any co-investment opportunities offered to Core Limited Partners which are not taken up by the Core Limited Partners will, before making such opportunities available to other Limited Partners or to third parties, be offered (on any basis determined by the General Partner in its sole discretion) to one or more of those Core Limited Partners that does take up their allocation. Any such co-investment will generally be made through a separate special purpose vehicle established by the relevant parties and the General Partner but may be effected through such other co-investment structure as is selected by the General Partner in its sole discretion.

**Advisory Board:**

The Advisory Board will comprise representatives nominated by the Core Limited Partners, together with a representative of the Manager (who will participate in the role of observer only and will have no voting rights). The General Partner will consult with the Advisory Board with respect to corporate governance, conflicts of interest and observance by the Fund of the Investment Objective and Investment Restrictions. The Advisory Board will also discuss high level industry strategy and offer strategic guidance to the Fund.

Members of the Advisory Board will not be entitled to a fee in connection with their membership of the Advisory Board. All members of the Advisory Board will be entitled to reasonable out-of-pocket expenses incurred directly in fulfilling their roles as members of the Advisory Board. Such expenses of Advisory Board members will be borne by the Fund.

Decisions of the Advisory Board will be determined by a simple majority of those voting in a duly convened and quorate meeting.

**Oversight Committee:**

An oversight committee of the Fund may be established by the Manager and comprise prominent executives from relevant industry sectors. Although the General Partner will retain control over all such matters, the Oversight Committee may advise the Manager on matters which may commercially or non-commercially have relevance to or may impact the general and specific investment and divestment recommendations of the Manager and determinations and of General Partner. The Oversight Committee may be instructed from time to time to opine and report to the Manager on any specific themes or subjects that the Manager may so determine. Each member of such committee will be entitled to a market standard fee for the advice he/she provides and reasonable out-of-pocket expenses incurred in fulfilling this role. The Manager shall invite, replace and remove members of the Oversight Committee, as it deems appropriate, in its sole discretion.

**General Partner's Share:**

The Fund will pay to the General Partner an annual General Partner's Share equal to two per cent. (2%) of Commitments.

The General Partner's Share will accrue on a daily basis commencing on the Initial Closing Date and will be paid quarterly in advance. In the event that the Fund is unable, for any reason, to pay any amount of the General Partner's Share out of available funds, the General Partner may issue a Drawdown Notice to enable the Fund to make such payment.

On the admission of new Limited Partners, the General Partner will be paid such General Partner's Share as would have accrued to date had the new Limited Partners been admitted at the Initial Closing Date.

The General Partner's Share will be adjusted downwards to take account of the uncalled Commitment of any Defaulting Partners and Prejudicial

Partners and certain transaction and related fees earned by the Manager and its Affiliates (see “Transaction and Related Fees” below).

**Other Expenses:**

The Fund will be responsible for all of the organisational expenses arising out of or in connection with the establishment and organisation of the Fund (including all legal, accounting and filing costs incurred in organising and establishing the Fund and the General Partner, the costs incurred in marketing and offering interests in the Fund up to the Final Closing Date (including travel and accommodation costs) and those costs incurred in relation to the establishment, organisation and creation of the operational structure of the Fund.

The Fund shall be responsible for meeting all costs and expenses other than (i) the costs of the legal opinions required under the Limited Partnership Deed in connection with the General Partner potentially excluding a Limited Partner or permitting a transfer of interests in the Fund, and (ii) the transaction costs incurred in respect of any unconsummated investment by the Fund in circumstances where the Investment Committee did not approve such costs. In the latter case, the Manager will meet such costs.

The costs and expenses of establishing and maintaining the Advisory Board will be for the account of the Fund.

Where costs and expenses are incurred which relate to the Fund and other clients of the Manager, such costs and expenses will be allocated between the Fund and those other clients pro rata to their respective participation in the particular Investment. Where costs and expenses are incurred in relation to a proposed Investment that does not proceed, such costs and expenses will be allocated between the Fund and other clients of the Manager in proportion to their respective proposed participation in that Investment. The allocation of costs and expenses between the Fund and other clients of the Manager will be reported to Limited Partners within thirty (30) calendar days of the end of the calendar quarter in which they are incurred.

The General Partner and the Manager (and their respective Affiliates) will be responsible for their respective overhead expenses, facilities expenses and compensation of their employees.

**Allocation of Profits and Losses:**

The Fund will establish and maintain capital accounts for each Limited Partner, and distributions will be made in accordance with the respective capital account balances of the Limited Partners in the Fund and be made available to Tokenholders and the general public via electronic media publication (for example, through the Fund’s website and email). All items of the Fund’s income, gain, loss and deductions will be allocated to the capital accounts in a manner consistent with the distribution procedure set out under “Distributions and Carried Interest” outlined below.

**Distributions and Carried Interest:**

All Disposition Proceeds will, subject to the Act, the payment of the General Partner’s Share and the payment of the Fund’s costs and expenses, be distributed in the manner and in the order of priority set out below. Amounts available for distribution will be determined by the General Partner.

The process of calculation of the Carried Interest is as follows for each Investment made by the Fund:

- (a) first, one hundred per cent. (100%) of the value of the Distribution Proceeds goes to the Fund, in proportion to the total part of the Contribution drawn down by the Fund to such Investment, until and to the extent that the Fund has received cumulative value equal to the amount of such part of the Contribution to the Investment in question;

- (b) second, and provided paragraph (a) above has been satisfied, one hundred per cent. (100%) of the value of the Distribution Proceeds pertaining to the Investment in question goes to the Limited Partners (and accordingly distributed pro-rata on to the Tokenholders of the Issuer), in proportion to their Contributions, until and to the extent the Fund has received value from such Investment equivalent to an annualized internal rate of return (IRR) of 6% (six per cent.) per annum, as calculated from the time the draw down of the respective part of the Contributions into such Investment by the Fund takes place until such Investment's net proceeds (which may include the capital invested) accrue back to the Fund for distribution as per the terms of this sub clause (b) (the "**Preferred Return**");
- (c) third and provided paragraphs (a) and (b) have been satisfied, one hundred per cent. (100%) of the value of the Distribution Proceeds pertaining to such Investment goes to the General Partner until and to the extent the General Partner has received cumulative distributions equal to twenty per cent. (20%) of the amount of all distributions in paragraph (b) and this paragraph (c); and
- (d) fourth and provided paragraphs (a), (b) and (c) have been satisfied, eighty per cent. (80%) of the value of the Distribution Proceeds pertaining to such Investment goes to the Limited Partners, in proportion to their Contributions, and twenty per cent. (20%) to the General Partner.

and in all cases after payment of or making appropriate provision (if any) for current and (likely) future costs and expenses of the Fund and debt servicing and working capital requirements of the Fund.

The General Partner will not be obliged to cause the Fund to make any distribution:

- (i) unless there is sufficient cash available to make that distribution;
  - (ii) which would render the Fund insolvent;
  - (iii) which, in the reasonable opinion of the General Partner, would or might leave the Fund with insufficient funds to meet any future contemplated obligations or contingencies, including servicing the General Partner's Share; or
  - (iv) if any distribution is to be used to make a Follow-on Investment.
- (e) Distributions will be made to the Limited Partners (and on to the Tokenholders) as soon as reasonably possible and where any such distributions are subject to further draw down under the terms of the Limited Partnership Deed, the General Partner will simultaneously notify the Limited Partners of the percentage of that distribution that is subject to further draw down.
  - (f) A distribution of net income, capital gain and capital will include, inter alia:
    - (i) all sums actually paid or distributed to the Limited Partners and the General Partner from the Fund out of such net income capital gain or capital (without any deduction for any costs, expenses or taxation payable by any Limited Partner in relation to those payments or distributions) and will be



deemed to be made on the date of payment or distribution (as the case may be); and

- (ii) all distributions *in specie* to the Limited Partners, which distributions shall be valued in accordance with the terms of the Limited Partnership Deed (without any deduction for any costs, expenses or taxation payable by or on behalf of any Limited Partner) and will be deemed to be made on the date of distribution.

The amounts payable to the General Partner under paragraphs (c) and (d) above will constitute the **Carried Interest**.

#### **Transaction and Related Fees:**

Abort or termination fees received in connection with proposed Investments which do not proceed will be for the account of the Fund.

The General Partner, Manager or their respective Affiliates may charge management, advisory, brokerage or syndication fees where it provides services to Limited Partners in connection with any co-investment or where it provides services to third parties. Such fees may be retained by the party receiving the same.

Where the General Partner, the Manager or any of their Affiliates negotiate the payment of any fee by an Investee Company directly in connection with the management, realisation or execution of any Investment and where such fee is retained by that party, the amount of such fee will be offset against the General Partner's Share. Where such fees earned in any calendar quarter exceed the amount of the General Partner's Share payable in respect of that calendar quarter, the excess will be carried forward and offset against the General Partner's Share payable in the following calendar quarter.

For the avoidance of doubt, any services provided to any Investee Company by the Manager and/or an Affiliate which is provided on an arm's length basis and is unrelated to the management, realisation or execution of any Investment will not be offset against the General Partner's Share.

The details and treatment of any fees payable by Investee Companies as referred to above, will be reported to Limited Partners within thirty (30) calendar days of the end of the calendar quarter in which they are incurred.

#### **Transfer of Token Interests:**

There will be no restriction imposed on the free transfer of the Tokens on the cryptocurrency exchange(s) that the Issuer enables the exchange of the Tokens on (from time to time), other than those which may be otherwise imposed under relevant and applicable statutory or regulatory laws.

#### **Transfers of Limited Partner Interests:**

No sale, assignment, transfer, exchange, pledge, encumbrance or other disposition (transfer) of any Limited Partner's interest in the Partnership, whether voluntary or involuntary shall be valid or effective without the written consent of the General Partner and subsequently, the completion of the formalities referred to in the Limited Partnership Deed.

The General Partner will be entitled to require a written opinion of counsel in form and substance satisfactory to the General Partner to the effect that any permitted transfer will not result in a violation of any applicable law or any securities regulation of any relevant jurisdiction. Subject to the foregoing, the consent, or otherwise, of the General Partner to any transfer will not be unreasonably withheld or delayed.

Any transfer made in breach of these provisions will not be recognised by the Fund and will be void and the transferor will be deemed to be a Defaulting Partner (and the provisions below relating to Defaulting Partners will apply).

**Transfer of General Partner Interest:**

The General Partner will not transfer all or part of its Interest in the Fund or otherwise encumber its Interest in the Fund without Limited Partner Consent.

**Removal of General Partner:**

The General Partner may be removed by the Limited Partners giving it notice in the following circumstances:

- (a) in the event of the insolvency of the General Partner and/or the Manager;
- (b) for Cause, provided that no removal notice may be served on the General Partner without the written consent of all Limited Partners; or
- (c) in the event that the Management Agreement is terminated for any reason, provided that no such removal notice may be served on the General Partner without the written consent of all Limited Partners.

For the purposes of the foregoing, **Cause** means: the fraud, gross negligence, wilful misconduct of, or by, the General Partner or the Manager or any of their respective Affiliates or any of their respective officers, managers or employees; any material breach of the Limited Partnership Deed or the Management Agreement by the General Partner which remains unremedied after 90 (ninety) days of receipt of notice; or the Manager ceasing to hold all authorisations required by law for it to carry out the functions delegated to it under the Management Agreement.

**Accounting Period:**

Means each period of twelve (12) months ending on 31 December except that the first Accounting Period will start on the Initial Closing Date and end on 31 December and (if ever applicable) the last Accounting Period will end on the date on which the Fund is terminated.

**Reports:**

Each Limited Partner and the Tokenholders will duly receive and/or have access to via online and/or electronic dissemination, the following:

- (a) annual reports, including audited financial statements of the Fund, summary information about Investments purchased and disposed of by the Fund during that period and a statement of the Limited Partner's closing capital account balance, within approximately, one hundred and twenty (120) calendar days of the end of each Accounting Period; and
- (b) in respect of the first six month period of each Accounting Period (except in the case of the first Accounting Period of the Fund) an unaudited interim statement within approximately thirty (30) calendar days of the end of the relevant six (6) month period.
- (c) general quarterly updates on the progress of the Fund and its Investments, including any valuation updates as shall be prepared and made available regularly where appropriate and meaningful.

**Meetings of Limited Partners:**

The General Partner may call a meeting of the Limited Partners, and will call a meeting of Limited Partners at the request of Limited Partners holding at least fifty per cent. (50%) of the Commitments.

**Exclusivity:**

With the exclusion of further token offerings or other generally complementary such investment management initiatives to the Fund which may be pursued freely, the General Partner will not and will procure that the owners of the General Partner, the Manager and/or their respective Related Persons will not participate in any capacity (directly or indirectly) in raising or managing or acting as general partner or manager of another

pooled investment vehicle or discretionary managed account with an investment policy, strategy and geographic focus the same as the Fund having objectives similar to those of the Fund without a Limited Partner Consent until the earlier of the date when at least ninety per cent. (90%) of total Commitments are or have been invested, contractually committed or allocated to initial Investments or allocated to meet potential liabilities of the Fund.

For the avoidance of doubt, once the above terms have been achieved in terms of ninety per cent. (90%) of total Commitments are or have been invested for the first time, contractually committed or allocated to the initial Investments and/or allocated to meet potential liabilities of the Fund, and prior therefore to any reinvestment of the Commitments which may follow, the Manager shall have the right to launch, market, sell, manage and/or accrue fees, profits and financial gain from any and all investment funds or other services that may be directly comparable to or indeed competing with the Fund, provided that the Manager (for the time that it is the Manager of the Fund) does not take wilful actions to deliberately cause direct, material, adverse negative effect on the Funds' Investments.

**Conflicts of interest:**

The Fund's conflicts of interest policy is set out in Section 7 (*Conflicts of Interest*).

**Indemnification:**

The General Partner, the Manager, the General Partner's and the Manager's Related Persons, each of their respective shareholders, partners and agents, the members of the Advisory Board (and the Limited Partners that they represent) and the members of the Investment Committee (each an **Indemnified Person**) will not be liable for and will be indemnified out of the Fund's assets including Uncalled Commitments capable of being drawn down in accordance with the Limited Partnership Deed, against any claims, actions, damages and demands or reasonable costs and expenses (including legal fees) incurred or threatened by reason of him or it being or having been an Indemnified Person, or by reason of any arrangements made in pursuance of or for the purpose of carrying out its obligations under the Limited Partnership Deed or the Management Agreement.

A person will be liable for and will not be indemnified as set out above with respect to any matter, act, deed, document or thing resulting from his or its fraud, gross negligence or wilful misconduct in relation to the carrying out of his or its obligations and duties in relation to the Fund or resulting from a material breach of the Limited Partnership Deed or applicable law by the General Partner or a material breach of the Management Agreement, any applicable law or any law or regulation applicable to the Manager, in each case by the Manager.

**Defaulting Partners:**

If a Limited Partner fails to pay any portion of its Commitment within thirty (30) Business Days following the date when due and an administration charge to the Fund, or if a Limited Partner attempts to transfer its partnership interest without the required consents (as described under "Transfers of Interests"), the General Partner will declare the Limited Partner to be in default (**Defaulting Partner**). A Defaulting Limited Partner will have its Contribution forfeited and will not be entitled to participate in any subsequent votes of Limited Partners or in any meetings or recommendations of the Advisory Board.

A Defaulting Limited Partner will not have any right to receive any distributions from the Fund until the end of the life of the Fund and then only if the remaining Limited Partners have recouped their Contributions. If such recoupment has occurred, the Defaulting Limited Partner's distribution rights will be limited to a right to receive an amount equal to the amount of its Contribution.

In the event that a Limited Partner defaults, appropriate adjustments will be made to the limited partnership percentages of the remaining Limited

Partners. If as a result of the default, the Fund may not invest in a proposed investment to the extent originally anticipated, the General Partner may issue a further Drawdown Notice, offer the additional funding required as a co-investment opportunity or arrange short-term borrowings to cover the shortfall.

The General Partner reserves the right but will not be obliged to procure a transferee for the interest of the Defaulting Partner (such interest to be transferred at a value to be determined by the General Partner in consultation with the Manager and the Auditors and to be offered for purchase first to Limited Partners). If the Defaulting Partner's partnership interest is sold for a price in excess of such value, such excess will be for the account of the Fund and not the Defaulting Partner.

**Excused Partners:**

The General Partner will excuse any Limited Partner from participating directly or indirectly in a proposed Investment to the extent that its participation would be prohibited by applicable law (subject to the relevant Limited Partner providing the General Partner with a legal opinion confirming its need to be excused). If a Limited Partner is excused, the General Partner will take such steps as are necessary to ensure that corresponding amendments are made to the Fund percentages so as to ensure that all Limited Partners are treated fairly. The Limited Partner will remain responsible for the full amount of its Commitment.

**Prejudicial Partners:**

If a Limited Partner breaches any of its representations or covenants in the Subscription Agreement relating to its status and eligibility to invest in the Fund, or if a Limited Partner's or Tokenholder's status creates a material risk of subjecting the Fund or the General Partner to any governmental regulation or any adverse fiscal or taxation consequences or any requirement to register which the General Partner reasonably believes to be significantly detrimental to the Fund or the General Partner (and such belief is supported by a legal opinion of the Fund's legal counsel), the General Partner may declare such Limited Partner a Prejudicial Partner and expel such Prejudicial Partner from the Fund. If a Prejudicial Partner is expelled from the Fund, its interest will be valued by an independent expert approved by the Advisory Board and the Prejudicial Partner will be entitled to repayment of its partnership interest from the net income and capital gain of the Fund as it arises according to its entitlement under "Distributions and Performance Fee" above.

If as a result of a Limited Partner becoming a Prejudicial Partner, the Fund may not invest in a proposed investment to the extent originally anticipated, the General Partner may issue a further Drawdown Notice, offer the additional funding required as a co-investment opportunity or arrange short-term borrowings to cover the shortfall.

**Amendments to the Limited Partnership Deed:**

Subject to the approval of the General Partner, the Limited Partnership Deed may be amended with Limited Partner Special Consent (in the case of a change to the Investment Objective and/or the Investment Restrictions) or with Limited Partner Consent (in the case of any other changes, save for certain material changes which are referred to in the Limited Partnership Deed).

## Section 4 Investment Objective and Restrictions

### 4.1 Investment Objective

The primary investment objective of the Evarei Fund is to achieve superior returns through equity and equity-related investments in a diversified portfolio of real estate, hospitality, entertainment, education and healthcare sectors-focused real estate developments and structured real estate investment opportunities. Although the Fund's prime focus will be on taking controlling positions in projects it invests in, it will also consider minority investments in attractive projects, including related non real-estate ventures, with clear exit strategies. The Fund may also provide mezzanine or other forms of financing for entertainment, hospitality or health care sector focused real estate development projects if the Manager believes that such an investment is appropriate and on attractive terms.

The geographical focus of the Fund is primarily the Middle East, with a particular emphasis on the GCC, and South Asia, with a secondary focus on North Africa. The Fund will also consider niche investment opportunities outside this region that have the potential to deliver significant returns, as well as to increase the diversification of the overall Fund portfolio.

The Manager does not intend to take a speculative approach to investments, but to identify unique and contained opportunities that can be structured to minimise risk and exposure to adverse market movements, while delivering substantial value creation potential. Investments will be made in projects that meet identified market demands, that fill gaps in the existing range of available products and that take advantage of price arbitrage opportunities.

The Fund will only make investments in projects that it believes are viable long-term undertakings that provide attractive returns for the risks involved. In most cases the Fund would expect to hold investments until completion of the development phase of the projects and until a point of stabilised, maintainable earnings is deemed to have been reached, in order to maximise returns. However, the Fund will also maintain an opportunistic approach to exiting investments prior to these events should it be determined that this is the optimal route for value realisation.

The targeted composite net internal rate of return to Limited Partners is twenty per cent. (20%) (targeted return, net of fees and expenses) over the life of the Fund. The Fund will seek to achieve this net internal rate of return through long-term capital appreciation within the investment portfolio as a whole. For the avoidance of doubt, this level of internal rate of return will remain a target and is not guaranteed. The Fund intends to make between 5 (five) and 15 (fifteen) investments and to use leverage to maximise Fund returns potential whenever appropriate.

While the Fund may consider investments that would generate some level of cash income, it is not the intention of the Fund to provide a regular annual distribution in the initial years. Capital invested and profits generated, less any fees and share of Carried Interest applicable, will be returned to investors on the ultimate realisation of value from any given investment.

The Fund may also provide financing where, in the Manager's opinion, compelling short term gains from arbitrage or seed financing opportunities can be availed.

Prospective investments include:

- Commercial real estate – office, industrial and retail.
- Residential real estate – villa compounds, master-community projects, towers, apartment blocks etc.
- Hotel, leisure and entertainment projects.
- Family entertainment centres and visitor attractions.
- Sports themed multi-component retail/hospitality projects.
- Media and technology ventures and firms.

#### Deal Flow

The management team of the Manager have between them extensive experience in business, finance and investments in the Target Region and have developed valuable contacts through their regional professional careers, which they will use to source deal flow. Please see Section 6 (*The Evareium Token, Fund Structure and Management*) for more details of the management team.

## Asset Classes/Themes

The Fund will focus on the following specific asset classes that offer excellent potential for high investment returns:

**Commercial, Residential and Light Industrial Real Estate** – numerous opportunities exist within the Target Region and elsewhere globally, where the Manager believes attractive levels of investment return are achievable through acquisition by the Fund and appropriate value-added capital expenditure and management. This may include buildings or lands which are partially developed, yet to be developed or are deemed to be in need of capital expenditure to avail greater long-term capital appreciation and value extraction.

**Leisure, Sports and Entertainment Facilities, including indoor Family Entertainment Centres (FECs)** - Theme and amusement parks and their smaller indoor variants (FECs, games arcades, etc) provide a welcome and increasingly popular escape for families. The sector proved impressively resilient to the global financial crisis within the Target Region, with consistently growing visitor figures proving their attractiveness, even while household expenditure in other areas was curtailed. These attractions are also labour-intensive - in the US, for example, the leisure industry is now a sizable and significant producer of jobs in the private sector. In India, China and increasingly in Latin America, this industry is considered to be developing at a notable rate as middle class markets expand. As our Market Overview section (Section 5) indicates, the entertainment sectors in the Target Region are in most cases already buoyant, but well able to absorb new high quality supply, especially new parks and centres with internationally renowned brands and working practices, near important urban population hubs. The Fund will seek to enter this sector with inspired new projects of a world-class standard.

**Hotels, Resorts and Integrated/Mixed-Use Developments** - The General Partner and Manager believe that hospitality is an offshoot of the entertainment industry, and that story-telling through design is key to compelling hospitality and real estate developments that can command premium yields compared to conventional projects. As our Market Overview section (Section 5) shows, only a few developers across our Target Region have created themed projects. Outstanding themed projects from The Palm Jumeirah with its landmark Atlantis Hotel, to comparable master-planned residential resort communities across the GCC and beyond, have been enthusiastically embraced by investors, whether developers or individuals. It is also significant that the GCC is fast developing a boutique/lifestyle hotel sector, with such brands as Armani and W soon to be joined by other top global insignia such as Baccarat, Bellagio, Bulgari, MGM Grand, Morgans, Palazzo Versace and Paramount. The Fund's focus will therefore be to develop full single- or multi-component themed hospitality and master-planned residential resort developments, including elements of integrated 'mega' projects.

**Related Media/Tech Opportunities** – The Target Region is an increasingly strong location for the emergence of innovative and compelling technology and media ventures, products and firms. The Fund intends to secure, in some instances, lucrative holdings and/or development rights for investment projects, from holders of key companies, innovations, concepts and brands within the broad media and technology/online/mobile application space.

**Healthcare and Education** – Although expected to be a smaller component of the Fund's strategy, the Manager has identified a select number of compelling potential healthcare and education themes where there is a need for a financial investor with a six to nine-year investment horizon. Given the demand for healthcare and education services in the GCC, and strong backing for projects by local and national governments, the Manager is of the opinion that a healthcare and education component to the development strategy of the Fund also presents a defensive diversification opportunity to the Fund's portfolio.

**Exclusions** - The Fund will avoid projects with low barriers to entry and high associated risk.

## 4.2 Investment Restrictions

The Fund will diversify its Investments by observing the policy limitations on the amounts invested set out below.

- The Fund will not invest in countries the Manager deems to be high risk or politically unstable countries at the time of investment, or which have the potential to become high risk or politically unstable.
- The Fund will not invest more than US\$50,000,000 (fifty million) in any single project, and will endeavour to invest Commitments across a range of assets and geographies, although it is anticipated that a concentration and majority of the Fund's Capital Commitments will be invested in the UAE.
- No more than one third of the Commitments may be invested in a single asset or project by the Fund where such investment comprises a single, demarcated land site pertaining to one use.
- In addition, the Fund shall ensure that the following limits are upheld:

- no more than fifteen per cent. (15%) of the Commitments will be invested in one territory (with the exception of the UAE).
- No more than one eighth of the Commitments will be invested in media and technology sector projects, which may not include real estate directly, but may be related to technology software, hardware, applications, media content or telecommunications, and may pertain to applications and extensions to the utility and potential enhanced value of the EVRM Token.
- The Fund will not invest in the Secondary Region unless in the opinion of the Manager there is a compelling opportunity.

#### 4.3 Changes to the Investment Objective and/or the Investment Restrictions

The Manager may propose to the Board, change(s) (**Proposed Change(s)**) to the Investment Objective and/or Investment Restrictions, and the Board will if it agrees with the Proposed Change(s) refer any such Proposed Change(s) to the Investors for approval; provided that no Proposed Change will be made unless approved by the Board and by Investors by way of Limited Partner Special Consent.

#### 4.4 The Investment Decision Making Process

##### Acquisitions

The Manager will be responsible for analysing the real estate, hospitality, entertainment, leisure, education, healthcare and media sectors in the Target Region and elsewhere, identifying new growth markets and developing investment themes and will source, analyse, identify and recommend Investments to its Investment Committee that represent suitable investment opportunities for the Fund which have been subject to initial due diligence subject at all times to the specified investment criteria set out in this Prospectus. The Manager's analysis will include carrying out technical and corporate due diligence including consideration of relevant macro and micro economic conditions or forecasts that might affect the value of the proposed Investment, and other relevant local and/or national issues relating to the proposed Investment. It will also meet with the management of the proposed Investment with a view to negotiating the terms of the acquisition.

Having identified a proposed Investment that meets the Fund's investment criteria and receiving the approval of the Investment Committee, the Manager will seek to obtain, in writing, non-binding heads of terms upon which the Fund could in principle invest in the proposed Investment specifying the key aspects of the potential acquisition (the **Proposed Terms of Investment**).

The Manager will incorporate the Proposed Terms of Investment within a written report to the board of directors of the General Partner (the **Investment Recommendation**). The Investment Recommendation will include analysis of the market, financial, feasibility, technical site/land, facility specification, development strategy, political, technological and risk identification and mitigation aspects comprising, concerning or affecting (potentially or actually) the proposed Investment. It will summarise the potential advantages and disadvantages of investment, and the reasons why, in the Manager's opinion, the proposed Investment might be suitable for investment by the Fund. In addition, the Manager will provide the board of directors of the General Partner with all of the relevant materials used by it in its analysis, to enable the board of the General Partner to determine the suitability of the proposed Investment and verify the Manager's recommendation.

Based on the Investment Recommendation, the board of directors of the General Partner shall decide whether to invest in the proposed Investment. When the General Partner approves an investment recommendation presented to it by the Manager, the Manager will assist the General Partner to close the transaction in the shortest time possible. Structuring of financial leverage to enhance equity returns to the Fund will be considered on a transaction by transaction basis, at the SPV and its subsidiary levels only, depending on the Manager's determination of the requisite strength of the expected project cash flows and the availability of attractively priced debt. Future project potential will be evaluated by the Manager to estimate likely equity appreciation.

##### Disposals

- (a) The Manager will be responsible for preparing a detailed written analysis and recommendation (a **Disposition Recommendation**) in respect of the disposal of an Investment.
- (b) The Investment Committee of the Manager will be responsible for approving any Disposal Recommendation before it is submitted to the board of directors of the General Partner for the ultimate decision regarding the disposal of the Investment.

## Approach to Selection of Investments

The Manager has identified a number of investment areas that it feels offer substantial value creation potential, while not requiring enormous outlays of capital or excessive exposure to volatile market trends:

**Identification of individual high potential projects** – Within the many developments currently proposed and underway in the MENASA region, the Manager believes that a comprehensive and expert approach to project evaluation, structuring and financing and the use of market studies can identify a select number of defined individual projects that fulfil market needs and offer the potential for achieving superior returns on investment. The Manager will utilise its extensive market contacts, with both principals and advisors, to secure participation in such projects. Wherever possible, the Manager will seek to obtain a period of exclusivity for any given project to allow the Fund to commit full resources to undertake a thorough investment evaluation and negotiation process.

**Introduction of new concepts to market** – The Manager believes that, despite the size and growth in the real estate industry in the MENASA region to date, there remain many concepts and innovations that have not yet been brought to or developed in the region that are present elsewhere in the world. A number of these concepts, for example, timeshare apartment developments or dedicated retirement communities, have not been possible due to a lack of supporting regulations and laws. However, recent announcements and progress with a broader legal framework on real estate ownership and other issues indicate such concepts may become feasible in the near future. It is the intention of the Fund to work with leading local and international developers to promote new and innovative concepts that address clear market demands.

**Creation of and participation in innovative financial instruments** – As the MENASA real estate and financial markets evolve and develop it is expected that further sophistication and variety will be seen in the financing structures and instruments used to fund real estate projects. For example, securitisation of future cash flows from buildings or projects with a guaranteed minimum level of future income or mezzanine loan notes with a participation in ultimate project profits. The Manager and the General Partner will seek both to create a supply of well-structured financial instruments to maximise returns to Fund investors on deals where the Fund is a principal equity investor, as well as considering selective investments in such instruments that meet the Fund's return expectations and offer an attractive balance of risk and return.

**Undeveloped land within family or corporate portfolios** – For a variety of reasons, including the cost of development, a lack of expertise or an alternative investment focus, there are substantial amounts of attractively located but undeveloped land held by families and corporates within the MENASA region. The Manager believes that there are many opportunities to present such landowners with innovative and attractive land-use concepts and financial structures through which they can realise significant value from their land holdings without the requirement to invest further capital or assume development risk.

The Manager feels that there is a large market for such transactions and that an inclusive and proactive approach to these opportunities would add a further level of liquidity and depth to the overall real estate market.

**Hotel and real estate refurbishment and turnaround** – Within the MENASA region the Manager believes that there are a significant number of hotels and real estate buildings and projects in good locations that are not achieving their commercial potential in terms of overall income levels due to a combination of under investment, poor use of land, dilapidated assets, building layout, poor or uncompetitive management or weak cost management, operation and supplier agreements. Through an injection of capital for refurbishment and facilities upgrade, along with exploring options for restructuring or renegotiating operator agreements, selected hotels and/or real estate buildings could see a significant improvement in performance and generate substantial upside from subsequent sales of the businesses. With the continued strong growth projected in both the tourism and business travel markets across the MENASA region, hotel occupancy demand is at a very high level and, despite the number of new developments underway, is forecast to remain positive.

**Selected elements of major development projects** – Whilst the scope of the Fund is not to undertake single mega-scale projects, the Manager believes that there are elements and sub-developments within these broad projects that offer substantial value creation opportunities, for example, the development of a retail complex adjacent to proposed major tourist attractions. It is the intention of the Fund to identify and evaluate such high potential investment opportunities.

**Start-up Companies** – Where the Manager sees significant value-realisation opportunities, the Fund will seed attractive real estate management companies, or companies that offer real estate products such as asset securitisation, real estate brokerage or shares in financial housing institutions.



## Section 5 Market Overview

The intention of the Fund and the Manager is to identify strong opportunities for investment in the Primary Region and Target Region, which represents an area which the Manager, its partners and its affiliates have a particular knowledge and demonstrable expertise in identifying lucrative investment opportunities and deploying and managing investment capital within.

By virtue of its activities in sourcing investment opportunities in the Primary Region which are in line with the investment policy of the Fund, the Manager believes that it may also source certain investment opportunities outside of the Primary Region, particularly in the Secondary Region, which may offer compelling investment opportunities to the Fund and could also be availed.

### 5.1 Market Opportunities

#### Introduction

The Manager has carefully researched and selected the countries comprising the Target Region and commercial sectors for its planned investments. As the following summary market overviews presented over the ensuing pages demonstrate, the Manager considers there to be compelling opportunities which can be made available to the Fund and which are suitable for investors who are able to appreciate the numerous fundamentals of strong growth potential and enhanced demand that exist in specific areas of the particular economies of primary relevance to the Fund.

The Gulf Co-operation Council (GCC) has generally experienced robust growth since 2013 emerging from the economic slowdown as a result of the global financial crisis and the Arab Spring in the broader Middle East. Deemed by many as a global innovator and leading proponent of master-planned real estate projects, the GCC region is also now embracing a greater volume of projects into specific sectors, such as industrial/manufacturing to spearhead diversification, broaden hospitality offerings, as well as enhancing its leisure and entertainment base, and emerging as an important hub for multiple, niche sectors such as film funding, software development and logistics.

### 5.2 Geographical Overview – GCC

#### UAE

With over USD 228 billion in building projects under way as of June 2017, the UAE real estate and project development sector has remained resilient with new projects consistently entering the pipeline replacing completed developments. Solid underlying fundamentals including low interest rates and a successful economic diversification policy are combined with the country's status as a generally perceived financial 'safe haven'. The UAE government's historic economic decentralisation has ensured that development is spread throughout the Emirates. This is symbolised by projects such as the Etihad Rail ([www.etihadrail.ae](http://www.etihadrail.ae)) project, which reportedly aims to create 1,200 kilometers of main line track across the UAE catering to both freight and passenger segments, and is eventually planning to link into the pan-Gulf rail network. A number of critical factors involving well-positioned public sector initiatives, and private sector strength and confidence, have led to positive growth prospects in the real estate sectors in many of the key UAE locations.

#### Dubai

##### *Economy & Infrastructure Developments*

The Emirate of Dubai constitutes a territory of particular significance and relevance to the Manager, due, in the Manager's view, to the historic strength, scale and positive fundamental outlook for the real estate, tourism, and hospitality, along with ancillary, sectors. Dubai remains an enduring destination of choice for investment thanks to the outstanding infrastructure built up during the Emirate's strong economic expansion over the course of the first decade of this century. Underpinned by the sterling growth of Emirates Airlines, tourism to the Emirate remains resilient with Dubai International Airport (DXB), the world's busiest passenger hub in 2016, registering 83.6 million passenger movements. Dubai's new Al Maktoum International Airport (DWC) at Jebel Ali, with full potential capacity for 160 million passengers, will be a transportation epicentre during the 6-month World Expo 2020, which is expected to bring 25 million visitors to the city, and is expected to act as a critically important catalyst for continued investment into Dubai's real estate, hospitality, leisure, and entertainment sectors. By

then, the Dubai Metro - the world's longest fully automated metro network at 75 kilometres – is expected to have extended to the Expo site.

### ***Master-Planned Communities***

Dubai's population grew by a ten-year annual compound rate of 7.3% from 2006 to reach 2,866,654 in 2016. A large portion of this growth was derived from expatriates, to whom the freehold property market was opened in 2002 in designated zones, in combination with a range of mortgage finance options which helped to spur the sector's exponential growth. The Emirate has become renowned for creating major master-planned residential resort/tourism communities in these areas, including projects such as The Palm Jumeirah, Dubai Marina, Sports City, Motor City and Downtown Dubai (site of the world's tallest tower, the Burj Khalifa, and the world's largest shopping centre, Dubai Mall). Additionally, large master planned residential communities include Jumeirah Park, Jumeirah Islands, Jumeirah Village Circle/Triangle, Emirates Hills and Jebel Ali Village along with residential/commercial free zones such as Jumeirah Lakes Towers, Dubai South/Dubai World Central, City Walk and Dubai Investment Park. Upcoming 'mega projects' include Mohammed bin Rashid City (MBRC), Dubai Maritime City, Deira Islands, La Mer, Pearl Jumeirah and Dubai Water Canal as a new hospitality, leisure and entertainment hubs, and Dubai Harbour Project, the Middle East region's largest marina which is slated to feature a cruise ship port with a terminal capacity of 6,000 passengers.

### ***Commercial Real Estate***

Dubai continues to expand on its portfolio of commercial real estate offerings in primary hubs such as: Dubai International Financial Centre (DIFC), Downtown Dubai/Business Bay, Media City/Internet City/Knowledge Village, Dubai Multi-Commodities Centre, Healthcare City, Dubai Investment Park, Studio City and Dubai Design District for office space, and industrial areas, such as the traditional free zones of Dubai Airport and Jebel Ali and the onshore districts of Ras Al Khor and Al Quoz. New office towers in Business Bay, Media City and DIFC ensure an ample selection of options for new businesses along with up and coming industrial free zones including TechnoPark, Dubai South (formerly Dubai World Central), Dubai Industrial Park, and Dubai Wholesale City.

The emirate has launched the 2030 Dubai Industrial Strategy aimed at elevating Dubai into a global platform for knowledge-based, sustainable and innovation-focused businesses by leveraging the emirate's strategic location and infrastructure as a global economic hub by focusing on knowledge, science, and research. The Strategy aims to: 1) increase the total output and value-addition of the manufacturing sector, 2) enhance the depth of knowledge and innovation, 3) make Dubai a preferred manufacturing platform for global businesses, 4) promote environmentally-friendly and energy-efficient manufacturing and 5) make Dubai a center for the global Islamic products market. To achieve this, the government has identified six priority sub-sectors: 1) Aerospace, 2) Maritime, 3) Aluminum and Fabricated Metals, 4) Pharmaceuticals and Medical Equipment, 5) Food and Beverages and 6) Machinery and Manufacturing Equipment.

According to the Dubai Industrial Strategy, the industrial sector is expected to grow by an additional AED 18 billion (USD 4.9 billion) by 2030 creating 27,000 jobs with exports forecast to increase by AED 16 billion (USD 4.4 billion). Meanwhile, investment in research and development will increase by an additional AED 700 million (USD 191 million) by 2030. The contribution of the industrial sector to GDP was over 16% in 2016. The sector's resilience and competency led to its continued growth over the past few years - even during the global financial crisis.

### ***Tourism & Hospitality***

Tourism, a significant pillar of Dubai's growing economy, accounted for about 20% of Dubai's GDP. The tourism sector grew by 11% in 2016, and is expected to grow at 5% and 5.1% in 2017 and 2018 respectively. Large investments in travel, tourism, leisure and hospitality sectors will continue to attract more visitors, in line with the strategy to welcome 20 million visitors by 2020 from 14.9 million in 2016 - a 5% growth rate on 2015. Dubai's hospitality sector is expected to continue to expand, with 74,542 hotel keys and 25,076 hotel apartment keys at the end of 2016 and 71,000 units in the pipeline.

Growth within the UAE's travel market will likely be supported by several recently announced projects, including Marsa Al Arab, a \$1.7 billion mega tourist resort near the Burj Al Arab, the new addition to IMG World of Adventures - IMG Worlds of Legends theme park, a Formula One theme park at Dubai's Motor City, Six Flags at Dubai Parks and Resorts, in addition to a number of planned shopping malls and cultural venues. These mega projects fall in line with Dubai's preparations to host Expo 2020 and diversify the emirate's mix of leisure and entertainment offerings.

### ***Entertainment Attractions, Culture & Media Tech***

Dubai's entertainment market has traditionally been focused on its more than 90 shopping destinations, many of which include Family Entertainment Centres (FECs) and other indoor attractions, such as Sega Republic, Kidzania at Dubai Mall, Magic Planet at the various 'City Centre' malls, as well as the famous Ski Dubai, and more recently City Walk's Hub Zero.

One of the largest recently announced master-community projects - Mohammed bin Rashid City – will include the Meydan One Mall, aiming to usurp the Dubai Mall as the world's largest shopping centre and set to have a retractable roof and contain: an indoor ski slope measuring 1 kilometre in length, a 400-meter Central Canyon, a 300-meter long artificial beach, a 9-kilometre boardwalk, a 5.3-kilometre jogging and bicycle trails, a 4-kilometre canal, a civic plaza, the largest dancing water fountain, a heritage village and numerous sports facilities covering football, basketball, volleyball, squash, table tennis, badminton, indoor cricket, mixed martial arts, skateboarding, mountain biking, boxing, jogging, softball and a golf driving range. Beside the mall grounds, the 711-metre tall Dubai Tower is planned to be built on an adjacent plot.

Based in Dubailand, the 1.5 million square feet IMG Worlds of Adventure indoor theme park became the first and largest of its kind when it opened in August 2016. The company plans to add IMG Worlds of Legends by 2020 featuring nine zones, seven of which under licensing deals with Viacom, Ubisoft and Mattel bringing attractions featuring Sponge Bob Square Pants, Dora The Explorer, Power Rangers, Barbie, Pokemon and Dragonball Z to the region.

Outdoors venues include: Aquaventure waterpark at the Atlantis Palm Jumeirah, the major theme park grounds of Dubai Parks and Resorts located in the Jebel Ali district of the Emirate of Dubai (which is home to Motiongate - a Hollywood theme park, Bollywood Park and the Middle East's first LEGOLAND theme park), Global Village (which commenced its 22<sup>nd</sup> season November 1, 2017 and welcomed 5.6 million visitors last season) and Wild Wadi waterpark are some of the largest and well-known leisure attractions. These venues will soon to be complemented by the addition of Six Flags at Dubai Parks and Resorts, a new, larger Wild Wadi at Mina Al Arab replacing the original waterpark in the same Burj Al Arab area, and a new theme park on the original Wonderland park grounds between Healthcare City, the Dubai Creek and Garhoud Bridge. Other future tourist attractions in Dubai are expected to include the Bluewaters project on Jumeirah Beach, which is set to include the Dubai Eye, a 210-metre ferris wheel similar to the London Eye.

With two international film festivals annually, as well as a yearly offshoot of the US Comic Con trade fair (Middle East Film and Comic Con), an annual Art Fair and the newly completed Opera House, Dubai is wholeheartedly embracing culture in its many forms.

A major regional media production centre, Dubai is also regarded by many as the Middle East's hub for software and 'app' development, the Dubai government itself having launched more than 80 mobile apps for customers of its various departments, and spearheading initiatives embracing blockchain/distributed ledger technology.

### **Abu Dhabi**

#### ***Economy & Infrastructure Developments***

According to OPEC, the UAE holds the seventh-largest proven reserves of oil in the world at 97.8 billion barrels (2016), with 94% of those reserves located in the Emirate of Abu Dhabi. Abu Dhabi also enjoys the seventh-largest natural gas reserves at 215 trillion cubic feet according to the Energy Information Administration (As of January 2017).

With the financial might afforded by its hydrocarbon sector, the UAE capital boasted three of the world's top 20 sovereign wealth funds, the Abu Dhabi Investment Authority (ranked number 2, USD 828 billion), Mubadala Investment Company (14<sup>th</sup>, USD 125 billion) and Abu Dhabi Investment Council (16<sup>th</sup>, USD 110 billion) according to the Sovereign Wealth Fund Institute.

Abu Dhabi has been making major investments in recent years to improve and expand the city's infrastructure. The Midfield Terminal at Abu Dhabi International Airport will take its capacity up to 55 million passengers a year. The airport, which handled 24.5 million passengers in 2016, will be linked to the city's planned USD 7 billion, 131 kilometre metro network.

There are plans for the long-serving Port Zayed to be transformed into a cruise ship terminal, while commercial shipping has been diverted to the new deep water Khalifa Port at Taweelah, the region's first semi-automated container port located midway between Abu Dhabi and Dubai, which serves the adjacent 418 square-kilometre Khalifa Industrial Zone Abu Dhabi (KIZAD).

### ***Commercial Real Estate, Master-Planned & Themed Mixed-Use Projects***

The accession of His Highness Sheikh Khalifa bin Zayed as Emir of Abu Dhabi and President of the UAE in 2004 marked a change in the approach of the capital's authorities towards property development. Previously in the hands of the government Khalifa Committee, which employed strict limitations on investments, the change of leadership saw an increased focus and interest in developing the tourism sector in the form of both private investment and the introduction of freehold real estate ownership, the latter firstly for local nationals and subsequently for foreigners. Abu Dhabi's real estate boom started later than Dubai's and was harder hit during the global economic crisis, resulting in a period of consolidation and the merger of two of the Emirate's top property developers, Aldar and Sorouh. Since then the sector has recovered, with multiple new projects including Al Ain Wildlife Park and Waha Land.

Traditionally concentrated on the T-shaped island of Abu Dhabi, the UAE capital's urban area has in recent years spread more extensively into the mainland, as well as neighbouring natural islands. Multiple Dubai-style master-planned business and residential/resort communities have emerged, such as Al Raha Beach and the environmentally-friendly Masdar City on the mainland, and the natural desert islands called Saadiyat, Yas, Reem, Maryah and Nareel. Saadiyat stands out for promising a Cultural District with branches of the Louvre and Guggenheim museums, as well as the Zayed National Museum, all three featuring extraordinary modern architecture. Yas Island is renowned for the Formula One-grade race circuit at Yas Marina, which also contains an international concert venue, the luxury Viceroy Hotel and multiple other entertainment attractions (see below) which have demonstrated significant latent demand for special interest and activity-based entertainment in the country.

### ***Tourism & Hospitality***

With Abu Dhabi's continuing tourism growth, sustained in part by the marked success of Etihad Airways, average annual hotel room occupancy rates at the Emirate's 21,400 keys have remained high, albeit at lower average achieved rates than in Dubai, due to a prolonged surge in hotel openings - 1,300 additional hotel rooms to be introduced by the end of 2017, and total supply is forecast to reach 25,300 rooms by the end of 2019.

The Manager considers there to be continued, significant opportunity within the themed and stylized hotel sector in the Emirate. New additions over the years have already included a group of notable Arabian-style properties, including the Emirates Palace, the Shangri-La Qaryat Al Beri and the Anantara Qasr Al Sarab and Desert Islands resorts with international chains contributing the Fairmont Abu Dhabi Marina and Millennium Bab Al Qasr. By contrast, the Ritz-Carlton Abu Dhabi, Grand Canal features Venetian themed architecture. Such properties illustrate a notable emerging style for design-orientated hotels in the Emirate.

### ***Entertainment Attractions, Culture & Media Tech***

With its Abu Dhabi Cultural Foundation including the National Theatre & Cultural Centre Annexe, as well as its Heritage Park and Al Ain's Hili Fun City, Abu Dhabi has long provided its citizens and residents with quality leisure and cultural amenities. The openings of the Paris-Sorbonne and New York University campuses, together with the Saadiyat museums, have reinforced the city's cultural prowess in the region.

By contrast, Yas Island has been positioned as a mid- to up-market leisure destination, combining the Formula One grade Yas Marina Circuit race track with the Ferrari World theme park, Yas Water World and the large Yas Mall. With a 200,000 square metre roof making it the largest indoor amusement park in the world, Ferrari World is adding seven more rides and attractions to its existing twenty. Yas Island is further expanding with the upcoming Warner Brothers theme park and SeaWorld.

Having emerged as a major film finance centre, Abu Dhabi is also actively promoting itself as a desirable film location, with the Abu Dhabi Film Commission's cash-back rebates which helped to attract Hollywood films - Star Wars: Episode VII, and before that, Fast & Furious 7.

The Manager believes there is considerable opportunity to capitalize on the already well-established entertainment, tourism and media sectors in the UAE's largest and most wealthy Emirate through identifying further, niche, compelling investment opportunities.

## **Northern Emirates & East Coast**

### ***Economy & Infrastructure Developments***

With populations respectively estimated at over 1.4 million and around 345,000, Sharjah and Ras Al Khaimah are major industrialised economies in their own rights, specialising in light industrial and manufacturing in such sectors as furniture, food stuffs, cement, ceramics and pharmaceuticals. Sharjah boasts 19 industrial areas, providing 48% of the UAE's industrial company revenue. Sharjah International Airport, the hub for the successful budget airline Air Arabia, handled 11 million passengers in 2016, while Sharjah's East Coast town of Khorfakkan is a notable container trans-shipment port. The East Coast Port of Fujairah is a significant, and one of the world's most notable, oil-tanker bunkering stations. The Habshan–Fujairah oil pipeline enables the UAE to export up to 70% of its crude via tankers departing from Fujairah, thus avoiding the sensitive Strait of Hormuz.

### ***Commercial Real Estate, Master-Planned & Themed Mixed-Use Projects***

The UAE 'freehold-property-for-foreigners' real estate boom started in Dubai, and such progress was notably successfully emulated on a smaller scale in Ras Al Khaimah, where the popular Al Hamra Village hospitality and housing project inspired even larger subsequent coastal projects nearby including Al Marjan Island and Mina Al Arab. Sharjah, Ajman and Fujairah have been developing similar projects as well. The Sharjah Investment and Development Authority (Shurooq) has concentrated on smaller, more quickly achievable projects like the Majaz Waterfront on the Khaled Lagoon, while the delayed Fairmont-branded Mina Al Fajer hilltop/beachfront residential resort community on the East coast is now a reality.

### ***Tourism & Hospitality***

Ras Al Khaimah has emerged as a significant beach and eco-tourism destination, with more than 800,000 visitors in 2016 and hopes to attract 1 million visitors to the emirate annually by the end of 2019. Ras Al Khaimah boasts six Hilton-branded hotels, including an extraordinary Waldorf-Astoria which is housed in a converted former palace on the coast of the Emirate along with currently three offerings on Al Marjan Island - Double Tree by Hilton, Rixos and Marjan Island Resort and Spa.

As part of the ramp-up of its tourism infrastructure, in November 2016 Ras Al Khaimah opened a via ferrata, or protected climbing route, on Jebel Jais with three ziplines, ranging from 48 metres to 300 metres, and in 2017 opened the world's longest zip line.

New highways connecting the UAE East Coast with the two major trans-Emirates arteries (Emirates Road and Sheikh Mohammed Bin Zayed Al Nahyan Road) are helping Fujairah's resorts to consolidate their position. Other beach hotels in the area include the Ajman Saray (Marriott's Starwood Luxury Collection), the Miramar Fujairah and the future Al Jabal Resort (The Chedi Khorfakkan).

### ***Entertainment Attractions & Culture***

Sharjah is a popular destination for GCC and Eastern European tourists, with attractions including the Blue Souk with its characteristic barrel-vaulted roofs, the Al Qasba Canal with its adjacent Sharjah Wheel, and in-mall FECs such as Adventureland and Antic's Land. The Emirate offers 17 high quality museums including the Sharjah Discovery Centre (an interactive 'edutainment' centre), the Sharjah Aquarium and the Museum of Islamic Civilization. Additionally, the popular Sharjah Desert Park and the Arabian Wildlife Park are both located in the desert a short distance outside Sharjah city.

Shurooq's redeveloped Al Montazah Amusement and Waterpark on an island in the Khaled Lagoon now competes with Dreamland Water Park in Umm Al Quwain and Iceland Water Park in Ras Al Khaimah.

## **5.3 Qatar**

### ***Economy & Infrastructure Developments***

Qatar is the world's largest liquefied natural gas (LNG) exporter and holds the third-largest proved reserves of natural gas in the world at 872 trillion cubic feet, according to the Oil & Gas Journal; it is the world's second largest natural gas exporter behind Russia, as well as being home to the largest gas-to-liquids production facility. Hydrocarbon wealth helped to make Qatar's 2016 per capita GDP of USD 127,700 the world's second highest, after Liechtenstein. Project expansions announced in July 2017 plans to boost export capacity to 100 million tons from 77 million tons per year.

The Qatari National Development Strategy attracted at least USD 225 billion in infrastructure investments in the five years up to 2016 as part of the broader Qatar Vision 2030 and in preparation for the 2022 FIFA World Cup. Qatar's USD 4 billion stadium building programme will result in nine new eco-friendly football stadia including the 86,000-seater Lusail Iconic Stadium, where the main World Cup tournaments will take place, and the expansion of three existing stadia.

Major transport infrastructure projects included the USD 16 billion Hamad International Airport, which has been the anchor to a new 10 square kilometre Airport City master-planned commercial and residential community for 200,000 people. The USD 40 billion Qatar Rail project comprises the upcoming 90-station Doha Metro, a mainline passenger and freight rail network, and the Lusail light rail transit system. Also planned are a new principal port and a 12-kilometre bridge and tunnel link across Doha Bay (the Sharq Crossing).

### ***Commercial Real Estate, Master-Planned & Themed Mixed-Use Projects***

These high levels of spending have triggered rapid immigration, with Qatar's population passing the 2 million mark in 2013 and reaching 2.3 million as of July 2017, compared to just 820,000 in 2005. A resultant mall boom has seen more than 30 shopping centre projects initiated, including Al Futtaim Real Estate Services' 550-store Doha Festival City Mall and Urbacon's 400-store Mall of Qatar.

Doha's traditional central areas are the subject of large-scale urban regeneration, with such projects as the Souq Waqif and the USD 5.5 billion, 31-hectare, sustainable and culturally sensitive Musheirib Downtown Doha project transforming the urban fabric with replica and contemporary Arabian architectural styles respectively.

The Pearl Qatar, Doha's original themed island project, continues to expand with new districts, as does the USD 45 billion, 38 square kilometre Lusail district, north of the West Bay lagoon, which will eventually house 450,000 inhabitants and 22 hotels.

Major Qatari developer Barwa is working on multiple projects including Oryx island in Doha Bay, a 180-hectare project including luxury villas, an aqua park and floating hotel moorings for the World Cup.

### ***Tourism & Hospitality***

Driven in large part by Qatar Airways' continuing expansion, Hamad International Airport witnessed 37.3 million passenger movements in 2016, while Qatar itself attracted over 2.2 million international visitors. The Qatar National Vision 2030 sets a target of 7 million, which would increase the tourism's GDP contribution to 8%, up from 1.8% in 2013. Qatar is committed to build more than 80,000 new hotel rooms by the time of the 2022 World Cup. Doha's hotel room supply is predicted to grow at an annual rate of 10%, from 16,286 at the end of 2013 to 26,135 rooms in 2017.

Design-oriented hotels in Doha include the Grand Heritage Hotel & Spa, featuring Victorian architecture, and the eight aptly-named Souq Waqif Boutique Hotels. Marriott Starwood's W Doha was the first major-brand 'lifestyle' hotel in the city. More recent additions in that segment include: The Mondrian (Morgans), M Gallery (Accor) and Solis (Capella).

### ***Entertainment Attractions, Culture & Media Tech***

The established supply of Doha entertainment attractions, including Aqua Park Qatar, Jungle Zone, Gondolania at the Villaggio Mall, and Fun City at City Centre Doha, have recently been complemented by major new projects and initiatives, one being Entertainment City, a mixed-use 'city within a city' at Lusail, centred around a water park. The waterfront Seef Lusail project will feature an 'Atlantis-style' underwater theme park with an offshore artificial reef for divers.

The home of the IM Pei-designed Museum of Islamic Art, the uncompromising National Museum of Qatar by Jean Nouvel, looking like a desert rose (a gypsum crystal cluster), and the global broadcaster Al Jazeera, Qatar has long been a champion of culture in the region. The Arabic village-style Katara Cultural Village in West Bay is a symbol of this, housing the country's Opera House, a theatre, a 5,000-seat auditorium and offices of the Qatar Philharmonic Orchestra and other arts organisations.

The Tribeca Doha Film Festival, which ran for four years up to 2012, has been replaced by two festivals, the Ajyal Youth Film Festival and the Qumra festival for emerging film makers. The Doha Film Institute also funds films, such as the Salma Hayek-produced animated adaptation of Kahlil Gibran's classic work *The Prophet*.

## 5.4 Kingdom of Saudi Arabia

### ***Economy & Infrastructure Developments***

The Kingdom of Saudi Arabia (KSA) has 16% of proved oil reserves on the globe equating to approximately 266 billion barrels of proved oil reserves as of January 1, 2017 according to the Oil & Gas Journal.

It is the largest producer and exporter of total petroleum liquids (exports averaged an estimated 7.1 million barrels/day of crude oil in 2016, according to the Global Trade Tracker), and maintains the largest oil production capacity at almost 12 million barrels a day. KSA's 2016 GDP of USD 639.6 billion was the 20<sup>th</sup> largest in the world, with a population of 28.6 million corresponding to a per capita GDP of USD 22,386. According to the Sovereign Wealth Fund Institute, SAMA Foreign Holdings' 2016 assets of USD 514 billion made it the fifth largest sovereign wealth fund globally.

Oil production accounts for 75% of Saudi export revenues and over 40% of its GDP. On April 25, 2016, Crown Prince Mohammad bin Salman announced the Kingdom's Vision 2030, a plan to diversify the economy and reduce the country's dependence on oil, along with developing public service sectors; particularly health, education, infrastructure, recreation, and tourism. On October 24, 2017, the Crown Prince announced a proposed USD 500 billion, 26,500 square kilometre, multi-state city and economic zone to be called Neom between Saudi Arabia, Jordan, and Egypt, via a proposed bridge over the Red Sea. Recognising the need to introduce international legal standards, Neom will have its own regulatory regime and is intended to be financed through a combination of government spending, the private sector, and by leveraging the financial clout of the Kingdom's USD 230 billion Public Investment Fund. Neom is intended to attract investment in new technologies, including renewable energy and robotics. Through Neom, the government hopes to realise USD 100 billion in annual contributions to GDP by 2030. In addition, the government has earmarked at least 80 other projects ranging in investment size and up to USD 20 million each.

Legacy funding projects have been directed to finance 3,700 kilometres of new roads/the upgrade of existing ones, and construction of new ports and airports. The latter include: an important new Red Sea Port at Al Lith, major expansions of Riyadh, Jeddah and Madinah international airports, and smaller projects to upgrade the domestic airports at Jazan, Abha, Al Qassim, Arar and Al Jouf. New Metro systems will be created in Riyadh and Makkah, while the existing mainline network will be extended to create links between Jeddah, Makkah and Madinah (Haramain High Speed Rail Project), and eventually connect Jeddah with Riyadh and Dammam with Jubail (Saudi Landbridge Project).

### ***Commercial Real Estate, Master-Planned & Themed Mixed-Use Projects***

Influenced by trends in other GCC countries, KSA now has its fair share of modern master-planned business districts, including the upcoming King Abdullah Financial District in Riyadh, the King Abdullah Economic City near Jeddah, Jeddah Gate and the Kingdom City in northern Jeddah. The latter anchored by the Kingdom Tower, which will be 173 metres taller than the 830-metre Burj Khalifa in Dubai, earmarking it as the world's future tallest building.

Ruled by the Custodian of the Two Holy Mosques, KSA is a major cultural force in the region. Creating a unique lodging destination, the massive Jabal Omar project in Makkah overlooking the Holy Mosque promises no less than 38 hotels containing 13,500 rooms and 34,000 beds. The Kingdom attracted around 3 million Hajj visitors in 2017.

Although not an international leisure tourism destination, KSA has developed master-planned residential resort communities for the local population. Prominent examples are the large Durrat Al Arus coastal tourist village

north of Jeddah, its desert equivalent Durrat Arriyadh and a number of gated resort communities around Half Moon Bay in Al Khobar, such as Sunset Beach.

### ***Tourism & Hospitality***

Although known for its conservatism, Riyadh has developed at least two trendy new 'lifestyle' hotels, the Hotel Indigo (InterContinental Hotels Group's 'boutique' brand) at King Abdullah Financial District and a hotel of the Nobu chain, founded by actor Robert de Niro and sushi icon, Chef Nobu Matsuhisa. More notably, as a part of Vision 2030, a beach resort has been proposed to be built on the Red Sea between the towns of Umluj and Al-Wajh. The resort project is slated to include 50 islands covering an area measuring 34,000 square kilometres and positioned in the upmarket segment. It is also intended that the development will be governed by liberalized laws allowing for globally common practices.

### ***Entertainment Attractions & Culture***

KSA has a surprising number of family-oriented entertainment attractions. Riyadh and the relatively relaxed seaside cities of Jeddah and the Al Khobar/Dhahran/Dammam conurbation each have significant inventories of amusement parks and in-mall family entertainment centres (FECs). Riyadh and Jeddah, for example, have around 60 malls between them, many offering some kind of entertainment outlet.

Leading examples of the genre include the large Al-Shallal Theme Park and the Sail Island Aqua Park on Jeddah Corniche, Al Hokair Land and Fantasy Land in Riyadh, and Sparky's (a 10,000-square metre FEC) and Billy Beez at the Mall of Dhahran, the latter a 4,500-square metre facility aimed at children aged 3 to 12 and confirmed by the Guinness Book of Records to be "The Largest Indoor Playground in the World."

The Al Hokair Group is a major player in the Kingdom's entertainment industry (as in its hotel sector), with 50 'games cities' across the country under the Sparky's, Digital Land, Metropolis and Minopolis brands, and further projects and developments proposed. Minopolis will apparently be similar to the Kidzania 'real life in miniature' concept now seen at the Mall of Arabia in Jeddah, which will soon also offer Snow Village, containing 15 snow and ice fun rides.

In April 2017, the chairman of Saudi Arabia's General Entertainment Authority, Ahmed Al Khatib, said that he sees cinemas returning to the Kingdom, potentially leading to the opening up of the leisure and entertainment sector and ancillary effects it could have on a number of sectors including real estate, retail, media and the creative arts.

Its serious, didactic cultural focus is typified by two new buildings completed in the past four years featuring iconic modern architecture: the King Abdullah Petroleum Studies and Research Centre in Riyadh, designed by leading London-based firm, Zaha Hadid Architects; and the King Abdulaziz Centre for World Culture at Aramco in Dhahran, designed by top Norwegian firm, Snøhetta.

## **5.5 Kuwait**

### ***Economy & Infrastructure Developments***

Kuwait was the world's tenth largest oil producer, despite having the smallest land area of all the OPEC countries, with 102 billion barrels of proved oil reserves as of 2016; the world's sixth largest. The Gulf state earned an estimated USD41.5 billion from producing 2.9 million barrels/day, equivalent to 90% of export earnings and 38% of the country's GDP; the government is also reportedly planning to increase daily production to 4 million barrels by 2020. In 2015, Kuwait realized a budget deficit for the first time in 15 years and in 2016, the deficit grew to 16.5% of GDP. Public debt grew from an estimated 9.2% of GDP in 2015 to 17.3% in 2016. With USD 524 billion in assets, Kuwait Investment Authority is the fourth largest global sovereign wealth fund according to the Sovereign Wealth Fund Institute.

Major transport infrastructure projects which are reportedly proposed include a USD 3.2 billion, 28-gate terminal at Kuwait International Airport designed by Foster + Partners, a planned 171-kilometre, 60-station Metro network, a 511-kilometre mainline rail system and the USD 3.7 billion Subiya Causeway, a 36-kilometre link between the southern port of Shuwaikh and the north of the country.

### ***Commercial Real Estate, Master-Planned & Themed Mixed-Use Projects***



Despite its spending power, Kuwait has seen delays in some of its projects due, in part, to changing political decisions and rulings which have affected some projects' otherwise rapid development. A key initiative that is again now planned for development is the 250-square kilometre, USD 95 billion City of Silk, or Madinat Al Hareer, which will be divided into four main districts: Educational City, Finance City, Leisure City and Ecological City. The proposed development includes the 1,001-metre tall Burj Mubarak Al-Kabir, an Olympic Stadium, hotels, retail facilities and residences for 700,000 people.

Other ongoing projects include Sabah Al-Ahmad Sea City, a 67-square kilometre coastal housing development near the Saudi border which will reportedly have the capacity to house over 100,000 people, and another project to create six tourist villages and a 'Fun City' theme park on Failaka Island.

Seafront retail/mixed-use projects have long been popular in Kuwait, like the Sharq Market and Al Kout Fahaheel.

### ***Tourism & Hospitality***

Kuwait receives around 300,000 overnight visitors annually, with minimal numbers of true international leisure tourists (6%). Kuwait's hotel stock includes a number of conventional luxury hotel brands, but only two notable 'lifestyle' hotels to date – Le Royal Hotel, which began life as an example of Le Meridien's short-lived 'Art & Tech' designer hotel style and the Symphony Style Hotel, formerly the Missoni Hotel.

### ***Entertainment Attractions, Culture & Media Tech***

Kuwait's waterfront is a popular leisure destination for domestic tourists and Saudis. It features large-scale traditional theme/amusement parks like the 1 million square metre Entertainment City, Al-Sha'ab Leisure Park with 72 rides, the Green Island and Messila Water Village. The Scientific Centre contains an aquarium, an IMAX cinema, a dhow harbour and an interactive museum.

In addition, a number of Kuwait's many malls offer FECs, leading examples include Baroue and Magic Planet at The Avenues, and Infunity, The Freeze Club and Flight Experience at the 360 Mall.

Kuwait has had a notable success in the field of media creation. Kuwaiti-born psychologist and entrepreneur Naif Al Mutawa devised the comic book and TV animated series, The 99, which features 99 characters based on the 99 attributes of god, but presents them in a non-specific way that can be appreciated by children of any background. With a theme park now operational in Kuwait, Al Mutawa's work was singled out for mention by Barack Obama.

## **5.6 Oman**

### ***Economy & Infrastructure Developments***

Oman is the Middle East's leading non-OPEC oil producer, with 5.4 billion barrels of proved reserves as of January 2017. Oil production has grown in recent years thanks to the use of secondary extraction techniques successfully reaching a new peak in production in 2016 of over 1 million barrels/day. Oman ranks as the 7<sup>th</sup> largest proved oil reserve holder in the Middle East and the 22<sup>nd</sup> largest in the world. Oman is investing in expanding its LNG production capacity given it holds 23 trillion cubic feet of proved natural gas reserves and natural gas production grew to 1.16 trillion cubic feet in 2016. The State General Reserve Fund reportedly has assets of USD 18 billion, while the Oman Investment Fund is said to have a further USD 6 billion.

The formerly rural town of Sohar has been transformed in recent years into a major industrial city and port, where container handling capacity has been increased and commercial shipping has now been formally diverted from Muscat. In similar circumstances, Duqm is also destined to play a key role in Oman's economy in the years to come as a future industrial town, export hub and master-planned tourist destination.

Oman is also developing its airport infrastructure with its USD 5.2 billion expansion of the Muscat and Salalah airports, and five new airports planned or under construction (in Duqm, Sohar, Ras Al Hadd and Adam).

### ***Commercial Real Estate, Master-Planned & Themed Mixed-Use Projects***

The Wave Muscat, Oman's original master-planned residential resort community in Seeb with an 18-hole, PGA-standard Greg Norman-designed golf course is open and the marina village is operational, with the Fairmont and Kempinski hotels. Comparable large projects also under development/reaching completion include Muscat Hills, Muriya Jebel Sifah and Salalah Beach, Saraya Bandar Jissah near Muscat and the Blue City (Al Madina A'Zarqa) in Al Sawadi.

More commercially-focussed mixed-use projects include the multi-tower Panorama and Muscat Grand Mall complexes in Al Khuwair and Omran's Oman Convention and Exhibition Centre. Key features of the latter include 22,000 square metres of exhibition space, a new auditorium for 3,200, a shopping mall, a business park and 1,000 hotel keys (including JW Marriott and Crowne Plaza properties), all set in a nature reserve.

### ***Tourism & Hospitality***

The Chedi and Shangri-La (Muscat), the Six Senses Zighy Bay (Musandam) and the new Alila (Jebel Akhdar) are some of the primary quality lifestyle hotel brands found in Oman. Recent additions include two Far Eastern-style Anantara resorts in Salalah and Jebel Akhdar, with a Cheval Blanc (Louis Vuitton) boutique hotel on Sodah Island the pipeline and a W Hotel (Marriott's Starwood) in Muscat opening in January 2018. Perhaps the most exciting longer-term prospect is Omran's project known as The Fort, a super-luxury heritage-style spa hotel in the Bowsher Hills with 120 suites to be managed under Marriott's Ritz-Carlton Reserve boutique brand.

### ***Entertainment Attractions & Culture***

The major entertainment project in the Sultanate is the multi-billion dollar Omagine residential resort complex which is proposed to be located on 1 square kilometre of beachfront land about 10 kilometres west of Muscat International Airport. The master plan proposes to offer a 'high culture' theme park containing seven pearl shaped buildings, a canal and marina area, 2,000 homes, plus related hotels, shops, restaurants, and office buildings.

Oman's entertainment sector is otherwise currently rather limited, but with substantial potential for further development. Marah Land is a modest amusement park in Muscat that will soon be eclipsed by the planned Majarat Oman, a USD 104 million, 25,000-square metre indoor theme park at Al Sawadi (slated to open in 2017). Several of Muscat's malls have FECs, such as the Magic Planet outlets at Majid Al Futtaim's Muscat City Centre and City Centre Qurum. Majid Al Futtaim is now reportedly planning the Mall of Oman, which is expected to be one of Oman's largest shopping and entertainment destinations.

Thanks to the Sultan's erudite influence, Oman has historically been distinguished from its Gulf neighbours in musical terms. Muscat's Royal Opera House was the Gulf's first purpose-built, recognisably international venue for classical music, both Western and Arabic.

## **5.7 Bahrain**

### ***Economy & Infrastructure Developments***

Bahrain has a markedly different economic structure to the other GCC states, which is partially the result of taking steps towards diversification earlier than the others. Petroleum products accounted for 46% of exports and contributed 18% to GDP in 2016, manufacturing activities such as aluminium smelting, as well as services including banking, transport and tourism, made up the balance. Bahrain's 398 financial institutions had assets of USD 193 billion (as of September 2016), reflecting continued international confidence. According to the 2016 Index of Economic Freedom, Bahrain has the 4<sup>th</sup> freest economy in the MENA region and the 44<sup>th</sup> freest in the world.

In the wake of the Arab Spring, and following reported long waiting lists for social housing, the government has announced plans to meet the shortage of quality housing for nationals, in part thanks to a USD 10 billion GCC fund which was established for this purpose.

The multi-million-dollar expansion of Bahrain International Airport, the base for Gulf Air, is expected to increase its capacity up to 13.5 million passengers a year from the current 9 million. The Bahraini and Saudi governments are reportedly jointly studying how to implement a part of the 2,177-kilometre GCC rail network, which is expected to eventually run from Kuwait to Dammam and Bahrain via a proposed rail bridge next to the existing

King Fahd causeway, and from there to Qatar across the proposed Bahrain-Qatar causeway. A Metro network is also reportedly planned in Bahrain.

### ***Commercial Real Estate, Master-Planned & Themed Mixed-Use Projects***

Bahrain's answer to The Palm Jumeirah, Amwaj Islands, off the coast of Muharraq, is a 4-square kilometre master-planned, mixed-use, freehold residential and recreational resort community created from a mix of natural islands and reclaimed land. Other 'mega' mixed-use reclamation projects in various stages of continued evolution include Bahrain Bay, Diyar Al Muharraq, Dilmunia Island, Water Garden City, Reef Island, Bahrain Financial Harbour, Nurana, Durrat Al Bahrain, Bahrain Marina and the Northern City, as well as at the inland Al Areen project.

### ***Tourism & Hospitality***

Bahrain's tourism which registered 4.7 million nights in the first half of 2017 is heavily driven by frequent, short-stay visitors given the King Fahad Causeway between Bahrain and Saudi Arabia resulting in an overall average of 2.3 nights per tourist. Approximately, 6.1 million guests visited Bahrain in the first six months of 2017 of which 5.6 million were for tourism; a 14% increase. The average stay for the 4.9 million arrivals via the Causeway was 1.8 nights with a total of 2.8 million nights up to the end of June. The 616,230 airport arrivals registered an averaged stay of 3.8 nights. 43,191 visitors arrived through the seaports driven by Cruise Arabia. The number of one-day visits via the causeway constituted 68% of the total number of land visits while airport visits for less than 24 hours were 21%. 57% of visitors said the purpose of their visit was for entertainment during the holidays, while 22% for shopping, 9% for family/friends, 7% for business and 2% medical tourism generating USD 6.1 billion in spending in total.

### ***Entertainment Attractions, Culture & Media Tech***

Bahrain has a number of family entertainment attractions, including the Adhari Theme Park, the Lost Paradise of Dilmun Water Park, Wahoo Waterpark Bahrain at Bahrain City Centre Mall and Magic Island at Seef Mall. The Muharraq Grand Garden is currently under development near Bahrain International Airport. The USD 51.6 million mixed-use project is expected to include a 93,000-square kilometre theme park with Bahrain's first full-size ice arena and indoor ski slope, an indoor sports arena, outdoor pitches, an aquatic museum and a karting track, among other components. Entertainment will likely be a component of the planned Dragon City Chinese-themed mall at Diyar Al Muharraq. For historical reasons, Bahraini society is among the most cosmopolitan in the Gulf. This is reflected in its openness to artistic expression typified by the National Unity Film Festival.

## **5.8 Territories Outside the Target Region of Primary Focus**

Although not envisioned, if opportunities arise outside the United Arab Emirates and broader Gulf Cooperation Council countries that fit the investment criteria of the Manager, they will be considered.

## Section 6 The Evareium Token, Fund Structure and Management

### 6.1 The EVM Blockchain Limited Token Offering

EBL is offering to acquirers (each such acquirer accepted by the GP being a “**Tokenholder**”) the issuance of up to 150,000,000 (the “**Offering**”) ERC20-based (founded on the Ethereum software platform) smart contract tokens to be issued by EVM Blockchain Limited (the “**Issuer**”), subject to the terms and conditions of this document, and to be called “**Evareium**” or “**EVRM**” (the “**Tokens**”).

The Issuer is a newly incorporated and established limited liability company which has not traded and shall not trade. The Issuer has been established for the purpose of entering commercial interests in the Fund as documented herein.

Accordingly, upon closing of this offering, or within a timeframe before or shortly after such event, the Issuer shall, within 15-days, undertake its sole, material commercial undertaking which shall be to enter into the Limited Partnership Deed pertaining to Evarei MENA Real Estate Investments L.P., a Cayman Islands Exempted Limited Partnership, and the Tokenholders shall thereafter avail the beneficial interests of Issuer’s stake in such Fund. The Issuer may also offer shares in the Issuer to investing parties as an alternate to them buying or holding Tokens, although this shall be done in a manner not to encumber the interests of the Tokenholders.

The Fund is to be managed by Evarei General Partner 1 Limited (the “**General Partner**” or “**GP**”), which will issue such limited partnership interest in the Fund to the Issuer in exchange for the net proceeds of this Offering.

The Issuer may redeem any or all Tokens at any time (i) after five years from the original issue date of the Tokens to Tokenholders in consideration for and at the valuation equivalent to the then net asset value of the Issuer’s holdings (as described in further detail elsewhere in this Prospectus); or (ii) as Issuer may deem necessary upon receipt of information that a Tokenholder’s holding of such Tokens or actions causes regulatory concerns for the Issuer and/or the General Partner or breaches the terms of this Prospectus and/or related documentation (as described in further detail elsewhere in this Prospectus).

Subscriptions for EVRM Tokens may be paid in commonly accepted sovereign and digital currencies, being United States dollars (“USD”), Bitcoin (“BTC”), Ether (“ETH”). Holders of other currencies and crypto-currencies will be required to transfer into one of the aforementioned currencies or crypto-currencies in order to acquire EVRM Tokens.

This Offering is open until 31 December 2018, or as extended otherwise terminated by the Issuer acting in Issuer’s sole discretion.

The Issuer or GP will advise the Token subscribers as to the status of the fundraising and its closing and if such subscriber’s application to acquire EVRM Tokens was accepted (at the Issuer or GP’s sole discretion). Successful subscribers will be advised therefore by email or other form of communication by the GP (or their duly appointed informant), and an update to Tokenholders’ accounts on the [www.evareium.io](http://www.evareium.io) online software site/portal.

The Issuer intends to register and list the EVRM Tokens on appropriate cryptocurrency exchanges (from time to time) which are generally suitable to and in the general interests of the Tokenholders. Tokenholders may be required to conform to the policies and acceptance procedures of such exchanges, which may vary from time to time, in order to utilize the benefits of potentially trading EVRM Tokens on such exchanges.

Investment in The EVRM Tokens and the Fund carries substantial aspects of risk (see Section 12 herein for a detailed (but not exhaustive) description of the risks involved in acquiring and holding Tokens). Each Tokenholder shall be required to assess their own capability and suitability to undertake an investment in the Tokens, and will be required to adhere to and maintain the terms, parameters and standards of acceptability as a Tokenholder as established and further set out in this Offering documentation.

## 7.1 Fund

The Fund is established as a Cayman Islands exempted limited partnership in the Cayman Islands. The Fund will operate as an open-ended fund and will be composed of Tokenholders via the Issuer who will subscribe to the fund as a Limited Partner, and (potentially) other direct Limited Partners, and the General Partner.

The Fund was formed for the purposes of making, managing and exiting Investments principally in the real estate, hospitality, entertainment, leisure and media sectors (the target sectors) in the Target Region. The Fund may execute, deliver and perform all contracts and other undertakings and engage in all activities and transactions as may be necessary or advisable in order to carry out its objectives, subject to and in accordance with the provisions of the Limited Partnership Deed.

## 7.2 The General Partner

Evarei General Partner 1 Ltd will act as the Fund's General Partner. Evarei General Partner 1 Ltd is to be incorporated in the Cayman Islands.

The General Partner will be responsible for the day-to-day management of the Fund's affairs to the exclusion of the Limited Partners and for approving investment and divestment decisions. The General Partner, under the Management Agreement, has delegated to the Manager responsibility for much of the day-to-day management of the Fund's activities and affairs, who in turn has appointed Evarei Management LLC in the UAE to advise it on all matters pertaining to its duties as Manager, including investment, divestment and asset management activities. Please refer to the summary of the Management Agreement in Section 9 for more details of the Manager's responsibilities. The Manager will not have decision-making power in respect of investments or divestments. Such decision-making powers are reserved to the General Partner.

## 7.3 Manager

The Fund will initially be managed by the Manager, an exempted company established in the Cayman Islands. It is intended that the Management Agreement may be novated to a Dubai Subsidiary as and when it is established.

The Manager will establish an investment committee (**Investment Committee**). The Investment Committee will comprise suitably qualified members of the Manager, provided that the Manager may also appoint to the Investment Committee a non-voting observer which is not a member of the Manager. The Investment Committee will oversee the structuring and finalisation of an Investment recommendation or a disposition recommendation and will monitor Investments.

## 7.4 Advisory Board

The Advisory Board will be composed of duly qualified representatives identified and nominated (from time-to-time) by the General Partner, together with a representative of the Manager (who will participate in the role of observer only and will have no voting rights). The General Partner will consult with the Advisory Board with respect to corporate governance, conflicts of interest and observance by the Fund of the Investment Objective and Investment Restrictions. The Advisory Board will also discuss high level industry strategy and offer strategic guidance to the Fund.

Members of the Advisory Board will not be entitled to a fee in connection with their membership of the Advisory Board. All members of the Advisory Board will be entitled to reasonable out-of-pocket expenses incurred in fulfilling their roles as members of the Advisory Board. The expenses of Advisory Board members will be borne by the Fund.

Decisions of the Advisory Board will be determined by a simple majority of those voting in a duly convened and quorate meeting.

## 7.5 Oversight Committee

An Oversight Committee of the Fund will be established by the Manager and comprise prominent executives from relevant industry sectors. Although the General Partner will retain control over all such matters, the Oversight Committee will advise the Manager on. Each member of such committee will be entitled to a market standard fee for the advice he/she provides and reasonable out-of-pocket expenses incurred in fulfilling this role. The Manager shall invite, replace and remove members of the Oversight Committee, as it deems appropriate, in its sole discretion.

## 7.6 Auditor

The first auditors of the Fund are intended to be PwC (or an alternate leading and reputed accounting firm).

## 7.7 Board of Directors of the General Partner

The board of directors of the General Partner shall include qualified individuals involved in this offering at the time of publishing this Prospectus (and which may be subject to change prior to and following the Initial Closing Date), including Stefan Hickmott as chairman.

## 7.8 The Manager

### Senior executive management of the Manager

#### **Stefan Hickmott – BA (Hons) Senior Executive Officer and Chief Investment Officer**

Stefan Hickmott has senior professional expertise and experience spanning over 24-years in the private equity, investment, advisory and management consulting sectors, specialising in hospitality, leisure and real estate, and is the former vice president of investments for real estate and hospitality projects at The Abraaj Group in Dubai, United Arab Emirates, the region's pre-eminent private equity firm.

Stefan has considerable expertise as a principal in the direct investment space and has developed a successful track record in deployment of capital into well-structured, risk-adjusted investment opportunities with clear growth and exit potential. He has been instrumental in the investment and planning of a number of major hospitality and real estate development projects spanning the past three decades, having completed more than 500 advisory, planning, feasibility assessment, business valuation, asset management and investment projects covering almost every type of real estate, hospitality and leisure business.

Stefan is expected to be appointed as a director on the board of directors of the Manager.

#### **Mark Wilson, MSc. – Principal of Investments**

Mark has been working in corporate finance advisory, corporate development, and asset management for over eleven years. He has worked as the Senior Equities Associate at Majid Al Futtaim Trust responsible for an internal equity portfolio, fund manager due diligence and selection, and asset allocation within the private and public equities fund manager space. Additionally, he spent over two years as an Associate Director with Julius Bär Group's Client Advisory Group in Dubai as a buy-side equities analyst for the ONYX MENA Fund, an absolute return fund advised by Julius Bär Group's Client Advisory Group and managed by Blackpearl Capital.

Within corporate finance and development, he was the Senior Investment Analyst within acquisitions and investments-based business development department at a subsidiary of Qatar Holding, one of the operating arms of the Qatar Investment Authority targeting the consumer food and agribusiness sector, and prior to moving to the GCC, Mark spent four and a half years with HSBC's Investment Banking division in London working on corporate finance advisory mandates covering debt finance advisory, equity raisings and mergers and acquisitions, primarily with the consumer staples, leisure and retail sector coverage team.

Mark holds a Master's of Science in International Business from the Rijksuniversiteit Groningen (University of Groningen) in the Netherlands. He received his Bachelor's of Commerce and Finance from the Rotman School of Management, University of Toronto and concurrently a Major in International Relations from Trinity College, University of Toronto. He is fluent in English, French and Spanish.

#### **ARC Associates – Finance & Accounting**

ARC provide comprehensive services in Audit & Assurance, Business Advisory Services, Accounting & Financial Reporting, Accounting Software, Valuation & Business Restructuring, Feasibility Study & Project Plan, UAE Free zone Audit.

ARC are one of the top auditing companies in Dubai, UAE. ARC led by a team of well qualified, experienced and dedicated professionals. ARC Associates is registered with the Ministry of Economy & Commerce, Dubai Department of Economic Development.

ARC was born from the core ideology of providing high quality financial services to organizations including full accounting and auditing services, without compromising on the passion for excellence. The firm is enlisted with a panel of approved auditors of many local and international and free zones authorities in UAE.

Other personnel (that cannot be named for employment conflict reasons) are earmarked to also join full-time the finance and administration team (*more details available privately on request*).

#### **Matthew Ranson BSc (Hons) ACIBSE – Commercial Strategy Administration and Brand Enterprise**

Matthew has senior, professional expertise and experience spanning 21-years in corporate strategy, branding and communications across multiple sectors including real estate, hospitality and travel, consumer brands and retail, building services, financial services, utilities, education, healthcare, government services, technology, transportation, NGOs and non-profit organizations.

Matthew has lived and worked in the Middle East for over 15-years.

Matthew's brand and corporate advisory portfolio includes: brand portfolio strategy and brand architecture creation for Italian Hospitality Collection, Italy; brand strategy, portfolio strategy and brand architecture for Shurooq (Sharjah Investment & Development Authority), UAE; brand development (including market positioning, customer journey mapping and naming) for a large mixed use development, Zubair Corporation, Oman; brand strategy and employee engagement for Mubadala Petroleum, UAE; brand strategy, portfolio strategy and brand architecture for Meydan Hotels & Resorts, UAE; and, brand strategy, portfolio strategy and brand architecture for Al Ghurair Real Estate, UAE.

Matthew is able to leverage his expertise to assist the Manager in optimizing the success of bespoke brand and corporate strategies to maximum commercial impact of investments the Fund makes.

#### **Andrew Rowstone – Head of Evareium Investor Relations**

Andrew has 14-years' professional experience gained across multiple senior executive positions held in London, Qatar and the United Arab Emirates. Andrew has held senior management positions for leading international companies whilst also being a successful investor and trader in blockchain technology in the past months.

Andrew's main area of expertise include client procurement and customer relationship management within the corporate sales environment.

Combining Andrew's sales background with his investment and client management experience, Andrew is responsible for managing the full DSO stages of the EVRM offering. Andrew is scheduled to join the team as Evareium Investor Relations Director post EVRM issuance – a position that plays significant importance in managing the interests of the EVRM investors and ensures an important level of continuity in relationship management moving forward along the EVRM evolutionary road map.



#### **Corporate Governance, Financial and Operational Management**

Kinetrix is a leading provider of Governance, Risk and Compliance (GRC) advisory services – a critical aspect to all fund management firms. Kinetrix will deliver organization strategy, compliance and risk management services to the Fund. In addition, their team member **Pat Sanghrajka** shall provide the **Chief Financial Officer** function to the Fund and its core management entities, with 33 years' accounting experience across three continents. In his last corporate role, Pat was Regional Finance Manager for **Gillette** for the Middle East and Africa region based in Dubai, where his responsibilities included financial reporting and accounting, internal and accounting controls, organization development, IT oversight and payroll.

## Section 7 Conflicts of Interest

### **General Partner and Manager**

From time to time the General Partner, the Manager and their respective Affiliates may have interests that conflict with those of the Fund. Certain actual and potential conflicts of interest are described below. By acquiring an Interest in the Issuer, Tokens and/or Fund, each Limited Partner and/or Tokenholder (as the case may be) will be deemed to have acknowledged the existence of any actual and potential conflicts of interests set out in this Prospectus and have waived any claim with respect to any liability arising from the existence of any such conflicts of interests to the fullest extent permitted by law.

The functions and duties which the Manager undertakes on behalf of the Fund will not be exclusive and the Manager and any of its Related Persons may perform similar functions and duties for itself and for others, which may include the operation of discretionary managed accounts and other funds (provided such funds are already firmly proposed or in existence at the date hereof of the Limited Partnership Deed) with similar investment strategies for such clients if the services provided to the General Partner and the Fund are not impaired as a result, and the Manager and/or its Related Persons are not thereby prevented from properly performing their respective duties to the General Partner (on behalf of the Fund).

The Manager may engage the services of its Affiliates for the Fund or the Investee Companies where appropriate to do so, and will not be obliged to account for any profit or remuneration derived from such activities.

Where an investment opportunity is suitable for both the Fund and the Manager's other clients, subject to the Manager's discretion, the Manager will allocate investments between the Fund and each client *pari passu* pro rata to their respective total uncalled Commitments (or equivalent measure for other clients). If only one of the Fund and the other clients has the power or capacity to invest then the Manager may make the Investment on behalf of the Fund or the client in its sole discretion.

The Manager and/or Advisor and/or their affiliates and nominees may invest, directly or indirectly, in the Fund and may (subject to securities regulations) hold, acquire, sell or trade EVM Tokens from time to time, and may invest in any assets in which the Fund invests and in any assets which fall within the scope of the Fund's investment policy but in which the Fund does not invest and further officers, employees and members of the Manager may invest in the Fund and may, subject to compliance with relevant rules and regulations and the Manager's internal compliance procedures, engage in personal trading of instruments including those in which the Fund may invest.

The Manager may enter into transactions to sell down some of the Investments either to third parties or other accounts under its management. Such transactions will be undertaken as part of the portfolio management of risk inherent in the Fund and will be undertaken on an arms' length basis.

Where the Manager believes that the size of a potential transaction is too large or it does not meet the risk profile of the Fund, it may syndicate a proportion of that Investment to third parties or other clients under its management and may earn fees, for its own account, from such syndication, provided that such transactions will be undertaken on terms no more favourable than those available to the Fund. Details of a transaction of this type must be reported to the Advisory Board within thirty (30) calendar days of the quarter in which the syndication occurs.

Where a conflict of interest between the Manager and/or its Related Persons (on the one hand) and the Fund (on the other) arises (other than those matters referred to above) and which relates to any investment or divestment by the Fund or relates to any other matter which the General Partner, acting in good faith, determines to be a conflict of interest the General Partner will refer the matter to the Advisory Board for consideration and approval.

Nothing, however, will obviate or override the Manager's regulatory responsibilities including the management of conflicts of interests and the requirement to inform its regulator of matters in which it could reasonably have an interest.

Any Limited Partner may directly or indirectly acquire an interest in companies in which the Fund has an interest (including Investee Companies) and will not be liable to account to the Fund for any profits which may arise out of that interest. No Limited Partner will be obliged to bring to the attention of the Fund any investment opportunity of which it may from time to time become aware.

If any of the ultimate beneficial owners of the General Partner and the Manager or any of their Related Persons wishes to offer to sell an asset to the Fund in which it has a vested economic interest, and the Investment Committee determines that the proposed investment is suitable for the Fund, the asset will be valued by two independent valuers. The Manager will negotiate the terms of any such transaction with the seller and the Advisory Board must approve the terms of the sale.



The Manager may appoint any member or referee of Evarei Management LLC to provide the Fund and/or GP with real estate development services, facilities management services, property management services, property brokerage and any ancillary services without the Advisory Board's approval, provided that these are undertaken on arm's length terms, are competitively priced and are of the same standard of quality as that offered by competitors.

### ***Exclusivity***

The General Partner is prohibited from raising, managing or acting as general partner of another pooled investment vehicle or discretionary managed account which is similar to the Fund until ninety per cent. (90%) of total Commitments have been invested, contractually committed or allocated to the initial Investments of the Fund or allocated to meet potential liabilities of the Fund.

This will not prohibit the Manager or any of its Related Persons establishing an economic interest rather than a managerial interest in a pooled investment vehicle or discretionary managed account which is similar to the Fund.

The General Partner and the Manager are prohibited from making any real estate related investments of a kind suitable for investment by the Fund, except in respect of the Fund (once the Initial Closing has been achieved) until ninety per cent. (90%) of total Commitments have been initially invested, contractually committed or allocated to the Fund's first Investments or allocated to meet potential liabilities of the Fund. The Investment Committee will conclusively determine whether an investment opportunity is within the Investment Objective of the Fund.

Exceptions to the prohibition on real estate investments are: (i) follow-on investments made by Related Persons in relation to existing investments which pre-date the Initial Closing Date; (ii) transactions that would be precluded or limited by the Investment Restrictions or applicable law or regulation; (iii) minority investments without management control; (iv) investments that will be owner-occupied by any of the Related Persons; and (v) investments or fund management activities that the Manager, its ultimate beneficial owners or Related Parties establish or undertake after ninety per cent. (90%) of total Commitments have been initially invested by the Fund, contractually committed or allocated to the Fund's first Investments or allocated to meet potential liabilities of the Fund.

If the Investment Committee decides not to proceed with an identified investment opportunity, or decides that an investment is unsuitable for the Fund, then a Related Person of the Manager may pursue the opportunity for its own accounts so long as such investments will not cause any conflicts in terms of resources and provided the Advisory Board gives its consent.

It is the responsibility of the General Partner and the Manager to ensure that any potential action which might trigger a conflict of interests and is not addressed in the Limited Partnership Deed is brought to the attention of the Advisory Board.

## Section 8 Fees and Expenses

### 8.1 General Partner's Share

The General Partner's Share will be paid out of the Fund's assets in each Accounting Period. Subject to any adjustments (as described in the Limited Partnership Deed), the General Partner's Share will be two per cent. (2%) per annum of the total Commitments of Limited Partners (whether drawn down or not) in perpetuity.

### 8.2 General Partner's Carried Interest

- (a) The General Partner will receive the General Partner's Carried Interest as set out in Section 3 (*Summary of Key Terms*).
- (b) If, at the date of termination of the Fund, the Limited Partners have not received the aggregate distributions which they are entitled to pursuant to the Limited Partnership Deed, then the General Partner will pay to the Fund, for distribution to the Limited Partners, such amount as ensures that the Limited Partners are in receipt of such amount; provided that the amount payable by the General Partner pursuant to the foregoing will not exceed the amount of the Carried Interest received by the General Partner during the life of the Fund less the amount of any tax in respect of such Carried Interest paid by the General Partner and not recoverable within twelve (12) months by it.

### 8.3 Remuneration of the Manager

Under the Management Agreement, the Manager will be paid the following amounts by the General Manager for the services it performs:

- (a) an amount equal to the General Partner's Share paid to the General Partner under the Limited Partnership Deed; and
- (b) an amount equal to the General Partner's Carried Interest entitlement paid to the General Partner under the Limited Partnership Deed.

The General Partner will be solely responsible for the payment of these amounts and the Fund will have no liability whatsoever to the Manager in respect thereof.

### 8.4 Organisational Expenses

The Fund will be responsible for all of the organisational expenses involved in establishing the Fund and the General Partner, including all legal, accounting and filing costs incurred and any costs of marketing and offering interests in the Fund. The Fund must promptly reimburse the General Partner, the Manager or an Affiliate for any such expenses incurred by any of them on behalf of the Fund.

### 8.5 Costs and Expenses

The Fund will be responsible for meeting all costs and expenses incurred by the Fund in the course of the Fund's business, other than the cost of certain legal opinions (referred to in the Limited Partnership Deed) and the transaction costs incurred in respect of any unconsummated investment by the Fund in circumstances where the Investment Committee did not approve such costs. In the latter case, the Manager will meet those costs. The costs of establishing and maintaining the Advisory Board and the Oversight Committee, respectively, will be for the account of the Fund.

Where costs are incurred which relate to both the Fund and other clients of the Manager, such costs will be allocated between the Fund and the other clients pro rata to their respective participation in the particular Investment. This same allocation of costs will also apply when a transaction does not proceed. Such costs will be reported to the Advisory Board within thirty (30) calendar days of the end of the calendar quarter in which they are incurred. The General Partner and the Manager (and respective Affiliates) will be responsible for their respective overhead expenses, facilities expenses and the compensation of their employees.

All expenses arising out of or in connection with the distribution of Investments *in specie* to a Limited Partner will be paid by the relevant Limited Partner.

The General Partner will pay or reimburse the Manager for all costs and expenses incurred by the Manager or any attorneys, delegates and/or agents for which the Fund is responsible. To the extent that any value added tax or any withholding or similar tax is due, the Fund will pay this in addition to the amounts due under the Management Agreement.

## **8.6 Fees and other benefits earned in connection with Investments**

The General Partner, the Manager or an Affiliate of the General Partner or Manager may negotiate the payment of a termination fee in connection with proposed Investments which do not proceed. These fees will be for the account of the Fund. The General Partner, the Manager, the Advisor or an Affiliate of the General Partner or Manager or Advisor may charge management, advisory, brokerage or syndication fees where it provides services to Limited Partners in connection with any co-investment or where it provides services to any third parties. Such fees may be retained in full.

Where the General Partner, the Manager or an Affiliate of the General Partner or Manager negotiates the payment of any fee by an Investee Company directly in connection with the management, realisation or execution of any Investment, and such fee is to be retained by the Manager or the respective Affiliate, the amount of the fee will be offset against the General Partner's Share. Where such fees earned in any one calendar quarter exceed the amount of the General Partner's Share payable in respect of that calendar quarter, the excess will be carried forward and offset against the General Partner's Share payable in the following calendar quarter. Where such excess remains outstanding at the date of liquidation of the Fund, the General Partner will be required to repay such amount of the General Partner's Share previously received equal to that excess.

Any services provided to any Investee Company by the Manager and/or an Affiliate which is provided on an arms' length basis and is unrelated to the management, realisation or execution of any Investment will not be offset against the General Partner's Share. Details (including as to fees and expenses charged) of any services provided by any Affiliates of the General Partner or the Manager will be notified to the Limited Partners within thirty (30) calendar days of the end of the calendar quarter in which they were incurred. Details and treatment of any fees payable by Investee Companies will be reported to Limited Partners within thirty (30) calendar days of the end of the calendar quarter in which they are incurred.

## **8.7 Indemnification**

The General Partner, the Manager, the Related Persons of the General Partner and the Manager, each of their respective shareholders, partners and agents, the members of the Advisory Board (and the Limited Partners that they represent) and the members of the Investment Committee will not be liable for and will be indemnified out of the Fund's assets including Uncalled Commitments capable of being drawn down in accordance with the Limited Partnership Deed, against any claims, actions, damages and demands or reasonable costs and expenses (including legal fees) incurred or threatened by reason of him or it being or having been an indemnified person, or by reason of any arrangements made for the purpose of carrying out its obligations under the Limited Partnership Deed or the Management Agreement.

A person will be liable for and will not be indemnified (i) with respect to any sums recovered from insurance; or (ii) with respect to any matter, act, deed, document or thing resulting from his or its fraud, gross negligence or willful misconduct in relation to the carrying out of his or its obligations and duties in relation to the Fund or resulting from a material breach of the Limited Partnership Deed or applicable law by the General Partner or a material breach of the Management Agreement, any applicable law or any law or regulation applicable to the Manager, in each case by the Manager.

The maximum aggregate liability of the indemnified persons, to the Limited Partners and/or the Fund under or in relation to the transaction documents (including any liability for the acts or omissions of their employees, agents and subcontractors and/or of any committees established by them), however arising, will not in aggregate exceed the amount actually received by the General Partner under the Limited Partnership Deed; provided that this will not in any way exclude or limit any liability of any person in the case of fraud or fraudulent misrepresentation.

## **8.8 Setup Fee and Arrangement Fee**

In recognition of the Manager's role in establishing the Fund, each Limited Partner will pay the Manager an arrangement fee of one per cent. (1%) of its Commitment. The Manager may waive the payment of the Arrangement Fee by any Limited Partner at its discretion and without necessarily giving reason to the other Limited Partners.

In addition to the Arrangement Fee, the Issuer shall also pay the Setup Fee to the Advisor.

## Section 9 Summary of Material Contracts

### 9.1 Limited Partnership Deed

The Limited Partnership Deed will be entered into between the General Partner and the Limited Partners.

Brief details of main terms of the Limited Partnership Deed are set out in Section 3 (*Summary of Key Terms*), Section 4 (*Investment Objective and Restrictions*), Section 6 (*The Evareium Token, Fund Structure and Management*), Section 7 (*Conflicts of Interest*) and Section 8 (*Fees and Expenses*).

### 9.2 Management Agreement

The Fund and the General Partner, if not already done so, shall enter into the Management Agreement, pursuant to which the General Partner and the Fund shall have appointed the Manager as the manager of the Fund with responsibility for the day-to-day management of the Fund activities and affairs, in accordance with the terms and subject to the conditions of the Management Agreement, and the Manager in turn has appointed the Advisor to provide on an exclusive basis all, comprehensive, requisite advice pertaining to the Manager's duties and activities under the Management Agreement.

Subject to its conflicts of interest obligations, the Manager may act as manager to any other person or persons it thinks fit, provided that the Manager's duties and functions under the Management Agreement are not adversely affected by doing so. The Manager may also delegate any of its duties or obligations to an Affiliate (such as the Advisor), especially prior to the Dubai Subsidiary being established, on the basis that the Affiliate will act as agent for the Manager where applicable. The Manager would remain responsible for all acts and omissions of that Affiliate.

The General Partner has reserved to itself any decision relating to any of the following matters:

- (a) the acquisition or divestment of Investments;
- (b) the establishment of the Advisory Board;
- (c) determining the Accounting Date and Initial Closing Date;
- (d) determining amounts as capital or income;
- (e) determining the amount of a drawdown of the Commitments and of an Additional Payment;
- (f) designating a Core Partner;
- (g) declaring a Defaulting Partner;
- (h) admitting a Limited Partner or an Additional Limited Partner;
- (i) waiving an Additional Payment;
- (j) expelling a Limited or Prejudicial Partner;
- (k) excluding a Limited Partner from participating in a particular Investment;
- (l) determining when the Fund is fully invested and when amounts are available for distribution;
- (m) determining the valuation of an unlisted Investment to be distributed *in specie*;
- (n) offering co-investment opportunities to a Limited Partner and/or third party;
- (o) determining whether a Limited Partner may transfer its interest in the Fund;
- (p) selecting any replacement auditors of the Fund;
- (q) referring conflicts of interest to the Advisory Board;

- (r) acting as liquidating trustee of the Fund; and
- (s) extending and/ or electing to further extend the term of the Fund.

The Manager (using the delegation, advice and activities of the Advisor where relevant and applicable) will have full power and authority on behalf of the Fund and with the power to bind the Fund without prior consultation with any of the Limited Partners (but subject always to the Management Agreement, the Investment Objective, Investment Restrictions and this Prospectus):

- (a) to cause the Fund to pay out of the Fund assets the General Partner's Share, the costs and expenses and any amount required to satisfy any other liability or obligation of the Fund;
- (b) to advise the General Partner and the Fund as to the investment, re-investment and disposal of the Fund's assets in accordance with the Investment Objective and observing the Investment Restrictions;
- (c) to advise on the method by which Investments may be acquired, managed, improved, financed, refinanced or disposed of, including all aspects of the financial structuring and the use of any joint venture partners;
- (d) to undertake due diligence on possible acquisitions and disposals and to make investment recommendations and disposal recommendations;
- (e) to monitor Investee Companies and to procure that executive and/or non-executive directors are appointed;
- (f) to liaise with the Administrator in respect of the opening, maintaining and closing of bank accounts and custodian accounts for the Fund in any jurisdiction and the drawing of cheques and other orders or transfers for the payment of monies;
- (g) to enter into, make, observe and perform on behalf of the Fund contracts, agreements and other undertakings and do all acts, deeds, documents and things as it may deem necessary or advisable in relation to the business of the Fund, save that the Manager will not enter into any agreements on behalf of the Fund to effect the acquisition of an asset by the Fund;
- (h) to disburse payments of expenses payable by the Fund and/or liaise with the Administrator in respect of such disbursements;
- (i) to procure that finance is obtained by the Fund to cover any short-term incidental cash flow requirements relating to the payment of any routine fees and expenses or credit requirements of the Fund, or to cover any funding shortfall as a result of a Limited Partner being declared or deemed to be a Defaulting Partner or the expulsion of a Prejudicial Partner, and in its discretion to secure the same on any of the Fund's assets;
- (j) to commence or defend on behalf of and at the expense of the Fund any litigation relating to the Fund or to any of the Fund's assets;
- (k) to itself or to liaise with the Administrator to maintain the Fund's records and books of account and to allow the Limited Partners and their respective representatives reasonable access at any time during normal business hours for the purpose of inspecting or copying them, provided that the relevant Limited Partner will reimburse any expense incurred by the General Partner or the Manager in connection with the inspection or any copying undertaken and which may be delegated to third party service providers;
- (l) to itself or to liaise with the Administrator to make any payments and distributions to the Limited Partners;
- (m) to arrange for periodic valuations of the Fund's assets and to arrange for these valuations to be given to the General Partner and to the Limited Partners;
- (n) to liaise with the Administrator in respect of the admission of Additional Limited Partners and the Limited Partners to the Fund;
- (o) to engage employees, agents, lawyers, accountants, custodians, fund administrators, bankers, brokers, investment and financial advisers, consultants and other service providers that the Manager considers reasonable, necessary or advisable in relation to the affairs of the Fund;

- (p) to register and publish all notices, statements or other instruments required under requisite laws and regulations of relevant territories;
- (q) to procure the investment of the funds of the Fund in Temporary Investments decided upon by the General Partner;
- (r) to procure that hedging or risk management arrangements are entered into in relation to Investments in a form which is in accordance with the Investment Objective and which observe the Investment Restrictions;
- (s) generally to communicate with the General Partner and the Limited Partners and to report to them at such times as it thinks fit and to represent the General Partner and the Fund in all matters relating to the Fund;
- (t) to prepare or have the Auditors prepare, tax returns for the Fund;
- (u) to obtain insurance cover for any liabilities or contingent liabilities of the Fund;
- (v) to arrange for the Fund to borrow money for the purposes of creating a short-term borrowing facility;
- (w) where legal, tax or regulatory constraints require, to establish feeder or parallel investment vehicles to facilitate investment by proposed limited partners, provided that in the case of parallel investment vehicles, the terms and conditions applicable to the operation of any such vehicles will be substantially similar to the Fund and such vehicles will invest on terms and conditions identical to the Fund;
- (x) where legal, tax, regulatory or commercial constraints require, to establish alternative investment vehicles as a means of accessing Investment opportunities;
- (y) to administer any Advisory Board that may be established by the General Partner;
- (z) to call meetings of the Limited Partners and to submit requests for consent;
- (aa) to issue Drawdown Notices (if applicable);
- (bb) to appoint and take reasonable care in supervising any investment adviser or other service provider that it may appoint;
- (cc) to exercise such other powers and authorities as may be delegated to it by the General Partner;
- (dd) to assist Investee Companies to acquire financing when approved by such Investee Companies; and
- (ee) to liaise with the Administrator and Advisor in respect of the provision of the services to be provided by the Administrator and Advisor pursuant to any administration agreement the Fund may have entered into with the Fund.

Additionally, the Manager will not acquire or dispose of any Investment. If the Fund approves an investment recommendation or disposition recommendation, the Manager has no right, power or authority to implement such decisions except on such terms as the General Partner approves.

The Manager, with due delegation to the Advisor as appropriate, will perform its services and fulfil its obligations and duties in accordance with (i) the overall directions of the Fund; (ii) the Investment Objective and Investment Restrictions, the Limited Partnership Deed, the Management Agreement and this Prospectus; and (iii) the laws of the Cayman Islands and any other applications laws, rules, regulations and codes of good practice in force as may apply to the Fund, any subsidiary undertaking of the Fund and the Manager.

In exercising its discretion, the Manager must have regard to (i) any restrictions imposed on it by the General Partner and/or contained in this Prospectus and the Limited Partnership Deed and, in particular, the Investment Restrictions; and (ii) any matter that a prudent Manager ought reasonably pay regard to. In addition, in carrying out its duties under the Management Agreement, the Manager must faithfully and diligently perform its services with due skill and care.

The Manager is required to obey all lawful instructions given to it by the General Partner and all activities in which it is engaged under the Management Agreement will at all times be subject to the control and direction of, and review by, the General Partner.

In the event that Investments are acquired by any subsidiary or subsidiary undertaking of the Fund, the Manager agrees to also provide services under the Management Agreement to each such subsidiary or subsidiary undertaking and, where appropriate, reference in the Management Agreement to the Fund will include reference to each such subsidiary or subsidiary undertaking.

The Manager and/or the Advisor may engage any of its Affiliates to provide (i) real estate development services, (ii) facilities management services, (iii) property management services, (iv) property brokerage and all or any ancillary services provided that the terms on which such services are provided are arm's length, competitively priced and are substantially of the same standard of quality as that offered by competing service providers. The Manager will not be held responsible for the acts or omissions of any such Affiliate.

The Manager will be consulted on matters which are referred to in the Limited Partnership Deed, which include (i) size of the Fund at the Initial Closing Date; (ii) the identity of Limited Partners and the terms of their admission to the Fund; (iii) the extension of the life of the Fund; (iv) the valuation of an interest of any Prejudicial Partner; (v) the transfer of any Limited Partner's interest; and (vi) the valuation of any unlisted Investments to be distributed *in specie*.

Investment Committee. Please see Section 6 (*The Evareium Token, Fund Structure and Management*) under the heading "Manager",

Fees Please see Section 8 (*Fees and Expenses*) under the headings "General Partner's Share" and "General Partner's Carried Interests".

Expenses. The General Partner and the Fund will:

- (a) pay for or reimburse the Manager for all costs and expenses incurred by the Manager or its attorneys, delegates and/or agents for which the Fund is responsible under the Limited Partnership Deed; and
- (b) if and to the extent that any value added tax or any withholding or similar tax deduction is due with respect to any payment, it will pay that amount in addition to the amounts due under the Management Agreement. Income taxes of the Manager are specifically excluded for this purpose.

The Manager, delegating to the Advisor as it deems suitable, will be responsible for the provision of office facilities, equipment and personnel (including salaries and benefits) at its own cost and expense.

Liability and Indemnity. Except for matters resulting from its fraud, bad faith, gross negligence or wilful default, the Manager will not incur liability in respect of any action taken or thing suffered, or incurred by it in good faith in reliance upon Proper Instructions (as defined in the Management Agreement) or upon any paper or document it believes to be genuine and to have been sealed or signed by the proper parties.

The Manager, its Affiliates, their respective officers, directors, shareholders, partners, agents and employees and members of the Investment Committee benefit from the Indemnity summarised in Section 8 (*Fees and Expenses*) under the heading "Indemnification".

The Manager will not be liable to the Fund or any Limited Partner or otherwise for any taxes, duties, levies or charges assessed upon or payable by the Fund, except for such taxes, duties, levies or charges as will be attributable to the fraud, bad faith, gross negligence or wilful default by the Manager or persons designated by it in the performance or non-performance of their obligations or duties.

The Fund will hold harmless and indemnify the Manager and Advisor with respect to all taxes, duties, levies and charges not attributable to the fraud, bad faith, gross negligence or wilful default by the Manager or persons designated by it on profits or gains of the Fund which may be assessed upon or become payable by the Manager and against all actions, proceedings, claims, costs, demands and expenses in connection therewith.

The aggregate liability of the Manager and its Affiliates and their respective officers, directors, shareholders, partners, agents and employees and the members of the Investment Committee under or in connection with the Management Agreement will be limited to the aggregate of all remuneration it receives from the General Partner.

Term. The appointment of the Manager will commence on the date of the Management Agreement and will continue indefinitely until terminated in accordance with the below.

Termination by the Manager. The Management Agreement is terminable by the Manager:

- (a) by giving the General Partner not less than three (3) months' notice in writing, such notice not to be given before the expiry of an initial term of six (6) months from the Final Closing Date;

- (b) at any time by notice in writing to the General Partner following the commencement of a winding-up with respect to the Fund or the General Partner (except for a summary winding-up for the purpose of reconstruction or amalgamation upon terms previously approved by the Manager in writing) or if the Fund or the General Partner becomes insolvent, commits, makes, suffers, consents to or acquiesces in any act or omission or occurrence indicative of insolvency under the law of any jurisdiction; or
- (c) at any time by notice in writing if the Fund or the General Partner commits a material breach of its obligations under the Management Agreement and (if the breach is capable of remedy) fails, within thirty (30) days of receipt of notice in writing served by the Manager requiring it so to do, to make good that breach.

Termination by the General Partner. The Management Agreement is terminable by the General Partner:

- (a) if the Manager ceases to maintain any authorisation under its Articles of Association required for it to act as manager of the Fund, provided that the Manager will first have a period of ninety (90) calendar days to remedy the situation;
- (b) if the Manager becomes subject to a winding-up or liquidation (except for a summary winding-up or a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved by the General Partner in writing) or becomes insolvent, commits, makes, suffers, consents to or acquiesces in any act or omission or occurrence indicative of insolvency under the law of any jurisdiction; or
- (c) if the Manager commits any material breach of its obligations under the Management Agreement and (if such breach is capable of remedy) fails, within thirty (30) days of receipt of notice in writing served by the General Partner requiring the Manager so to do, to make good such breach.

Automatic Termination. The Management Agreement will automatically terminate:

- (a) if the General Partner is removed in accordance with the terms of the Limited Partnership Deed;
- (b) if the Fund terminates in accordance with the terms of the Limited Partnership Deed; or
- (c) if the Initial Closing Date has not occurred on or before the date falling twelve (12) months after the date the Management Agreement is signed.



## Section 10 Offering Restrictions

It is the responsibility of any persons wishing to subscribe for Interests to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdictions. Prospective Investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of Interests, and any exchange control restrictions that may be relevant thereto.

### **Other Jurisdictions**

The absence of a discussion in this Prospectus regarding offering and sales restrictions of Interests in any particular jurisdiction does not imply that Interests may or may not be purchased in such jurisdiction by prospective investors. Jurisdictions not addressed herein may or may not permit the purchase of Interests by prospective investors who are subject to the laws and regulations of such jurisdictions. Prospective investors should consult their own professional advisers with respect to the purchase of Interests.

## **Section 11 Tax Considerations**

The Fund, General Partner and Manager shall as at the time of writing not be liable to pay directly any withholding or transactional taxes (other than, where applicable, Value Added Tax which shall become applicable in the UAE and entire GCC of nations to qualifying goods and services, became effective from January, 2018) to conduct its principal activities – excluding any taxes which may be applicable to Investments the Fund orchestrates in the future.

The Cayman Islands is presently not subject to any withholding, dividend or other forms of taxation which could directly impact the Fund. The Fund is registered as an "exempted limited partnership" pursuant to the Exempted Limited Partnership Law (as amended) of the Cayman Islands.

The Issuer is, however, not herein providing tax advice on the Offering to prospective Subscribers and/or Limited Partners, each of whom shall be required and represent if upon entering into the Subscription Agreement, that they have sought their own tax advice on the Offering and their investment in it and are duly informed and satisfied of the likely tax impact on their investment and risks associated with such accordingly.

## Section 12

### Risks Associated with the Fund and Token

Investment in the Evareium token Offering – be it the Fund and/or Token and/or Token – involves a significant degree of risk and should therefore only be considered by potential investors who have the necessary expertise to fully evaluate such risks. Investment in the Fund and/or Token should be regarded as medium to long term in nature and there can be no assurance that the Fund and/or Token's return objectives will be realised or that there will be any return of capital. The following considerations, in addition to the information set forth elsewhere herein, should be carefully evaluated before making an investment in the Fund and/or Token. The following risks are those which the Manager currently consider to be material but do not purport to be a complete list of all risks involved in connection with an investment in this Fund and/or Token. There may be additional material risks that the Manager does not currently consider to be material or of which they are not currently aware. There can be no assurance that the Investment Objective of the Fund and/or Token will be achieved. The Fund and/or Token could lose all or some of the capital it invests in any Investment, which loss could have a significant impact on the Fund and/or Token. It is recommended that potential investors engage their own legal, tax and financial or other necessary advisers to evaluate the exact terms of the Fund and/or Token as set out in the Information Memorandum and the Limited Partnership Deed before investing.

#### **Risks of investing in the Fund and/or Token and Token Offering**

##### **RISKS OF INVESTING IN THE TOKEN**

###### **Tokens may be considered 'Securities' in various jurisdictions**

Digital tokens are being closely monitored and scrutinized by various regulatory bodies around the world. There is a substantial risk that in numerous jurisdictions, Tokens may be deemed to be a security. For example, applicable securities laws may limit the ability to hold more than a certain amount of Tokens, restrict the ability to transfer Tokens, require disclosure or other conditions in connection with any sale of Tokens and may restrict the businesses that facilitate exchanges or effect transfers of Tokens. Every user, purchaser, and holder of a Token is required to make diligent inquiry into determining if the acquisition, possession and transfer of a Token is legal in its jurisdiction and to comply with all applicable laws.

The legal ability to provide Tokens in some jurisdictions may be eliminated by future regulation or legal actions. In response to such action, the Manager may take actions that adversely impact you and the Tokens that the Investor holds, including, (a) ceasing operations or restricting access in certain jurisdictions, (b) adjusting Tokens and the network in a way to comply with applicable rules and regulations, or (c) cease operations entirely.

###### **Blockchain technologies regulations**

Blockchain technologies have been the subject of intense scrutiny by various regulatory bodies around the world. The functioning of the blockchain network and associated blockchain networks may be adversely impacted by regulatory actions, including restrictions or prohibitions on their use, purchase, or possession. For example, some jurisdictions may regulate providers of prepaid access or money transmission services who create a medium of exchange or a method by which value is transferred from one person to another person or location. The implications of triggering such requirements may include registration with a local agency and implementing an anti-money laundering/know-your-customer compliance program that meets legal standards, including transaction monitoring, designation of a compliance officer, employee training, and periodic auditing and testing. There may be various compliance obligations, including the need for a license, meeting minimum net worth requirements, bonding, biographical and financial approval of officers and directors, and other ongoing compliance, examination, and reporting obligations. The application of these regulatory regimes to Tokens is unclear, but if Tokens implicate these requirements the Manager may need to expend time and resources to comply with them or face adverse regulatory action.

###### **Token Malfunction or function in an unexpected or unintended manner**

Tokens, and any network with which Tokens are interacting, may malfunction or function in an unexpected or unintended manner. This may be caused by the Token itself, the Ethereum protocol, other networks, or a number of other causes, some of which are unforeseeable. Any malfunction or unintended function could result in the complete loss of the Tokens.

###### **Loss of Private Keys**

If a private key is lost, destroyed or otherwise compromised and no backup of the private key is accessible, the Investor may not be able to access the blockchain asset associated with the corresponding address, and the Ethereum and/or Bitcoin network may not be capable of restoring the private key. Any loss of private keys relating to digital wallets used to store blockchain assets could have an adverse effect on the Investor, Tokens, and the Fund.

**Blockchain Related ‘Attacks’**

The Ethereum and Bitcoin blockchain, which will be used for Tokens, may be susceptible to attacks, including double-spend attacks, majority mining power attacks, “selfish-mining” attacks, and race condition attacks, as well as other new forms of attack that may be created. Any successful attacks may present a risk to Tokens, expected proper execution and sequencing of Tokens, and expected proper execution and sequencing of Ethereum and Bitcoin computations in general. Mining attacks may also target other blockchain networks with which Tokens interact, which may consequently significantly impact Tokens.

**Limited Legal Remedies and Recourse**

Due to a lack of a central regulatory authority and structure, and due to the global nature of digital assets and blockchain technologies, the Investor may have limited effective legal remedies or recourse against the Manager or the Fund or the Issuer, other users, holders, purchasers or sellers of Tokens, and any other person or entity that may interfere with Tokens or the Investor’s digital wallet.

**Token Value**

It is possible that Tokens will not be used by a large number of individuals, businesses and other organizations and that there will be limited public interest in the creation and development of its functionalities. These or other unforeseen factors may significantly decrease or eliminate any value of Tokens. The Manager does not guarantee any specific value of Tokens and cautions Investors of Tokens that, akin to all investments, there is a significant potentiality their value may decrease.

**Volatility of Digital Assets**

Digital assets are extremely volatile, and Tokens may suffer from such volatility. Further, Tokens may be significantly influenced by microeconomic and macroeconomic market factors.

**Tokens will be entirely uninsured**

Tokens are entirely uninsured and any value they may hold at any time may decrease or be eliminated in the future.

**Network Security Weaknesses, Hackers and Theft**

Hackers, or other such groups or organizations, may attempt to maliciously interfere with Tokens, the Blockchain Network and the Investor digital wallet in any number of ways, including denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. There is a risk that Tokens and the Blockchain Network and technology infrastructure may include security weaknesses or bugs, which may interfere with the use, or cause the complete loss, of Tokens. Advances in cryptography may present risks to cryptocurrencies, digital tokens, Ethereum, Bitcoin and the Blockchain Network, which may result in the theft or complete loss of Tokens.

**Disclosure of Information on Token Holders**

The Manager may be required by law, subpoena, or court order to disclose personal information received from Investors to law enforcement, government officials, and other third parties. Any such disclosure could have an adverse effect on the reputation or valuation of the Token.

**Intellectual Property Rights Claims**

Third parties may assert intellectual property claims against the Issuer, the Manager and the Fund. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in the Issuer’s long-term viability may adversely affect the value of Tokens.

**Tax and Accounting Treatment of Tokens**

Due to the shifting regulatory environment, it is uncertain what tax and accounting treatment or classification Tokens will have in various jurisdictions. There is no clear guidance as to when that moment will exist. If such conversion is determined to result in the issuance of securities (rather than Tokens), our securities, tax, accounting and other positions may be incorrect. This uncertainty may, for example, impact the Manager’s ability to obtain financial audits, or result in unanticipated tax liabilities to us when the Manager or Fund transact in Tokens or to the Investor when the Investor transacts in Tokens. Each potential user, purchaser, and holder of Tokens is urged to consult with, and must rely solely upon the advice of, its own legal, financial and tax advisors with respect to NRN Tokens.

### **Control of Tokens**

Bitcoin and Ethereum are comprised of technologies that depend on a network of computers to run certain software programs to process transactions. Because of this decentralized model, the Manager and the Fund has limited control over the Tokens once launched. In addition, the Investors are not and will not be entitled, to vote or be deemed the holder of capital stock of the Issuer for any purpose, nor will anything be construed to confer on the Investors any of the rights of a stockholder of the Issuer or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise.

The further development and acceptance of blockchain networks, including Bitcoin and Ethereum, which are part of a new and rapidly changing industry, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of blockchain networks and blockchain assets would have an adverse material effect on the successful development and adoption of the Tokens.

The growth of the blockchain industry in general, as well as the blockchain networks on which the Tokens will rely and interact, is subject to a high degree of uncertainty. The factors affecting the further development of the cryptocurrency industry, as well as blockchain networks, include, without limitation:

- (a) Worldwide growth in the adoption and use of blockchain technologies;
- (b) Government and quasi-government regulation of blockchain assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems;
- (c) The maintenance and development of the open-source software protocol of blockchain networks;
- (d) Changes in consumer demographics and public tastes and preferences;
- (e) The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks;
- (f) General economic conditions and the regulatory environment relating to cryptocurrencies.

### **Prices of Blockchain Assets are Extremely Volatile**

Fluctuations in the price of digital assets could materially and adversely affect the business of the Fund, and the Tokens may also be subject to significant price volatility.

The prices of blockchain assets such as Bitcoin and Ethereum have historically been subject to dramatic fluctuations and are highly volatile, and the market price of the Tokens may also be highly volatile. Several factors may influence the market price of the Tokens, including, but not limited to:

- (a) Global blockchain asset supply;
- (b) Global blockchain asset demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of blockchain assets like cryptocurrencies as payment for goods and services, the security of online blockchain asset exchanges and digital wallets that hold blockchain assets, the perception that the use and holding of blockchain assets is safe and secure, and the regulatory restrictions on their use;
- (c) Investors' expectations with respect to the rate of inflation;
- (d) Interest rates;
- (e) Currency exchange rates, including the rates at which digital assets may be exchanged for fiat currencies;
- (f) Fiat currency withdrawal and deposit policies of blockchain asset exchanges on which the Tokens

- (j) may be traded and liquidity on such exchanges;
- (k) Interruptions in service from or failures of major blockchain asset exchanges on which the Tokens may be traded;
- (l) Monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- (m) Regulatory measures, if any, that affect the use of blockchain assets such as the Tokens;
- (n) Global or regional political, economic or financial events and situations; or
- (o) Expectations among blockchain assets participants that the value of the Tokens or other blockchain assets will soon change.

A decrease in the price of a single blockchain asset may cause volatility in the entire blockchain asset industry and may affect other blockchain assets including the Tokens. For example, a security breach that affects investor or user confidence in Bitcoin may affect the industry as a whole and may also cause the price of the Tokens and other blockchain assets to fluctuate.

### **Inherent Risks of Acquiring and Holding the EVRM Token**

A Subscriber's acquisition of EVRM Tokens shall involve significant commercial risk by the Subscriber which the Subscriber shall be required to fully read and understand. All prospective Subscribers should seek professional, independent advice on this Offering before forming any decision or otherwise to enter into the Subscription Agreement and acquire the Token.

Prospective Subscribers who consider the risk factors associated with this Fund and Token, and/or the terms of this Prospectus to have the potential of impacting negatively their net worth in any degree other than negligibly should expressly not enter into the Subscription Agreement and therefore not become a Subscriber or Tokenholder, but are required instead to seek an alternate form of investment suitable to their requirements, available investment funds and risk profile.

Importantly, as with any investment, there is no assurance or protection whatsoever over a Subscriber's capital in the acquisition of the Token, and a Subscriber could accordingly lose part or all of their investment in the Tokens.

There is also no guarantee that the Token will hold its value over time, nor provide a return on investment to Subscribers.

The EVRM Tokens are subject to significant transfer restrictions.

There is no existing trading market for the EVRM Tokens and there can be no assurance that a secondary market will emerge or be implemented for the EVRM Tokens. If a secondary market does develop, there can be no assurance that such will provide the Tokenholders with liquidity for their investment nor that such shall continue for the life of the EVRM Tokens' existence.

To the maximum extent provided by law, none of the General Partner, the Issuer, the Manager or the Advisor will owe any fiduciary duties to Tokenholders or Subscribers whatsoever, and the Issuer shall have no obligation to exercise any rights it has under the Limited Partnership Deed.

## **RISKS OF INVESTING IN THE FUND**

### **General Risks of Investing in Real Estate**

In general, investments in real estate are subject to various risks, including adverse changes in regional, national or international economic conditions, adverse local market conditions, buyers and sellers of properties, changes in availability of debt financing, changes in interest rates, changes in demand for hospitality and leisure services, real estate tax rates and other operating expenses, environmental laws and regulations, zoning laws and other governmental rules and fiscal policies, environmental claims, energy prices, changes in the relative popularity of property types and locations, risks due to dependence on cash flow and risks and operating problems arising out of the presence of certain construction materials, as well as acts of God, uninsurable losses and other factors which are beyond the control of the Manager.

## Planning Approval Risks

There is the risk that the competent governmental authorities will not grant final planning approval on any concept submitted for any Investment. If such an event occurs, there could be an adverse effect on the overall profitability of each Investment, the returns to shareholders in any Investment and consequently the Limited Partners.

## Development Risk

The Fund and/or Token may invest in new project developments, which are subject to a number of risks, including but not limited to: (i) delays in timely completion of works; (ii) cost overruns; (iii) poor quality workmanship; and (iv) the inability to generate pre-sales or other operating performance to forecast levels.

Furthermore, as the Fund and/or Token may focus on the development of some lands, new project commencement risks could potentially play an important role, such as the failure to obtain zoning, occupancy and other required governmental permits and authorisations, potentially leading to the incurrence of development costs in connection with projects that are not pursued to completion.

Furthermore, newly developed properties do not have the operating history that would allow the Manager to make objective pricing decisions in acquiring those sites.

The purchase prices of those sites will therefore be based upon projections as to the expected operating results of such properties, subjecting the Fund and/or Token to risks that such properties may not achieve anticipated operating results or may not achieve such results within anticipated time frames. Development projects also carry an increased risk of litigation with contractors, subcontractors, suppliers, partners and others.

Investments entail risks that they may not perform in accordance with expectations and that anticipated costs may exceed budgeted amounts. The Fund may not, therefore, be successful in identifying suitable opportunities that meet its investment criteria or in consummating investments on satisfactory terms.

The Fund does intend to mitigate development risk however by not entering into highly speculative or conceptual-only projects which are not sufficiently evolved and matured.

## Construction Costs Risks

The construction costs for a property development may exceed forecasts for various reasons including, but not limited to, delays due to industrial disputes, disputes with sub-contractors, an increase in the cost of building materials, equipment and labour, inclement weather and unforeseen problems and circumstances.

Where possible, cost overruns will be mitigated by entering into fixed time and price construction contracts with contractors with appropriate provisions made for contingencies. However, there is no assurance that the mitigating measures undertaken will be able to eliminate the risk of incurring substantial cost overruns that result in losses to Limited Partners. Further, despite appropriate due diligence in selecting contractors, the quality of workmanship by such contractors may negatively affect the subsequent sale of the properties. In such instances, recourse to the contractors may be limited.

## Operating Risk

It is standard practice for real estate, hospitality and leisure property owners to enter into operational agreements with operators, hotel and other third party operators in relation to such properties. Such operators will be responsible for the management and operation of the properties on a day to day basis, including overseeing marketing of the properties and imposing strategies and policies which will directly impact the revenue generated. Control of such third party operated Investments will therefore be subject to the terms and condition of the applicable operating agreement, including restrictions on the termination of such agreements and the payment of management fees.

In addition, the Investments will be subject to various risks which may cause fluctuations in occupancy, visitor numbers, room and admission, rates, operating income and expenses or which may render the sale or financing of its properties difficult or unattractive. For example, following the termination or expiration of an operating agreement there may be a period of time before the Fund and/or Token will begin receiving income payments under a replacement operating agreement. During that period, the Fund will continue to bear expenses such as interest, real estate taxes, maintenance and Other Expenses but the property may not be in operation or generating revenue. In addition, declining economic conditions may impair the Fund's or any applicable operator's ability to attract visitors and guests and room or admission rates equal to or greater than those paid previously.

Increased competition for visitors and guests may require the Fund to make capital improvements to properties which would not have otherwise been planned.

Any unbudgeted capital improvements that the Fund undertakes to attract visitors and guests may divert cash that would otherwise be available for distributions to investors. Ultimately, to the extent that the Fund (and any appointed operators) are unable to attract guests and visitors to the properties, decreased income from such properties will result, which could adversely impact the Fund and/or Token's operating results.

The Fund may be required to expend funds to correct defects or to make improvements before a property can be sold or operated. No assurance can be given that the Fund will have funds available to correct those defects or to make those improvements.

The Fund may also agree to lock-out provisions that materially restrict it from selling that property for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed on that property or on the identity of any incoming owner. These lock-out provisions would restrict the Fund's ability to sell a property. These factors and others that could impede the Fund and/or Token's ability to respond to adverse changes in the performance of its properties could significantly affect the Fund and/or Token's financial condition and direct and/or indirect operating results.

In the event of default by an operator or other premature termination of an operating agreement, the Fund may experience delays in enforcing its rights as owner, may incur substantial costs in protecting its Investment and may experience an impairment of value.

Real estate investments are relatively illiquid and, therefore, the Manager's ability to vary the Fund and/or Token's portfolio promptly in response to changes in economic or other conditions may be limited and will be subject to the terms of any applicable operating agreement.

No assurance can be given as to the income that may be generated by any of the Investments, the expenses that may be incurred in relation to the ongoing operation and maintenance of such Investments, that the fair market value of any real estate Investments held by the Fund will not decrease in the future, or that the Fund will recognise full value for any property that the Fund is required to sell for liquidity reasons.

#### **Limited Track Record**

The Fund and Token and the Manager will be newly created entities without track record and therefore heavily dependent on the experience of the Manager's and Advisor's team and the Investment Committee.

The Fund and Token is to be newly established and the Manager and Advisor are newly established companies and none have a track record. Therefore, the Fund and/or Token is subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that the Fund and/or Token will not achieve its Investment Objectives and that the value of the Evareium Tokenholders' ultimate investment in the Fund and/or Token could decline substantially.

In addition, due to the nature of the proposed real estate Investments, the income generated by such real estate will be dependent on the performance of the appointed operators. While the Fund may try to look at the relevant brand standard and past performance of an operator prior to their appointment, market conditions in the relevant jurisdiction or changes in the operator means that such brand standard and past performance do not guarantee the corresponding income that may be generated by a property.

There can be no assurance that the Fund and/or Token will be able to achieve any of the returns referred to or implied in this Prospectus.

#### **Reliance on the Manager's team/ Investment Committee, Advisor and Key Personnel**

Investors will not be entitled to contribute to the management of the Fund, Issuer, General Partner, Manager, Advisor or Token and will have no influence on the operations and decisions of the Fund, Issuer, General Partner, Manager, Advisor or Token. Therefore the success of the Fund and Token will depend upon the Manager's team/ Investment Committee and Advisor and respective associates and advisors, and in particular the skills and investment recommendations of the Manager's and Advisor's senior management and business contacts.

Also it cannot be assured that key professionals involved in managing the Fund or Token will remain with the Manager/group or Advisor throughout the term of the Fund and existence of the Token. Loss of any key management member could have a material negative effect on the performance of the Fund and Token.



## **Emerging Investment Markets**

The Fund intends to make Investments in a number of different territories and (potentially) countries with a number of the Investments focussed in countries or economies which may prove unstable or are considered “emerging markets”. With any Investment in such country, there exists the possibility of Investor taxation in such country and the risk of adverse political developments.

In addition, in the case of Investments in foreign securities or other assets, any fluctuation in currency exchange rates will affect the value of the Investments.

Laws and regulations of emerging countries may impose restrictions. Investments in entities in the target countries may require significant government approvals under corporate, securities, exchange control, foreign investment and other similar laws and may require financing and structuring alternatives that differ significantly from those customarily used in international situations. Furthermore government restrictions may hinder distributions from individual Investments or transfer of ownership.

The Manager and/or Advisor will analyse information with respect to political and economic environments and the particular legal and regulatory risks in the Target Region before making Investments, but no assurance can be given that a given political or economic climate, or particular legal or regulatory risks, might not adversely affect an Investment by the Fund.

Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risks involved. Investors should also note that a feature of emerging markets is that they are subject to rapid change and the information contained in this document may become outdated relatively quickly.

## **Regulatory and Legislative Risk**

The structure of the issue of the ultimate interests in the Fund and Token shall be based on Cayman Islands or other jurisdictional law and administrative practice in effect at the date of this Presentation. No assurance can be given as to the impact of any possible change to such relevant laws or administrative practice after the date of this Presentation, nor can any assurance be given as to whether any such change could adversely affect the ability of the Fund and/or Token to make payments in respect of the interests in it.

The rate of legislative change in the Target Region of the Fund and/or Token can be rapid and the content of proposed legislation when eventually adopted into law may be difficult or impossible to predict; existing laws and regulations may not always be consistently applied and new laws and regulation, including those with retrospective effect, may be introduced with little or no prior consultation. New legislation, regulations or different or more stringent interpretation or enforcement of existing laws and regulations may also require the Manager to change operations significantly or incur increased costs which could have an adverse effect on the results of operations or the financial condition of the Manager.

The Fund, Issuer and Token has sought to mitigate such risks by establishing its Manager and various related entities in the Cayman Islands. Cayman Islands has its laws, regulations and a court system which is highly regarded internationally, and which is predominantly modelled on the common law system, and the Cayman Islands has high regulatory standards similar to the United Kingdom as an autonomous British Overseas Territory.

## **Regulatory Compliance**

The failure to obtain or comply with all necessary approvals, licences or permits including renewals thereof or modifications thereto, may adversely affect the Fund and/or Token’s performance or the ability of the advisers to perform their services on behalf of the Fund and/or Token, as could delays caused in obtaining such consents due to objections from third parties.

## **Political/Sovereign Risk**

The economies of individual emerging countries may differ favourably or unfavourably from those of developed countries in such respects as GDP, rate of inflation, currency depreciation, capital reinvestment, resource self-sufficiency and balance of payments position. Governments of many emerging markets countries have exercised and continue to exercise substantial influence over many aspects of the private sector. In some cases, the government owns or controls many companies, including some of the largest in the country. Accordingly, government actions could have a significant effect on economic and market conditions in an emerging markets country.

Moreover, the economies of emerging markets countries generally are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls,

managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade. With respect to any emerging markets country, there is the possibility of nationalisation, expropriation or confiscatory taxation, political changes, government regulation, economic or social instability, diplomatic developments (including war) or terrorism which could affect adversely the economies of such countries or the value of the Fund Investments in those countries.

In the past, certain governments in the Middle East have undertaken wide-scale nationalisation programmes. There may be the possibility of asset expropriations or future punitive levels of taxation. In the event of these, the Fund and/or Token may not necessarily be fairly compensated for its loss.

Many countries in the Middle East have historically been subject to political instability and are still undergoing developments in economic and political liberalisation. The value and performance of the Fund and/or Token may be affected by uncertainties, including unforeseen political and diplomatic developments, social and religious instability, changes in government policies, government intervention in economic activity, outside political influences, hostilities between neighbouring countries and action by extremist groups who may be hostile to foreign investment.

The government of India has also traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Since 1991, the government of India has pursued policies of economic liberalisation including significantly relaxing restrictions placed on the private sector. Nevertheless the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant and there can be no assurance that these liberalisation policies will continue in the future. A significant change in India's economic liberalisation and deregulation policies could disrupt business and economic conditions in India generally.

Since early 2011, there has been political unrest in a range of countries in the Middle East and North Africa Region, ranging from public demonstrations to, in extreme cases, armed conflict and has given rise to increased political uncertainty across the region. As the Fund and/or Token may invest a significant portion of the Fund and/or Token's assets in this region, the continuation or deterioration of this situation may have an adverse effect on the Fund and/or Token's performance.

### **Investment and Repatriation Restrictions**

Some emerging markets countries have laws and regulations that currently limit or preclude direct foreign investment in real estate or the securities of their companies. Prior government approval for foreign investments may be required under certain circumstances in certain countries in the Target Region, and the process of obtaining these approvals may require a significant expenditure of time and resources. Repatriation of investment income, capital and the proceeds of sale by foreign Investors may require governmental registration and approval in some emerging markets countries. In addition, in certain countries, such laws and regulations have been subject to frequent and unforeseen change potentially exposing the Fund to restrictions, taxes and other obligations that were not anticipated at the time the initial Investment was made.

### **Legal Framework and Corporate Governance**

Many emerging markets do not have developed legal frameworks. For example, the regulatory regime governing development and real estate in the GCC is not yet fully developed, with a number of new laws affecting real estate having been implemented in the last ten years. In light of the recent implementation of a number of the real estate laws, there is some uncertainty surrounding the enforcement of such laws and how they will affect real estate going forward.

Many emerging markets do not have well-developed shareholder rights, which could adversely affect the Fund's minority Investments.

In addition, many emerging markets provide inadequate legal remedies for breaches of contract.

### **Lack of Transparency**

Companies in emerging markets countries are not generally subject to uniform accounting, auditing and financial reporting standards, practices and disclosure requirements. In particular, the assets and profits appearing on the financial statements of an emerging markets country issuer may not reflect its financial position or results of operations in the way they would be reflected had such financial statements been prepared in accordance with US GAAP or IFRS.

In addition, for companies that keep accounting records in local currency, inflation accounting rules in some emerging markets countries require, for both tax and accounting purposes, that certain assets and liabilities be restated on the

company's balance sheet in order to express items in terms of currency of constant purchasing power. As a result, financial data may be materially affected by restatements for inflation and may not accurately reflect the real condition of real estate, companies and securities markets.

Accordingly, the Fund's ability to conduct due diligence in connection with its Investments and to monitor the Investments may be adversely affected by these factors.

### **Illiquidity of Investments**

Investments may represent highly illiquid asset classes and investments in such assets should only be considered by Investors who are aware of such risks. Investors may not be able to receive any distributions from such Investments until liquidated.

In particular, these risks could arise from changes in the financial condition or prospects of the person or entity in which the Investment is made, changes in national or international economic conditions, and changes in laws, regulations or fiscal policies of jurisdictions in which Investments are made. Dispositions of Investments may also be subject to limitations on transfer or other restrictions that would interfere with the subsequent disposition of such Investments or adversely affect the terms that could be obtained upon any disposition thereof.

Fund and/or Token exit strategies are generally subject to market uncertainties, and the Manager will maintain the right to decide upon the optimal exit strategy in the interest of returning maximum capital to Limited Partners. Such options may include a corporate or capitalisation exercise at the Fund and/or Token rather than the investment level.

### **Lack of Diversification**

The Fund and/or Token may invest large proportions of the Fund and/or Token in any single project. A lack of diversification could adversely affect the Fund and/or Token's performance, where it is not possible to successfully complete the sale of Investment(s), or where the Fund and/or Token has multiple Investments in particular markets which are suffering from poor performance.

### **Illiquidity of Interests**

The Interests represent highly illiquid investments and should only be acquired by Investors and Tokenholders able to commit their funds for an indefinite period of time. Interests in the Limited Partnership and Token may not be able to be sold, transferred, assigned or pledged. There is currently no public market for such Interests nor the Tokens, and it is not guaranteed that one will develop in the future.

### **Unidentified/Uncertain Investment Pipeline**

Identifying and structuring hospitality and real estate transactions of the types contemplated by the Fund is competitive and involves a high degree of uncertainty.

Investors will therefore need to depend upon the judgement of the Manager, Advisor and the Investment Committee in relation to the acquisition and commitment to future opportunities. Furthermore, future Investments are strongly dependent on how the market develops and in particular also the competitive situation during the Investment Period which could lead to the fact that suitable investment opportunities are not available. Accordingly, there can be no assurance that the Fund will be able to identify and complete attractive Investments in the future or that it will be able to invest fully its Commitments, adversely affecting the Fund and/or Token's ability to achieve the expected returns.

### **Competitive Environment**

In relation to the uncertainty of potential investments, the Fund may be competing for investment opportunities with entities that have substantially greater financial and other resources or another competitive advantage over the Fund and/or Token. Those entities may be able to accept more risk than the Fund can prudently manage. Competition generally may reduce the number of suitable investment opportunities available to the Fund and increase the bargaining power of property owners seeking to sell. The Fund may face increasing competition for attractive investments from existing and new real estate Investors with similar Investment Objective.

### **Borrowing and Interest Rate Risk**

Interest rate fluctuations may result in increased borrowing costs and income from an Investment may not generate enough revenue to cover these costs. Sale proceeds will be used to service the project loans and other subordinated loans before any money is returned to investors. In the event that off-plan sales are inadequate to service the debt or an event of default occurs, completion of an Investment would be jeopardised.

Changes in interest rates may adversely affect the Fund Investments. Changes in the general level of interest rates can affect the Fund and/or Token's income by affecting the spread between the income on its assets and the expense of its interest-bearing liabilities, as well as, among other things, the value of its interest-earning assets and its ability to realise gains from the sale of assets. Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the control of the Fund and/or Token. The Fund may finance its activities with both fixed and floating rate debt. With respect to its floating rate debt, the Fund's performance may be affected adversely if the Fund fails to limit the effects of changes in interest rates on its operations by employing an effective hedging strategy, including engaging in interest rate swaps, caps, floors or other interest rate contracts, or buying and selling interest rate futures or options on such futures. Should the Fund so elect (and it will be under no obligation to do so), the use of these instruments to hedge a portfolio carries certain risks, including the risk that losses on a hedge position will reduce the Fund and/or Token's earnings and Fund's available for distribution to Limited Partners and that such losses may exceed the amount invested in such instruments. There is no perfect hedge for any investment, and a hedge may not perform its intended purpose of offsetting losses on an investment and, in certain circumstances, could increase such losses. The Fund and/or Token may also be exposed to the risk that the counterparties with which the Fund trades may cease making markets and quoting prices in such instruments, which may render the Fund unable to enter into an offsetting transaction with respect to an open position.

### **Credit Risk**

Credit risk is the result of an obligor's failure to meet the terms of any contract with the Fund or otherwise failure to perform as agreed.

An appropriate credit control and receivables collection function will be organised and maintained. It will operate on stringent criteria of credit policies approved by the Board and will use appropriate IT tools to keep track of the receivables and ensure that they remain within the limits agreed and compatible with the business practice.

### **Environmental Liabilities**

The Fund and/or Token may be exposed to losses from environmental claims or impairment of asset value arising with respect to Investments with undisclosed or unknown environmental problems. Although environmental experts would usually be appointed to conduct the necessary due diligence on these risks and produce environmental studies, it cannot be guaranteed that the Fund will not invest into a project which might be negatively affected by such risks.

### **Investments Involving Third Parties**

The Manager may procure co-investment opportunities with other third parties through partnerships, joint ventures or other vehicles, when, for diversification or other reasons, it may not be prudent or possible for the Fund to invest the entire amount required to fund the investment or if to do so would result in a breach of any investment restrictions applicable to the Fund and/or Token. Such investments may involve risks in connection with third party involvement, including, for example, the possibility that a joint venture partner of the Fund might become bankrupt, or may at any time have economic or business interests or goals which are inconsistent with those of the Fund, or that such joint venture partner may be in a position to take action contrary to the Fund and/or Token's objectives.

In addition, the Fund may be liable for actions of its joint venture partners. While the Manager and Advisor will review the qualifications and previous experience of joint venture partners, it generally does not expect to obtain financial information from, or to undertake private investigations with respect to, prospective joint venture partners.

The ultimate realisation to Limited Partners is also contingent upon all counterparties involved in the development of projects performing their contractual obligations and a failure to do so would adversely impact the realisation to Limited Partners.

### **Financial Risk**

Even though financial projections shall be compiled with the utmost care and attention, there can be no assurance that such projections will be achieved.

The actual financial outcome is dependent on future assumptions coming to fruition and could be materially different from the projections. Other factors such as competition and costs associated with the whole operation could have a significant impact on the financial results.

Through a strong system of corporate governance and risk management policies and procedures including dynamic financial simulations to rapidly changing environments, together with prudent investment policies, the Fund would minimise these risks.

### **Inflation Risk**

Inflation can erode the real rate of return on an Investment i.e. the return received after taking away inflation. Inflation is one of the major risks to investors over a medium to long term period and results in uncertainty over the future value of Investments.

### **Exchange Rate Risk**

Whereas the Fund and Token will be ultimately US\$ denominated, many of the Investments are likely to be denominated in a variety of local currencies. The Fund and/or Token will maintain its books and intends to pay distributions in or equivalent to US\$ at the prevailing exchange rate. Accordingly, fluctuations in exchange rates between the US\$ and the relevant local currencies (or crypto-currencies such as Bitcoin and Ether as the case may be relevant), costs of conversion and exchange control regulations will directly affect the value of the Fund and/or Token's Investments and/or the ultimate rate of return realised by Evareium investors.

While the Manager expects that the Fund and/or Token may enter into hedging arrangements where and if available to mitigate this risk to some extent, there can be no assurance that such arrangements will be available or sufficient to cover such risk and such arrangements may result in a poorer overall performance for the Fund and/or Token than if it had not entered into such hedging arrangements.

### **Contingent Liabilities upon Asset Disposals**

In connection with the disposal of an Investment, the Fund may be required to make representations about such Investment and may also be required to indemnify the purchaser of such Investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Manager may establish reserves or escrow accounts.

### **Realisation of Real Estate Assets**

The valuation of real estate investments depends on various factors and can be difficult to establish. The market value of real estate may decline as a result of a decline in economic, political, regulatory and market conditions. No assurance can be given that real estate valuations will accurately reflect the price which any investment might realise on actual sale and it may not be possible to realise the real estate asset values at the prices indicated by the valuations. Any decline in real estate asset values will affect the return on investment to shareholders and consequently the returns to Limited Partners.

### **Limited Current Return**

Given the long-term nature of the envisioned development projects, the return of capital and the realisation of gains, if any, will generally occur only upon the partial or complete disposition of an Investment. Although current returns from Investments may vary, prior to partial or complete disposition there may not be a current return on an Investment, and the Manager is not obligated to manage Investments to maximise current returns.

### **Reputation Risks**

Reputation risk refers to potential negative perception or unfavourable public opinion. It can affect the Manager's ability to establish new relationships or services, especially in the initial years when it does not have an existing track record.

The Manager will seek to mitigate such risks through appropriate transparency and communication with all stakeholders and relevant opinion formers to ensure public awareness of its policies, good conduct and ethical code, the professional attitude of its management and staff and alignment of the interests of its customers and business partners with those of its shareholders.

### **Risk of Catastrophic Loss**

The Fund will attempt to maintain insurance coverage against liability to third parties and property damage as is customary for similarly situated businesses. However, there can be no assurance that insurance will be available or sufficient to cover any such risks. Insurance against certain risks, such as earthquakes, floods, hurricanes, typhoons, pollution, acts of war or terrorism may be unavailable, available in amounts that are less than the full market value

or replacement cost of Investments or underlying assets or subject to a large deductible. There can also be no assurance that the particular risks which are currently insurable will continue to be insurable on an economic basis.

Under such circumstances, the insurance proceeds received by the Fund might not be adequate to restore its economic position with respect to the affected property. In addition, because the Fund and Token is a pooled investment, all Fund assets may be at risk in the event of an uninsured liability to third parties.

### **Risk of Terrorism**

There is a risk that one or more of the Fund's sites and/or properties will be directly or indirectly affected by terrorist attack. Such an attack could have a variety of adverse consequences for the Fund and Token, including risks and costs related to the destruction of property, inability to use one or more properties for their intended uses for an extended period, decline in rents achievable or property value, and injury or loss of life, as well as litigation related thereto. Such risks may not be insurable or may be insurable at rates that the Manager deems uneconomic.

### **Intellectual Property Risk**

The Fund invests in new project developments that may be wholly or substantially dependent on intellectual property rights (**IPR**) licensed from third parties. Investing in such developments involves a degree of uncertainty and an assessment of the value of the licensed IPR, as well as the validity and enforceability of the contractual licensing arrangements. The value of the IPR may fluctuate and the ability of the Fund and/or Token to exploit the relevant IPR will depend on the terms of its licence agreement. Breach of the licence terms or termination of the licence by the relevant licensor for any reason (including a change of ownership of the licensor, sale of the licensed IPR or the licensor's insolvency) may substantially diminish the value of the Investment.

The Fund and/or Token's profitability may depend in part on its licensors' ability to effectively protect and maintain their IPR, including obtaining relevant trade mark, design or patent protection. There can be no assurance that (i) the scope of any licensed IPR will be sufficient to provide competitive advantages; (ii) any licensed IPR will be held valid if challenged; or (iii) others will not claim rights in or ownership of any licensed IPR. Any of these scenarios could have a variety of adverse consequences for the Fund and/or Token, in particular a decline in the value of the IPR and/or the underlying Investment, inability to use or exploit the relevant IPR and potential litigation related thereto.

## Section 13 General Information to Subscribers

Subscribers shall be wholly and solely responsible for attaining their own professional advice with regards to considering or undertaking any form of participation in this Offering; such professional advice including (but not necessarily limited to) all necessary taxation, legal, financial regulatory and other advice which may impact them now or during the time in which they or their successors may hold the Tokens or come to dispose of them.

This Prospectus and the Offering does not constitute an offer to subscribe for securities except to the extent permitted by the laws of each applicable jurisdiction of relevance to each Subscriber individually. The Offering has not been registered or qualified under any securities laws of any jurisdiction anywhere in the world.

Each prospective Subscriber represents and warrants, irrevocably and unconditionally, to the Issuer each of the following statements:

- I. that they, the Subscriber, first initiated communications with the Issuer and/or any of the Issuer's advisors or representatives and were not therefore solicited by in any manner whatsoever by the Issuer, Manager, Advisor or GP; and
- II. that no offer to acquire an Interest or Token was previously provided to such Subscriber in any manner prior to them receiving this Prospectus; and
- III. that they understand that this Prospectus is in no way an offer to acquire interests in the Issuer other than the limited, restrictive, beneficial rights availed by owning the Token.

### Notice to Prospective Subscribers from the European Economic Area (EEA)

This Prospectus does not constitute a sales or marketing or securities offering prospectus for the purposes of the European union's directive 2003/71/EC (as amended, including by directive 2010/73/EU) (the "Directive") and as implemented among the member states (each a "State") of the European Economic Area (the "EEA"). This Prospectus has been prepared on the basis that it shall not be offered or promoted unless pursuant to an exemption or non-requirement to register this prospectus with relevant EEA or State laws and regulators under the requirements of this Directive, and none of the Issuer, GP, Manager or Advisor has authorised nor does authorise any action to the contrary or where such requirement then arises to file this Prospectus with such EEA and State authorities under this Directive.

In relation to each State, no offer of EVRM tokens has been, or will be presented into the public domain in that State, other than under the following exemptions under the Directive:

- I. To any legal entity which is deemed to be a qualified investor as defined in the Directive;
- II. To fewer than 150 natural or legal persons (other than qualified investors as defined in the Directive); or
- III. In any other circumstances falling within article 3(2) of the prospectus Directive.

Provided that no such offer of EVRM tokens referred to in (I) to (III) above shall result in a requirement for the Issuer to publish a prospectus pursuant to Article 3 of the Directive, or supplement a prospectus pursuant to article 16 of the Directive.

The expression "offer of EVRM tokens ... presented into the public domain" in relation to any EVRM Tokens in any State means the dissemination in any form and by any means of sufficient information on the terms of the Offering and the EVRM Tokens to be offered so as to enable a prospective Subscriber to determine affirmatively that they shall acquire EVRM Tokens.

### Notice to Prospective Subscribers from the Kingdom of Bahrain

The central bank of the Kingdom of Bahrain ("Bahrain") has not approved the Issuer or the Offering, and no submission has been made to them to do so. All applications from Subscribers in the Token should be received and allotted from outside Bahrain. The Issuer has not made nor has provided or shall provide any invitation to the public in Bahrain to invest in the EVRM Tokens in the Issuer and this Prospectus shall accordingly not be distributed to the public in Bahrain.

### Notice to Prospective Subscribers from Bermuda

This Prospectus refers only to EVRM Tokens being offered to Subscribers on a private basis and who shall be required to satisfy criteria outlined in this Prospectus. None of the Prospectus, the Offering or the Issuer has been subject to nor has received approval from the Bermuda Monetary Authority or the company registrar in Bermuda and no statement to the contrary, express or implied, is permitted or authorized to be represented. Accordingly, the EVRM Tokens may only be offered and sold in Bermuda if strictly in compliance with the terms and provisions of the Investment Business Act 2003 (as amended) of Bermuda.

Engaging in activity or activities involving the promotion, marketing and/or selling of EVRM Tokens in Bermuda pursuant to this Offering to persons located in Bermuda may be deemed under Bermuda law and securities regulations to be carrying on business in Bermuda. Further, non-Bermudian persons may not carry on or engage in any trade or Business in Bermuda unless such persons are authorized to do so under applicable Bermuda legislation.

#### **Notice to Prospective Subscribers from Canada (Alberta, British Columbia, Ontario and Québec)**

This Prospectus is not, and may not be construed in any form or circumstance as, a prospectus, advertisement or a public offering of EVRM Tokens in Canada. This Prospectus constitutes an offering of EVRM Tokens only in those jurisdictions and to those persons where and to whom they may lawfully be offered for sale, and therein only by persons permitted to sell the EVRM Tokens.

No securities commission or similar authority has received, reviewed, approved or in any other manner acknowledged or accredited this Offering or Prospectus in Canada, and no attempt may be made to represent to anyone anything contrary to such. No such authority has commented on the merits (or otherwise) of the EVRM Tokens, and any representation to the contrary shall constitute a misrepresentation and an offence. Purchasers' representations, covenants and resale restrictions Confirmations of the acceptance of offers to purchase EVRM tokens will be sent to purchasers in Canada who have not withdrawn their offers to purchase prior To the issuance of such confirmations.

The distribution of EVRM Tokens in Canada is being made on a private placement basis to residents of Ontario, Québec, British Columbia and Alberta (together the "Canada Territories") and is accordingly exempt from the requirements in the Canada Territories that the issuer file a duly prepared and valid prospectus with the relevant securities regulatory authorities. Each Subscriber of EVRM Tokens in Canada shall represent that they are a person or company or entity to which EVRM Tokens may be sold without the benefit of a prospectus qualified under applicable provincial securities laws. Subscribers resident in Ontario represent to the Issuer that the purchaser is an "accredited investor" as such term is defined in Section 1.1 of National Instrument 45-106- prospectus and registration exemptions of the Canadian Securities Administrators, and the Subscriber shall be required to acquire such Tokens only as a principal.

Subscribers to EVRM Tokens should refer to the applicable provisions of the securities legislation pursuant to Canada and the relevant Canada Territories to them for the complete articles pertaining to their rights and/or consult with a competent legal advisor. Any resale of the EVRM Tokens shall be required to be made in accordance with applicable securities laws which may require resales to be made in accordance with exemptions from registration and prospectus requirements. Subscribers in Canada are requested and expected to seek legal advice prior to any resale of their EVRM Tokens. The Issuer is not a "reporting issuer" as such term is defined under applicable Canadian securities legislation, in any province or territory of Canada in which the EVRM tokens will be offered.

#### **Notice to Prospective Subscribers from the Cayman Islands**

This Prospectus does not represent any form of invitation to the public in the Cayman Islands to become a Subscriber to EVRM Tokens, interests in the Fund or Issuer. Neither shall any selling agent nor the Issuer be permitted to sell to members of the public in the Cayman Islands EVRM Tokens, interests in the Issuer of Fund or any other form of interests and securities from a place of business in the territory of the Cayman Islands.

#### **Notice to Prospective Subscribers from France**

Qualified investors and/or restricted circle of subscribers within the meaning of article L. 411-2, ii of the French code monétaire et financier may take part in this Offering and become Subscribers of the EVRM tokens for their own account. This Prospectus has not been submitted to, or approved by, the Autorité des marchés financiers in France, and the Issuer has no intention to do such in the future. This Offering of Tokens is not open to the public in France and therefore may not be distributed or disseminated, directly or indirectly, to the public in France. The meaning of the phrase 'public' in this context means the meaning provided under article L. 411-1 of the French code monétaire et financier.

#### **Notice to Prospective Subscribers from Germany**

This Prospectus is not deemed to be nor should be considered to be a securities prospectus within the meaning of the German Securities Prospectus Act. This Prospectus is not an investment product prospectus within the meaning of the German Investment Product Act, and accordingly this Prospectus has not been nor will be filed with the German federal financial supervisory authority. The federal republic of Germany has not received filing of this Prospectus in any capacity and it is not intended that they will in the future. Unless an express exemption from compliance with the public offering laws, regulations and restrictions under the German Securities Prospectus Act and the Investment Product Act may apply, this Prospectus shall not and may not be made available to the public of Germany or offered for distribution and consideration for investment by the public in Germany.



**Notice to Prospective Subscribers from Guernsey**

EVRM tokens are prohibited from being offered to the public in Guernsey, and shall not be offered accordingly. Persons whom are resident in Guernsey may apply for EVRM tokens in the Issuer pursuant to private placement arrangements. This Prospectus has not been filed with the Guernsey Financial Services Commission pursuant to any relevant legislation and no authorizations in respect of the relevant laws and acts governing or issued by the Guernsey Financial Services Commission have been sought or attained.

**Notice to Prospective Subscribers from Hong Kong**

No regulatory authority in Hong Kong has reviewed or approved this Prospectus. This Offering is not to be offered to the public in Hong Kong. The Issuer does not intend for this Offering to be promoted or made available to the public in Hong Kong. Accordingly, EVRM Tokens have not been and shall not be offered or sold in Hong Kong, by means of any document or process other than:

(i) in accordance with the Securities and Futures Ordinance (chapter 571 of the laws of Hong Kong) (the “SFO”), to “professional investors” as defined therein, and any rules made under the SFO; or

(ii) where this Prospectus document is otherwise not defined as a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (chapter 32, of the laws of Hong Kong); or

(iii) in other circumstances where this Prospectus does not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance of the laws of Hong Kong.

Further, in compliance with the rulings of the SFO, to the extent that the intention is to provide access or allow review of this Prospectus by the public of Hong Kong, no person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any promotional material, advertisement, invitation or document relating to the offer or these EVRM Tokens except if a valid exemption exists and/or such person or entity is permitted to do so under the securities laws of Hong Kong; and other than in the context and with respect to the interests in the Issuer being offered and intended to be disposed of by persons outside of Hong Kong OR only to “professional investors” as defined in the SFO and any rules made under that ordinance.

This Prospectus and all information and other documentation it refers and relates to herein may not be used other than by the person to whom it is addressed and lawfully issued to, and the Issuer shall only accept a subscription for interests in the Issuer from Subscribers being directly such addressed persons. This Prospectus and the information contained herein, as well as all other documentation it refers and relates to herein, may not be reproduced in any form or relayed, disseminated, revealed or transferred to any person in Hong Kong.

**Notice to Prospective Subscribers from India**

EVRM Tokens are not being offered for sale or subscription to the public in India, but are instead only and exclusively being privately placed with a limited number of sophisticated investors; prospective Subscribers must seek their own private legal and professional financial and investment advice as to whether they are entitled to subscribe for the EVRM Tokens and it is bestowed upon them to comply with all relevant Indian laws in this respect.

This Prospectus has not been filed, submitted to or authorized by the Reserve Bank of India, Securities and Exchange Board of India, Forward Market Commission India (FMC), PFRDA under the Finance Ministry or the Insurance Regulatory and Development Authority, nor any other financial regulatory body in India. This Prospectus accordingly does not constitute any offer to sell, buy or transfer EVRM Tokens from any person other than to the person to whom this Prospectus has been made available to by the Issuer or the Issuer’s authorized agent, and provided such person is validly and legally able to acquire EVRM Tokens in accordance with the terms of this Prospectus. This Prospectus is not and should not be construed as a ‘prospectus’ as defined under the laws and financial regulations of the India.

**Notice to Prospective Subscribers from Japan**

The EVRM Tokens and this Offering, as defined and described in this Prospectus, have not been submitted to or disclosed pursuant to the securities exchange law of Japan (law no.25 of 1948 as amended), and may not be.

Any prospective Subscriber of a Token agrees that they are prevented from and therefore shall not re-transfer or re-assign such Tokens to any person or entity other than those that are non-residents of Japan, with the exception of the existence and relevant, valid appliance of a private placement exemption from the otherwise required registration of, and otherwise in compliance with, Japan securities exchange law as well as the other relevant laws and regulations of Japan (with the exception of the case of re-transfer or re-assignment of the Tokens held by such Subscriber to one person or entity through one, single transaction of all such Tokens so acquired by such Subscriber).

EVRM tokens are not available to the public in Japan and may not be marketed or promoted to the public in Japan. The Tokens are being offered to a limited number of qualified institutional subscribers only (as defined in the securities exchange law of Japan) and/or a small number of non-institutional Subscribers. All EVRM Token Subscribers must and shall comply with and meet the regulations pursuant to the private placement exemption from the registration requirements of the Japan securities exchange law and other relevant Laws. This Prospectus is confidential and is intended solely for the use of its recipient. Any duplication or redistribution of this Prospectus is prohibited.

If requested, the recipient of this Prospectus shall return this document to the entity which provided it to them, in the event that the prospective Subscriber does not proceed with becoming a Tokenholder by entering into the Subscription Agreement or in any other manner acquiring the Tokens. Due to potential currency fluctuations, cryptocurrency fluctuations and/or other factors (see Section 12 herein), any Subscriber runs the potential risk of losing in part or in full their invested capital pursuant to this Offering and them becoming a Subscriber.

#### **Notice to Prospective Subscribers from Jersey**

EVRM Tokens may not be offered in Jersey unless via a valid private placement exemption, since the consent of the Jersey Financial Services Commission has expressly not been sought nor has it permitted to the circulation of an offer of EVRM Tokens in Jersey pursuant to article 10 of the Control Of Borrowing (Jersey) Order 1958, as amended.

#### **Notice to Prospective Subscribers from Kuwait**

Neither the Ministry of Commerce and Industry of the State of Kuwait, nor any other relevant Kuwaiti governmental agency has received or approved this Offering or Prospectus for circulation in Kuwait. Notwithstanding any other terms of content in this Prospectus, nothing herein this Prospectus constitutes, nor shall be deemed to constitute, an invitation or an offer to sell EVRM Tokens; further, there is no intention of this Prospectus to invoke completion of any contract in Kuwait pertaining to this Offering.

This Offering of EVRM Tokens is provided solely on the basis that this constitutes a private placement and its public offering is restricted and governed under the laws set out in accordance with Decree Law no. 31 of 1990, as amended, entitled "Regulating Securities Offerings and Sales" and Ministerial Order no. 113 of 1992, as amended, as well as under and any and all other implemented regulations, applicable laws and regulations in the State of Kuwait.

#### **Notice to Prospective Subscribers from Monaco**

Banks, licenced entities and portfolio companies duly licensed by "Comité des Etablissements de Crédit et des Entreprises d'Investissement" and/or under law n°1.144 of July 26, 1991 and law number 1.338 of September 7, 2007 issued by the "Commission de Contrôle des Activités Financières", are the only legal entities which may offer for sale, promote or sell EVRM Tokens, subject to their own procedures in accordance with compliance by them of the relevant laws of Monaco.

#### **Notice to Prospective Subscribers from New Zealand**

In New Zealand, EVRM Tokens may only be sold to Subscribers who either (a) habitually invest money or whose main constitution and purpose is to invest money; or (b) if not meeting the criteria of (a), shall invest a minimum subscription of US\$ 500,000 for the EVRM Tokens. Meeting either of these aforementioned criteria in this paragraph shall mean that, in accordance and as otherwise interpreted under New Zealand law, a registered prospectus is not required for the offer of EVRM Tokens under the New Zealand Securities Act 1978.

#### **Notice to Prospective Subscribers from Norway**

The contents of this Prospectus have not been registered with the Oslo Stock Exchange or the Norwegian Company Registry, not approved by them. The Issuer is not subject to the Investment Fund Act of 1981 and, therefore, is not required to be supervised under the Financial Supervisory Authority of Norway. Furthermore, the EVRM Tokens are not subject to the Securities Trading Act of 2007.

#### **Notice to Prospective Subscribers from Oman**

This Prospectus is being provided to a restricted number of sophisticated investors for the purposes of enabling decision as to whether or not they should invest in and acquire EVRM Tokens upon the terms set out in this Offering and subject to the restrictions set out herein this Prospectus. This Prospectus and may not be transferred, disseminated, reproduced or used for any other purpose or provided to any person or entity other than the original and intended recipient hereof. This Prospectus does not constitute a public offer of securities in the Sultanate of Oman, as defined and contemplated under the commercial companies law of Oman (Royal Decree no. 4/74) and the capital market law of Oman (Royal Decree no. 80/98) and Ministerial Decision no.1/2009 or an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Prospectus is not intended to lead to the creation or entering into of any contract within the Sultanate of Oman.

This Prospectus has not been submitted to or approved by the Capital Market Authority or the Central Bank of Oman. Accordingly, neither such institutions take any responsibility for the factual accuracy of the information contained in this Prospectus, hence they have no liability in the event of reliance on the information herein by any party.

**Notice to Prospective Subscribers from the People's Republic of China**

*(not deemed to include Hong Kong, Macau, and Taiwan for the purposes of this Prospectus):*

Within the People's Republic of China, the information contained in this Prospectus does not and may not constitute an offer to sell EVRM Tokens or an advertisement, invitation, provocation or solicitation of an offer to buy EVRM Tokens in any manner whatsoever.

This Offering and Prospectus has not been submitted to or approved by the Chinese Securities and Regulatory Commission, and accordingly may not be marketed, offered or sold directly or indirectly to the public in China. Neither this Prospectus nor any supplementary documentation related to it, or information contained herein pertaining to EVRM Tokens, may be supplied to the public in China. Furthermore, this Prospectus and any of the information contained herein may not be presented to the public in China in any manner in regard to the sale or offering of, or subscription to, EVRM Tokens.

**Notice to Prospective Subscribers from Qatar**

This Prospectus is provided to the intended recipient on a strictly confidential basis and any distribution of it to third parties in the State of Qatar in contravention of the terms of this Prospectus shall be on the liability solely of the disseminator. The Prospectus is intended to be for personal use only and not to be disseminated otherwise. This Prospectus does not and may not constitute any offer to do business as a bank, other institution or any other entity, in the State of Qatar, and is not open to or to be disseminated to the public.

This Prospectus is a private placement offering only and accordingly the included materials and information have not been approved or licensed by the Qatari Central Bank. No other relevant licensing authorities in the State of Qatar either have received and approved this Prospectus in any manner. Accordingly, this Prospectus, under Qatari law, does not and may not constitute a public offer of securities in the State of Qatar.

**Notice to Prospective Subscribers from the Russian Federation**

This Prospectus and the information contained within it is not an offer, or any form of invitation to make offers, relating to the sale, purchase, exchange or similar transaction or transfer of securities or foreign financial instruments in the Russian Federation, pertaining to or for the benefit of any person or entity in the Russian Federation, with the exception of cases and circumstances permitted under Russian laws to the extent permitted.

Information contained in this Prospectus is not to be made available to the public or persons in the Russian Federation unless and to the extent they are permitted to do so under the laws of the Russian Federation. Further, this Prospectus is not a "placement" or "circulation" (as defined under the securities law of the Russian Federation) of any securities, nor an advertisement of such, and nothing contained in this Prospectus is intended for "placement" or "circulation" in the Russian Federation, unless to the extent otherwise permitted under Russian laws.

**Notice to Prospective Subscribers from the Kingdom of Saudi Arabia**

In the Kingdom of Saudi Arabia, this Prospectus may not be distributed except to persons as are permitted to receive this Prospectus and the information herein under the Offer of Securities Regulations issued by the Saudi Arabian Capital Market Authority. The Capital Market Authority has not approved this Prospectus and therefore such expressly disclaims any liability over the content and substance herein this Prospectus, its completeness, and its accuracy. Prospective Subscribers should seek legal and financial advice on this Offering before making any decision to participate or otherwise in this Offering, and the Issuer requires prospective Subscribers in all cases to have completed their own investigations and due diligence on the Offering and all aspects and entities it pertains to before making any determinations.

**Notice to Prospective Subscribers from Singapore**

Only persons situated outside of Singapore may receive, review and consider this Offering, and the acquisition of EVRM Tokens may only be acted upon by persons outside of Singapore. No person in Singapore is eligible or permitted to directly or indirectly become a Subscriber or offer to become a Subscriber to any EVRM Tokens. This Offering Prospectus and all information related to it and to the EVRM Tokens may not be circulated or distributed, whether directly or indirectly, to persons in Singapore.

### **Notice to Prospective Subscribers from South Africa**

This Prospectus is for the attention of and distribution to select individuals only and may not be distributed or circulated, or allowed to be distributed or circulated, to the general public in South Africa. The EVRM Tokens may not be the subject of any form of public offering, nor sold or advertised in South Africa and this Prospectus may only be circulated to selected individuals and Subscribers in South Africa may only participate in this Offering in accordance with the securities laws and exemptions thereof of South Africa. No filing of this Prospectus has been made with the securities authorities or any government or semi-government body in South Africa.

### **Notice to Prospective Subscribers from South Korea**

This Prospectus does not constitute, and may not be under any circumstances construed as, an Offering of securities in South Korea.

This Prospectus has not been filed with and is not therefore approved or certified in any manner whatsoever or subject to the laws of South Korea, including, without limitation, Indirect Investment Asset Management Business Law, the Securities and Exchange Act and the Foreign Exchange Transaction Act. The Issuer makes no representation that this Prospectus is therefore eligible under any such laws or acts, and any and all placement agents and intermediaries pursuant to this Offering shall not make any claim either of such eligibility to such laws and acts and regulations thereunder.

The Issuer has not filed this Offering or registered this Prospectus or the EVRM Tokens under the Securities and Exchange Act, Securities Investment Company Act or the Securities Investment Trust Business Act of South Korea. The EVRM Tokens may not be sole, re-sold, transferred, re-transferred or in any other manner relinquished to any resident of South Korea, be such directly or indirectly.

### **Notice to Prospective Subscribers from Taiwan**

This Prospectus and Offering, and no person connected with this Prospectus including the Issuer, has authority to offer or sell EVRM Tokens in Taiwan, the Republic of China ("Taiwan"). This Prospectus has not been and will and may not be registered with the Financial Supervisory Commission of Taiwan. This Offering and Prospectus may not be offered in Taiwan pursuant to the laws of the securities and exchange law of Taiwan that require a registration or approval of the Financial Supervisory Commission of Taiwan.

### **Notice to Prospective Subscribers from the United Arab Emirates**

This Prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates ("UAE"), the Dubai Financial Services Authority or the Financial Services Regulatory Authority, the Securities and Commodities Authority or any other regulatory authority or body in the United Arab Emirates. The EVRM Tokens have not been approved or licensed by or registered with the UAE Central Bank or any other relevant licensing or government authorities or agencies in the UAE. Accordingly, this Prospectus does not constitute an invitation or an offer of securities in the UAE (including the Dubai International Financial Centre and Abu Dhabi Global Market), and may not and will not imply any intention to either, and hence should not be construed to be any such offer of securities in the UAE. This Prospectus is only being presented and disseminated to a limited number of Institutional/sophisticated subscribers upon their request and on their understanding of the aforementioned non-registration with any UAE authorities of this Offering. This Offering is not for circulation to the general public in the UAE and may not be reproduced or used for any other purpose.

### **Notice to Prospective Subscribers from the United Kingdom**

For the purposes of prospective Subscribers in the United Kingdom, this Prospectus and information contained herein is being made to and directed only at persons who:

- have professional experience of participating in unregulated schemes falling within Article 14 (investment professionals) of the Financial Services and Markets Act 2000 (Promotion of CIS) (Exemptions) Order 2001 (the **CIS Order**) and fall within Article 19 (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the **FPO**);
- fall within Article 22(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the CIS Order and Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or
- persons to whom this report may otherwise be lawfully made to or directed at.

## Appendix References

### Notes:

Any project and other data for which a specific source is not mentioned below, has been researched by the Manager or the Advisor or their associates.