

FABA Venture Capital Token



White Paper

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Agenda

- 🌱 Faba ICO introduction
- 🌱 CEO introduction + Faba team
- 🌱 (FABA) token economics mechanism
- 🌱 ICO (FABA) token concept
- 🌱 Distribution of ICO (FABA) tokens
- 🌱 What do we offer to (FABA) token holders
- 🌱 How venture capital works
- 🌱 Faba ICO investment portfolio
- 🌱 Evaluation of a potential project
- 🌱 Where do we look for startups
- 🌱 Choosing startups
- 🌱 What is the key for successful investment
- 🌱 Faba projects portfolio
- 🌱 Contact

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We are the co-creators of human potential

- 🌱 (FABA) is the first venture capital token with positive impact on our lives.
- 🌱 We connect traditional venture capital market economy with the crypto world bringing new opportunities to both.
- 🌱 (FABA) is a venture capital token (cryptocurrency), which enables to invest into those projects that passed through professional due diligence process, where the investor is entitled to the profit from the exits.
- 🌱 Due to our financial investment and the time commitment of Faba mentors, the valuation of companies raises. The investments are then exited at their peak to return multiples of initial investment.
- 🌱 Faba Ltd. was founded by a group of experienced people, whose interest is to support projects and teams of people with ambition to influence the world.
- 🌱 The Common Vision has helped to define the target segments and future megatrends which are changing the environment today and are contributing to further development:
 - Foodtech, Biotech, AI, Robotics, Education and other sector agnostic opportunities
- 🌱 The investment horizon is set at 8 years. In this time (FABA) token investors will be rewarded throughout the course of investment.
- 🌱 The main goal of Faba is to become the largest venture capital company that supports game-changing projects with the positive impact on our environment.

CEO Introduction

Robert Flocius

Financial Executive with broad experience in all aspects of equity investments. Former shareholder and Co-founder of UB Networks Benelux NV - a US based data communications company and first world partner of Cisco systems Inc. later sold to Newbridge for \$ 260 million.

Served as senior Adviser to Madge Networks, fastest growing UK company in 1998, where under my leadership Israeli company Lannet was acquired and this movement generated assets worth \$ 1.2 billion.

Founder of International health products Inc., where in cooperation with Toni AG (at that time the largest dairy company in Switzerland with a turnover of over one billion CHF) established the production of aloe vera yoghurts and dairy drinks, the company was later bought by Toni AG.

He also co-founded Castelum Partners and Boston Capital Service, which were involved in restructuring and later selling the 130-year-old English bank Seymour Pierce.

His main focus: M&A, Equity, IPO's, Structured Finance, Consulting.

Faba Team

Alexander Nakonechny - CTO

- 🍃 I focus primarily on the field of crisis management and business models set ups, which is essential in the implementation of business projects in different stages and sizes.

Julia Zajacova - CFO

- 🍃 I graduated from Economics with specialisation on production management and logistics. I have 12 years of international experience in supply chain management working for the large corporates, specifically in planning and forecasting positions. I'd love to use my wide experience in order to support the new ideas, technologies and turn them into fresh energy.

Radek Zejda - CSO

- 🍃 In my career I have worked mainly on sales positions. For the last 5 years, I have been working with people in the field of coaching and mentoring. Business, Management, HR and Marketing are areas that I understand and in which I see my value add.

Lenka Love - Mentor

- 🍃 I am a self-driven professional seeking the next challenge. I am also an environmentalist, reliable and caring individual with diverse background. Recently, I've been using my social media platforms to spread awareness and educate people on number of nature protection-related issues. In my last venture I started and ran a travel agency with a focus on 2 of my big passions: diving and golf. I am involved in a number of charities with the goal of improving the quality of life of animals.

FABA token economics mechanism

In the first round of investment, Faba Ltd. together with (FABA) token holders, aim to support a maximum of 110 projects with the outlook of 11-17 successful projects that will reach target valuation of 10-30 multiples of the initial investment. It is common that up to 60% of average VC portfolio companies will fail with ROI lower than 1 and the remaining companies will generate ROI between 1 to 5. Faba will eliminate the fail rate by execution of comprehensive due diligence process and implementation of tranching mechanism binded to the agreed key milestones of the invested project. It is expected to execute all the Seed investments in the first 2 years and private equity investments in the period of up to 4th year for ensuring enough time to achieve significant increase in value before exiting the shares which will happen in 5th to 8th year.

FABA token economics mechanism

- 🍌 Faba is an evergreen VC company.
- 🍌 When successful acquisition of any of the portfolio companies comes, then Faba will use 30 % of the sum that was successfully generated over initial investment for re-investing and 70 % of the sum will be distributed among the investors based on their amount of FABA tokens held.
- 🍌 Distribution of the rewards will be following:
 - 🍌 **Acquisition Income – Initial Investment = Success Funds**
 - 🍌 **Success Funds * 0,7 = Amount to be distributed on pro rata basis among Faba investors**
 - 🍌 **Success Funds * 0,3 = Amount from Success Funds to be reinvested in Faba portfolio**
 - 🍌 **Initial investment + Amount from Success funds to be reinvested in Faba portfolio = amount that will be used for further investing**
- 🍌 If the acquisition income is lower than initial investment, Faba Ltd. will use the whole amount for further investments only.
- 🍌 By the constant re-investing of 30 % from each success we ensure growth of (FABA) token by increasing the investment capital and value of equities in prospective startups being held.



ICO FABa token concept

FABA token road map

1st ICO ROUND 1 (FABA) token = \$1

- 01.03.2018 – 17.04.2018 PRIVATE SALE BONUS 40%
- 18.04.2018 – 05.06.2018 PRE ICO BONUS 40%
- 06.06.2018 1st ICO ROUND**
- 06.06.2018 – 31.07.2018 ICO BONUS 40%
- 01.08.2018 – 30.09.2018 ICO BONUS 30%
- 01.10.2018 – 30.11.2018 ICO BONUS 20%
- 01.11.2018 – 31.12.2018 1st STAGE FUNDING
- 01.12.2018 – 31.12.2018 ICO BONUS 10%
- 01.01.2019 – 31.01.2019 ICO
- 01.02.2019 – 28.02.2019 MARKETING BOOST – STARTUP ARTICLES

2nd ICO ROUND 1 (FABA) token = \$1.3

- 01.03.2019 2nd ICO ROUND**
- 01.03.2019 – 31.03.2019 ICO BONUS 20%
- 01.04.2019 – 30.04.2019 ICO BONUS 15%
- 01.05.2019 – 31.05.2019 ICO BONUS 10%
- 01.06.2019 – 30.07.2019 ICO
- 01.08.2019 – 31.03.2020 PRIVATE END SALE
- 2019–2023 FUNDING STARTUPS
- Q4 2020 FABA APPLICATION
- 2023–2027 EXIT PART – SELLING SHARES
- 2027 NEXT INVESTMENT ROUND FUNDING & SELLING

ICO FABa token concept



🍷	(FABA) token value in 1st ICO round:	\$1
🍷	(FABA) token value in 2nd ICO round:	\$1.3
🍷	Token type:	Security
🍷	Total number of Faba tokens:	160M (FABA) tokens
🍷	PRE ICO + ICO sale:	80M (FABA) tokens
🍷	Investment to startups:	\$60.95M
🍷	Min. investment:	\$200 – 1 st round, \$1300 – 2 nd round
🍷	Number of projects:	110
🍷	Duration of ICO raising :	12 months, 2 rounds
🍷	Realistic ROI:	3x (excl. unicorn*)
🍷	Potential ROI:	11x (incl. unicorn*)
🍷	Exit 110 startups:	\$0.172 - 0.672B
🍷	First investment horizon:	8 years
🍷	Project regions:	Europe, USA, India
🍷	FABA LTD domicile:	London, Great Britain

* Company with valuation \$1B and more.

FABA tokens distribution

(FABA) Tokens distribution	Amount	%
Total number of (FABA) tokens	160M	100%
(FABA) tokens for ICO sale	79.5M	49.69%
Pre ICO (FABA) tokens	0.5M	0.31%
Company + core team	76.8M	48%
Mentor team	3.2M	2%

Faba project will launch a sale of (FABA) tokens. Faba will release 160M of Faba tokens. Total of 50% of (FABA) tokens will be available for ICO sale, which represents 80M. This amount of tokens for ICO sale will be divided into 2 phases: 1. Pre ICO and 2. ICO. 48 % of (FABA) tokens will be kept by Faba company + core team, these tokens are vested and cannot be sold for period of 2 years. 2 % will be divided among the mentor team, these tokens are vested for period of 1 year. After the period of 1 year, 50 % of tokens can be sold.

During the pre ICO phase, there will be 0.5M tokens available for sale and 79.5M during the ICO. Unsold tokens will be shredded.

PRE ICO

PRE ICO	
(FABA) Tokens amount	0.5M
Minimum purchase	\$1
Bonus	40%
Period	48 days
Start	18.04.18
End	05.06.18

During the pre ICO phase, 0.5M of (FABA) tokens will be available for sale. Tokens will be sold with 40 % bonus, which means for the purchase of 1 (FABA) token the investor gets 1.4 of (FABA) token.

Timing for pre ICO is 48 days. If 0.5M (FABA) tokens are sold out earlier, then the pre ICO ends automatically with it.

Pre ICO will be allocated to marketing and PR.

ICO

ICO tokens distribution	(FABA)
Total number of (FABA) tokens for ICO investors	79.5M
Investing to startups	60.95M
Operations	4M
Bonus ICO token	10M
Affiliate program 10%	2M
Software development	0.55M
Marketing	2M

During the ICO phase, 79.5M of (FABA) tokens will be available for sale. Majority of the ICO funds will be used for investing into concept proven projects and selected startups. Operations represent a management fee, which includes administration, offices, legal costs etc.. Software development includes startup application. Marketing support includes social networks, media articles, ICO internet portals, etc.. In the event that tokens are sold prior to schedule, then ICO ends automatically with it.

ICO Bonus Program

Bonus program		
1st ICO round, Token value \$1		
Period 1	06.06.2018 – 31.07.2018	40%
Period 2	01.08.2018 – 30.09.2018	30%
Period 3	01.10.2018 – 30.11.2018	20%
Period 4	01.12.2018 – 31.12.2018	10%
Period 5	01.01.2019 – 31.01.2019	0%
2nd ICO round, Token value \$1.3		
Period 1	01.03.2019 – 31.03.2019	20%
Period 2	01.04.2019 – 30.04.2019	15%
Period 3	01.05.2019 – 31.05.2019	10%
Period 4	01.06.2019 – 30.07.2019	0%
Affiliate program	For recommendation, user gets bonus from realized payment	10%

Bonuses will range from 10 % to 40 % linked to the time of sale. In the first ICO round bonuses range from 40 % to 10 % and their nominal value is \$1 for one (FABA) token, where for the purchase of one (FABA) token the investor gets 1.1 up to 1.4 of (FABA) tokens. In the second ICO round bonuses from 10 % to 20 % will be available with nominal value of \$1.3 for one (FABA) token, where for the purchase of 1 (FABA) token the investor gets 1.1 up to 1.2 of (FABA) tokens. Special affiliate bonus program will be available for the recommendation, which represents 10 % from the realized payment in (FABA) tokens.

Investment dealflow

We believe the dealflow is absolutely crucial to increase the chances of investing the unicorn. Our experience is that the top 1% out of the thousands of applications will be selected for the closer due diligence process. Therefore we formulated comprehensive strategy to attract the top companies seeking the venture and private equity investments.

The most prospective source of companies for screening is our network of contacts that our team has built for passed years of being actively involved in venture capital industry. We cooperate on sourcing with independent scouts, technology experts and mentors that are influencing the startup environment in Europe and USA.

Our team will support and actively participate on the most important startup events among the Europe and USA.

Last but not least source of the most innovative and promising companies is the European Universities. We are actively approaching the top Universities to get access to spin-off companies usually hidden on the prestigious university transfer departments without the knowledge of approaching the venture capital investors.

Evaluation of potential project

The process of selecting a suitable project begins with an analysis of the basic form that is filled in by the applicant on our web page: vc.fabainvest.com

Once the project fits into Faba's investment strategy based on our investment memorandum and meets following criteria: business segment, market, global expansion and the size of the required investment, then it is invited to the elevator pitch presentation for introduction. Presentation is evaluated by mentors (people who have a proven track record of building and selling their own companies, or who have been in top management positions), they ask questions and give feedback to the project. At the end of the presentation mentors vote if the project can pass to the next round of assessment.

In every project, both the business plan and the core team are evaluated. The product or service can be always changed on its way, but it is the CEO and his team, that is the most important factor. Following is the publication of a successful elevator pitch in the mobile application, where (FABA) token holders give feedback as potential consumers.

Evaluation of potential project

The duration of the presentation together with the additional questions from mentors is set for 1-1.5 hours. The applicant receives in advance by e-mail the content of the presentation:

- 📌 product / service description - current status
- 📌 market product need / service solving + value add
- 📌 core team, key roles and their substitutability
- 📌 business model
- 📌 marketing strategy
- 📌 competition and competitive advantage
- 📌 market position, planned expansion + SWOT analysis
- 📌 3 year plan - operational costs development and CAPEX
- 📌 investment offer - the amount of the business shares offered
- 📌 the required amount of investment and its breakup
- 📌 exit strategy

Evaluation of potential project

When the mentors decide positively, one or more interested Faba mentors become the project mentor based on their experience. The mentor is financially motivated for his time and support and gains a call option for the minority stake for his commitment until the exit. The authorized capacity for one mentor is 2-3 projects.

At the investment stage of negotiations, Faba helps with the completion of the business plan, which becomes the annex of the company's share transfer agreement. The investment is divided into three tranches according to the KPIs fulfilment on the bases of the business plan. Faba and the mentor get an equity share and the right for a call option for the investment provided. In the seed stage of the investment, Faba acquires a total of 30 % of the company's shares, of which the mentor receives 5% call option. For companies that have a turnover and proof of concept the amount of the equity is determined individually based on the company's valuation. The valuation is then determined by company's assets 3 x EBITDA, human capital, market share, segment and its valuation environment, potential, all reduced by risk.

Faba Ltd., together with the project founders, must agree on the exit strategy prior to the investment. After investment, the project is shared in our online application, where the core activity and reporting schemes are described. This includes reports (revenue, costs, number of staff numbers, realization plans and their current status), mentors and online communication.

Faba application

There will be an application available for (FABA) token investors in order to monitor all projects.

Users will be able to:

- 🌱 Monitor projects into which Faba already invested and see their latest updates.
- 🌱 Give feedback as potential consumers.
- 🌱 Check regular company updates and news.

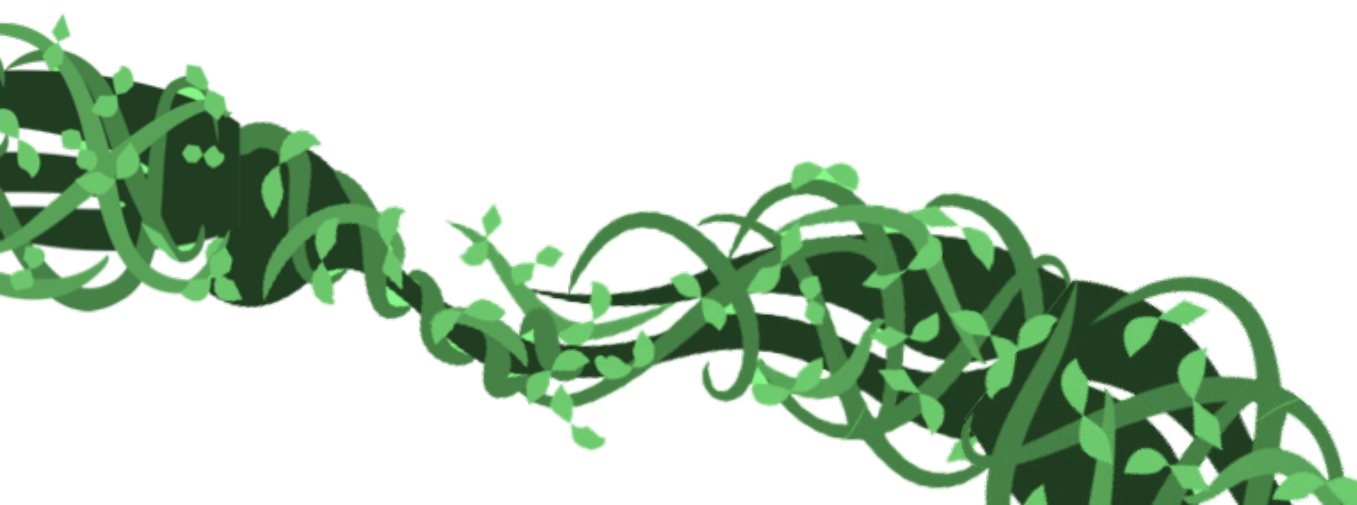
Reward

Entitlement to the profit

Company exits will be announced in advance in the press release published on our website. Press release will contain the name of the company and the conditions under which this company was sold. Reward will be distributed (in ETH cryptocurrency) to the investors according to the percentage of their (FABA) token ownership.

(FABA) token value will be promoted by continual global marketing of individual projects that Faba Ltd. has invested into.

Rewards are paid continuously throughout the investment period of 8 years and are depended on how fast are the companies sold to the strategic investors.



What do we offer to FABa token holders?



Return on investment excl. unicorn* 3x in 8 years

Return on investment incl. unicorn* 11x in 8 years

** Company with valuation \$1B and more.*



Entitlement to the profit based on the exits of the invested companies



Average return on investment

- Investment into 110 projects out of which 11-17 best represent 10-30 x the return on investment, 1 out of 100 projects gets an valuation of \$ 1B (unicorn)
- We support a portfolio of multiple projects to diversify return on investment
- E.g. Faba invests \$ 60.95M inward investment - expected return of \$ 0,672B including unicorn, \$ 0.172B excluding unicorn



Faba ICO investment portfolio

Supporting projects with global development potential

🌱 72 x seed (idea) – \$ 180 000

For the seed companies we invest to create a proof of concept (functioning prototype).

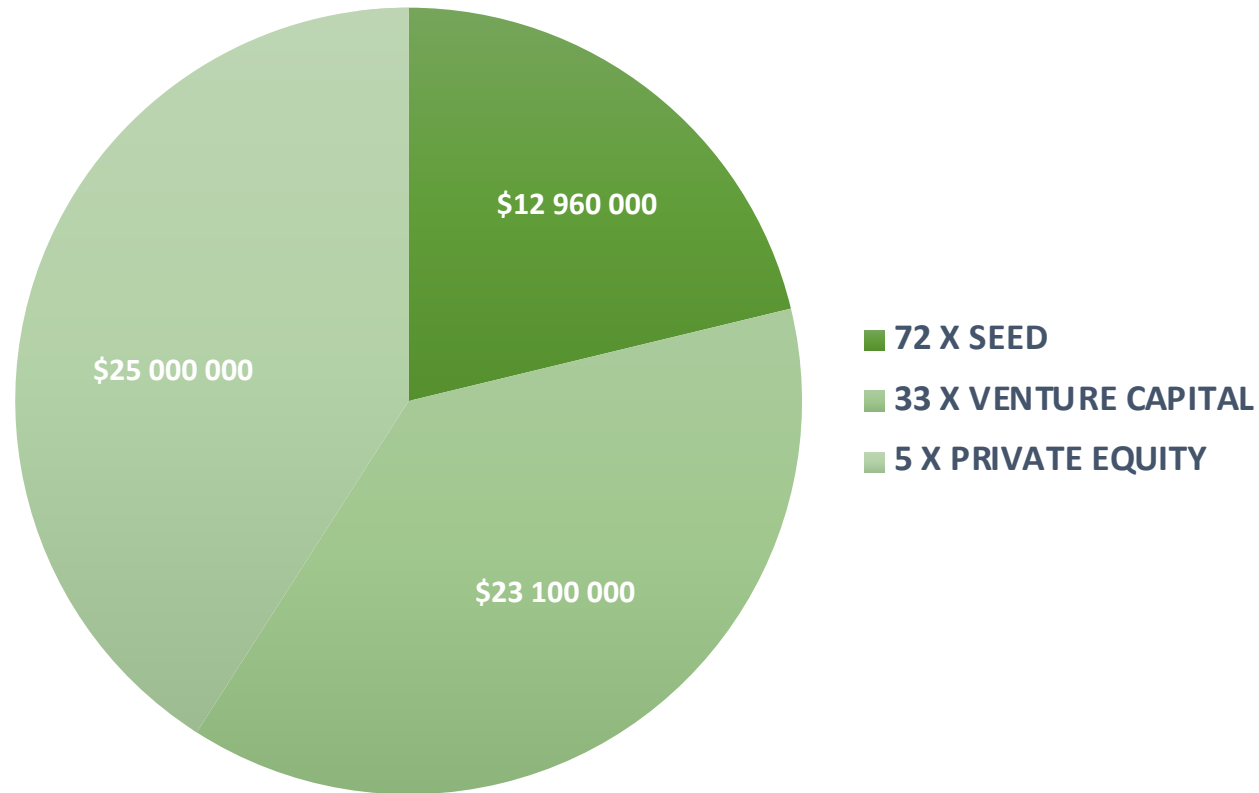
🌱 33 x venture capital (turnover) –\$ 700 000

Venture capital (the initial income phase), is to be used as stabilization of the main expansion strategy.

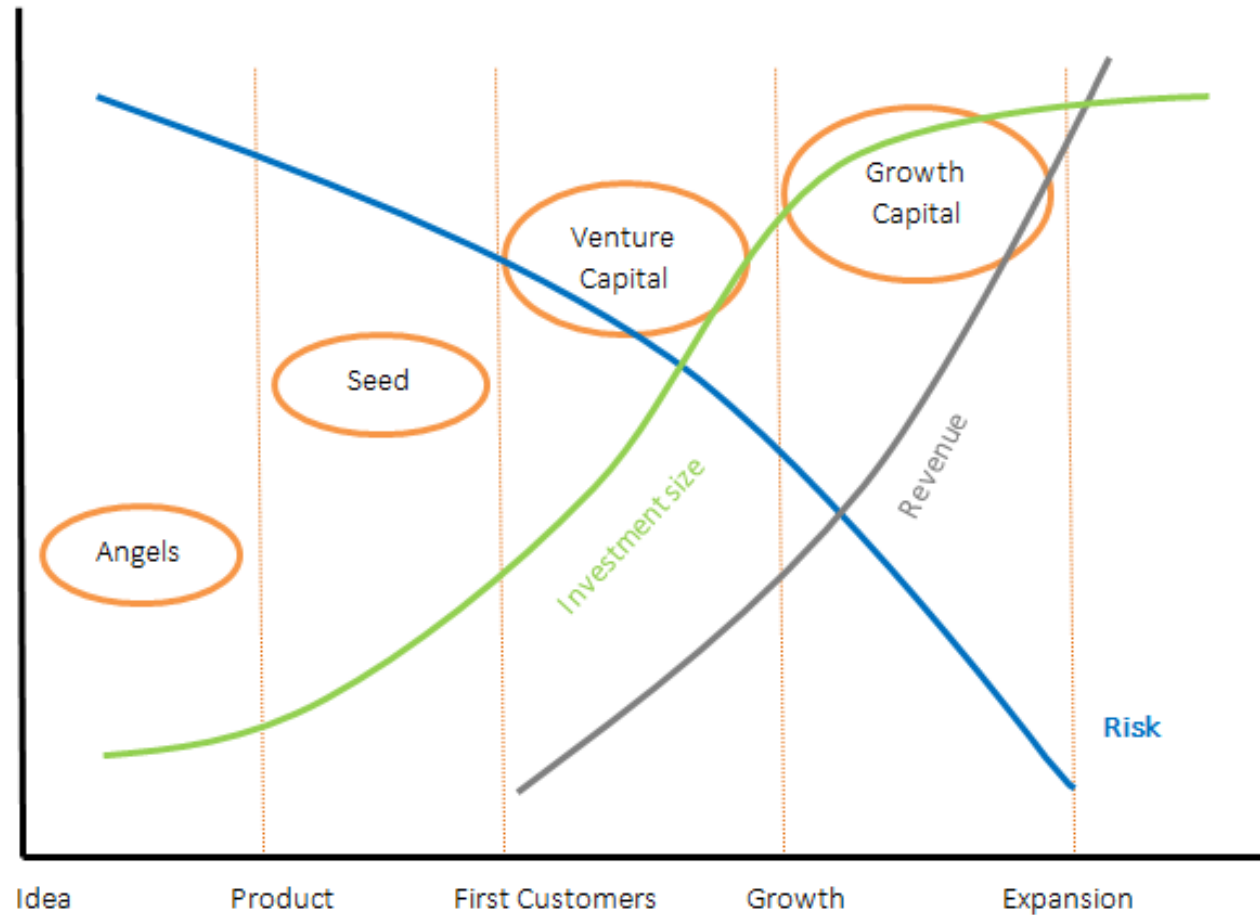
🌱 5 x private equity – \$ 5 000 000

These are companies with minimum risk, with the high potential of growth.

Faba ICO investment portfolio



Investment to startups



Where do we look for projects?



USA

Californian Silicon Valley has been considered as one of the most innovative place in the world for decades. In the vicinity of San Francisco, they are the headquarters of internet giants and computer world as Facebook, Google or Apple.



India

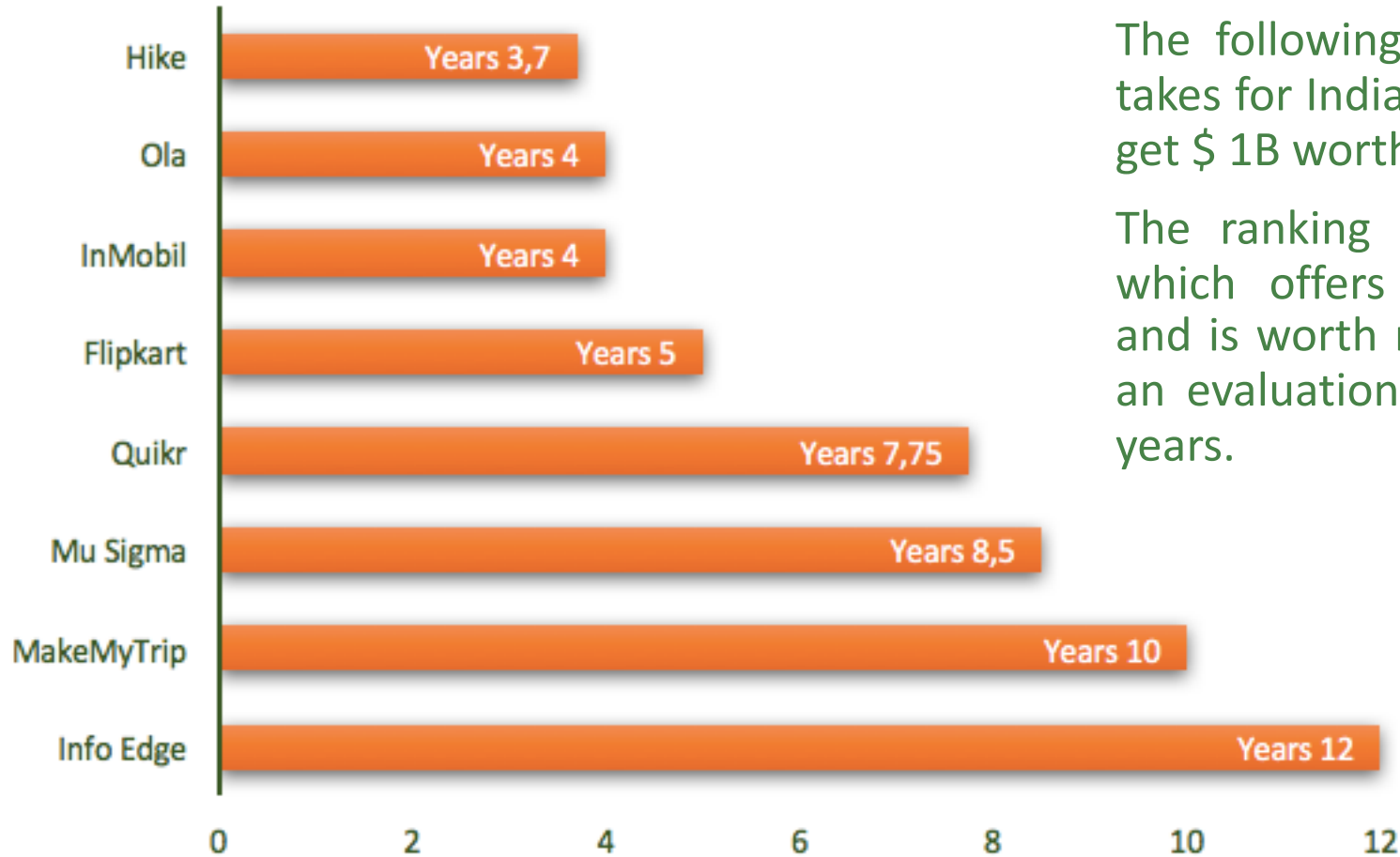
With an estimate of 1.3B population, India is the world's largest democracy. GDP is the fourth-largest in the world after the United States, China and Japan. India represents huge market and dynamic development.



Europe

Czech Republic belongs to the most technologically developed countries in EU. Successful projects as AVG and AVAST were born here.

How fast do unicorns grow in India ?.



The following chart shows how long it takes for Indian technology companies to get \$ 1B worth of so-called unicorns.

The ranking is led by Hike a start-up which offers a messaging application, and is worth more than a billion dollars, an evaluation reached in less than four years.



Synergy

•

Value add

How venture capital works

- 🍷 Invia.cz (CZ) In 2008, the entry of the Polish investor MCI was 2.7M EUR for a 50.1% share. In 2011 and 2012 MCI increases its business share to around 80%.
- 🍷 Year 2016 Czech Rockaway Capital is buying Invia for 76M EUR.
- 🍷 MCI for its share got 54M EUR. The first investment returned eleven times, later 3.5 times.

invia

mci

r o c k a w a y

How venture capital works

- 🍌 Uber was founded in the year 2009. In the same year the company received initial investment (seed funding) in the amount of \$ 200 000.
- 🍌 In 2010, Uber received \$ 1.25M and 2011 additional \$ 44.5M.
- 🍌 In June 2014 Uber announced, that it received \$ 1.2B funding and its estimated value reached \$ 18.2B. Next investment was \$ 1.5B in the summer.
- 🍌 In the beginning of 2018 Soft Bank buys 2.9% of Uber shares for 1.4B dollars from Uber Co-founder Travis Kalanick.

 SoftBank



How do we choose the startups?

- 🌱 The foundation of a successful startup is a unique team of people
- 🌱 Product /customer need solution / company impact
- 🌱 Economy and market policy, how can a product become successful
- 🌱 Grow potential / Value
- 🌱 Exit horizon 3-8 years
- 🌱 Global ambition



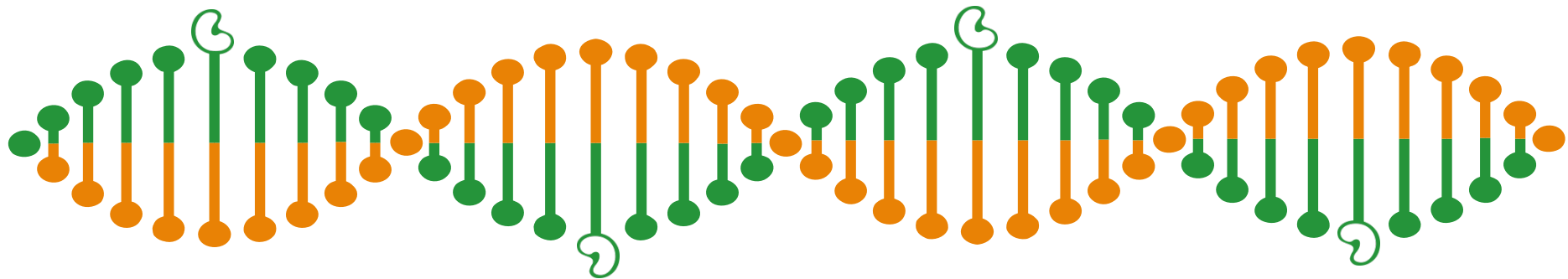
What is the key to a successful investment?

Value add

- 🍷 Project control by Faba team
- 🍷 Network of accelerators and other external partners
- 🍷 Creating the right environment for development
- 🍷 Support by our experts and mentors
- 🍷 Co-investment, using kickstarter platforms

To approve the investment is required

- 🍷 Quality business plan
- 🍷 Unique team
- 🍷 Due diligence
- 🍷 Correctly selected market
- 🍷 Quality product that addresses the need
- 🍷 Thoughtful investment strategy



Faba projects portfolio



Reactor gen - 4

Renewable energy and hydrogen production development



My Father's Hair

Natural hair cosmetics



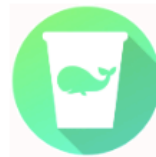
AlzheimerCoin

Alzheimer's disease preventive project



AGORA Pharmaceuticals

Biotechnological company dedicated to developing new treatments for neurodegenerative disorders such as Alzheimer's disease



whalecup

Biodegradable packaging for food industry

Contact

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“ We at FABA change the world for the better. ”