Presentation Appendix ePat.me

Potential Investor Questions & Answers (Q&A)

Introductory note

This document is an appendix to the ePat.me presentation.
It brings together the main questions that investors are likely to raise, along with the answers provided by the founding team.

It is not intended to be read in a continuous or sequential manner. Rather, it serves as a reference document designed to deepen understanding of specific aspects of the model, its trajectory, and the project's key structural choices.

The answers aim to clarify assumptions, arbitration mechanisms, and limitations with transparency and discipline, in line with ePat.me's positioning as an infrastructure for structuring property finance.

Key Performance Indicators (KPIs) and financial assumptions are summarised in a separate document: the post-presentation memo.

Table of Contents

Below headings are clickable anchor links (PDF version)

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

Q24. €720k revenue by Year 3 is modest - why is this VC-backable ?

6) Trajectory - What is the development trajectory ?

Q25. What is your scaling strategy ?

Q26. What are your key success indicators ?

Q27. What role does technology play in the model ?

Q28. How long does it take to structure one SPV from scratch ?

Q29. What part of the structuring process is automated vs manual today ?

Q30. What is the single biggest execution risk ?

Q31. How liquid will secondary trading realistically be ?

Q32. Who holds the legal risk if enforcement is needed ?

7) Team, governance & alignment

Q33. What is the team composition and its key role ?

Q34. How are interests aligned with those of investors ?

8) Compliance - What about regulatory & crypto risk ?

Q35. Is this a crypto product ?

Q36. What happens if regulation tightens ?

Q37. What is the biggest regulatory risk to your model ?

Q38. What happens if MiCA interpretation changes ?

Q39. How exposed are you to cross-border enforcement friction ?

Q40. Have you had informal feedback from regulators ?

Q41. How long could licensing realistically take ?

9) MOAT (competitive advantage) - What is defensible ?

Q42. What is your primary competitive advantage ?

Q43. What would be difficult for a large player to replicate ?

Q44. Who is your closest structural competitor ?

Q45. What prevents an existing crowdfunding platform from replicating your SPV model ?

Q46. What prevents a regulated tokenisation platform from entering your segment of the market ?

Q47. Are banks potential competitors or partners ?

Q48. If this works, who would acquire you ?

10) Use of funds & definition of success - What are you expecting ?

Q49. What will the fundraising be used for in concrete terms ?

Q50. What would success look like in 18 months ?

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

Executive Investor Summary

1. What we are

ePat.me is a **property finance structuring infrastructure**, not a marketplace or a crypto product.
We structure property investments via **legally isolated** SPVs, integrate enforcement and distressed mechanisms from day one, and enable moderate liquidity without promising it.

2. The Problem we solve

First-generation crowdfunding was built for bull markets:
- Easy credit
- Low default rates
- Yield-focused simplicity

When cycles reversed:
- **Delays and defaults** increased *(from 2% to 20%)*
- **Capital became locked**
- Enforcement proved slow and costly

We are built for constrained markets, not just growth phases.

3. Core structural principles

1. **Risk is isolated at SPV level**
No platform-level guarantees. No risk mutualisation.

2. **Distress is pre-structured**
- Predefined exit clauses
- Arbitration mechanisms
- Multi-layer guarantees *(where applicable)*
- Monitoring of financial flows

3. **Liquidity is facilitated** *(but not promised),* through a combination of structural capital repayment mechanisms, stimulated secondary-market activity and predefined exit pathways, with progressive enhancement as the platform scales *(from year 3 onward).*

4. Business model

Three revenue layers:
- **Upfront** structuring fees *(SPV launch)*
- **Recurring** lifecycle fees *(income distribution)*
- Secondary-market **transfer fees**

Implications:
- Recurring revenue base
- Alignment with long-term execution
- Not dependent on aggressive deal volume

Take-rate compression slows scaling but it does not break economics.

5. Scaling Logic

Growth is conditional, not artificial nor aggressive.

Phase 1 - Foundation:
- Regulatory approvals
- MVP deployment
- Pilot operations, with Early Operators and Investors onboarding

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

Phase 2 - Controlled Ramp-Up:
- Operator-network expansion
- Geographic diversification
- Automation & blockchain integration

Main scaling risk:
- Loss of selection discipline.
- Model prioritises robustness over speed.

6. Regulatory & crypto positioning

- Built within EU regulatory framework (ECSP → MiCA/CASP roadmap)
- Designed to absorb regulatory tightening
- Blockchain = infrastructure tool, not speculative layer
- Underlying assets remain real estate & enforceable securities

7. Competitive Advantages (Moat)

Not a feature or User Interface (UI) moat. Not tokenisation alone.

Three cumulative advantages:
1. **Legal engineering** + **Arbitration** architecture
2. **Decentralised Operator-Agent marketing model** *(stable CAC and liquidity facilitator)*
3. **Interoperability** with banks and other investment platforms

Replication requires full legal & operational redesign, not feature copying.

8. Why Now

- Property market in France is structurally constrained ;
- **Banking conservatism** is increasing ;
- First-generation platforms are weakened ;
- The level of **household savings remains high** ;
- Global cycles increasingly desynchronised

Next generation must **combine**: international exposure enabling high yield + structured risk + liquidity optionality

9. 18-month definition of success

Not hypergrowth.

Success = Foundation validated:
- Active operator network ;
- Pilot deals executed end-to-end ;
- Legal & enforcement mechanisms operational ;
- Core investor base reinvesting ;
- Ready for controlled scaling

Temporary accounting losses are acceptable as they reflect deliberate investment and marketing choices.
Structural viability is the primary objective.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

Questions & Answers (Q&A)

1) Do I really understand what you are ?

Q1. Are you a marketplace, a fintech, a bank, or an infrastructure ?

ePat.me is **not designed as a marketplace or a fintech** in the traditional sense.
These models generally assume that the core challenge lies in access to investment opportunities or in the distribution of financial products.

Property finance, especially in an international context, is structurally impacted by market cycles. The key challenges relate not only to access to capital, but to how that capital is **structured, legally framed, governed over time, and ultimately released.**

ePat.me is designed as a **structuring infrastructure**. Deals are selected and structured through **dedicated legal entities (SPVs),** governed by predefined rules covering decision-making, risk management, and the treatment of distressed scenarios from the start.
The platform is the visible interface of this system, but value creation primarily derives from **structuring discipline**.

Q2. How are you different from existing property crowdfunding platforms ?

First-generation real estate crowdfunding platforms developed in an environment characterised by strong property markets, limited regulatory constraints, and historically low default rates.

In that context, their positioning - *focused on **high-yield operations** such as property developments under "**Debt Models**" or short-term rentals under "**Equity**" strategies* - was coherent.

However, this model shows **structural limitations** when cycles reverse: increasing delays and defaults, **capital losses**, extended periods during which savings are locked, and costly, long and hazardous enforcement when implementing **traditional banking-style guarantees solely** *(i.e pledge, second-ranking legal mortgage).*

ePat.me was designed to anticipate distress situations by enabling both:

- the **need for a relatively rapid withdrawal of invested funds** ; and
- the **mitigation of net capital losses.**

These constraints have been integrated from inception through a form of legal creativity, built on three core principles:

- **The use of specific contractual clauses** allowing the swift unilateral sale of distressed projects to recovery companies *(subject to potential gross capital losses) ;*
- The agreement of all parties to rely on **Arbitration** where necessary - *a stable and transnational private and alternative dispute resolution mechanism* - in order to secure and rapidly enforce contractual clauses and seizure decisions ;
- The use of **cumulative joint, personal, and external guarantees**, inspired by residential tenancy agreements. Their use as consideration for the granting of financing is inspired by informal community-based lending networks *(in addition to any traditional guarantees, where applicable).*

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

The model relies on **reinforced legal and operational requirements**, as well as a deliberate choice of **more diversified return profiles**. It positions ePat.me as an **intermediate investment layer** that is both :

- **resilient in constrained markets** ; and
- **connected to complementary banking and investment actors**.

Q3. Why isn't this simply "enhanced crowdfunding" ?

First-generation real estate crowdfunding prioritised **simple models**, which was appropriate in **favourable market conditions**. However, since 2023, with **adverse cycles and constrained markets**, this simplicity has become a **structural limitation**.

ePat.me adopts a **different approach**.
From inception, the platform is designed to **operate internationally, integrate multiple currencies, address guarantees, manage distressed situations**, and **mitigate exchange-rate risk.**

Moreover, ePat.me aims to operate as an **open, intermediary investment structure**, designed to be **interconnected over time via APIs** with other investment vehicles, enabling more dynamic and diversified capital allocation beyond the traditional limits of crowdfunding.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

2) Where does the risk really sit ?

Q4. Who bears the risk if a deal fails ?

Each deal is structured within a **dedicated legal entity** (an SPV, or "*Single-Purpose Vehicle*"), legally independent from the platform.
Therefore, investors bear risk at the **project level**, with **no mutualisation** and no transfer of risk to ePat.me's level and balance sheet.

The platform provides neither **return guarantees** nor **liquidity guarantees**. Its role is to **select and structure deals**, and to **document and frame risk transparently** so that **governance rules, guarantees**, and **predefined exit mechanisms** - *including in distressed scenarios* - are known from the beginning.

Some higher-risk projects *(for example, those involving **FX exposure** or **full capital-and-interest repayment at exit**)* may include **yield-smoothing** or **loss-mitigation mechanisms**, funded through **predefined operational surcharges** used to build **dedicated compensation reserves**.

Q5. How do you avoid promising liquidity you cannot guarantee ?

Many platforms have failed by confusing:
- **expected liquidity** ;
- with **guaranteed liquidity**.

ePat.me treats this distinction as a **foundational principle**.

No promise of rapid access to invested capital is made. Exit scenarios are defined contractually, but presented as **conditional options rather than binding commitments**.

Liquidity mechanisms, activation conditions, and operational constraints are **fully documented from the start** to align investor expectations with the realities of property markets:
- **predefined exits** *(buy-back, refinancing, sale)* ;
- **structural liquidity** through progressive capital repayment in certain SPV structures *(Debt and Hybrid model SPVs)* ;
- a **regulated secondary market** supported by **Token Representatives** operating under a commission-based **model** ;
- **distressed-case mechanisms** designed to both **unlock capital within reasonable timeframes** and limit **final capital losses**.

Q6. What prevents a liquidity crisis ?

Defined from the beginning :
- an objective of **multiple, tangible guarantees** for each operation ;
- a framework for **continuous monitoring and governance**, designed **to identify warning signals** as early as possible, in order to **limit the risk of restricted access** to funds and to **mitigate potential capital loss** ;
- in normal conditions, a **predefined exit framework**, **combined with a stimulated secondary market**, based on Token representatives marketing model *(i.e Property Token Agents mandated by investors*) ;
- in distressed situations, a **predefined resolution process**, including the unilateral sale of distressed projects to recovery agencies - *following an Arbitration decision if necessary* - combined with the activation of multiple guarantees in order to mitigate potential capital loss.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

In addition, some SPV structures may generate **structural liquidity** through progressive capital repayments, either through loan amortisation *("Debt Model")* or borrower call-out mechanisms *("Equity Model" with call out option)*.

At last and during first years, a **limited liquidity-support mechanism** may be activated using a capped share of the Marketing Buffer (max. 20%) to temporarily support secondary market activity in case of short-term buyer absence. It is strictly temporary and does not constitute a liquidity guarantee.

Q7. What happens in a distressed situation or default ?

From the start of each deal, **multiple scenarios are formalised**: underperformance, repayment delays, or default.
For each scenario, **intervention mechanisms are contractually defined**: activation of guarantees, **governance adjustments, structured resale,** or **liquidation**.

ePat.me therefore acts, upon request, as an **on-demand and external third-party operational coordinator**, bridging investors, operators, legal representatives of SPVs, and legal advisors.
Priority is given to **prevention and early detection of warning signals**, enabling faster reactions and ultimately reducing both **capital loss** and **risk of restricted access to invested funds**.
This includes **continuous monitoring of operations**, notably through **"Viewer-only" access** to the online bank accounts of fund beneficiaries, with alerts generated by **unexpected or suspicious transactions** *(amount, recipient, frequency).*

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

3) What prevents this model from breaking as it grows?

Q8. What is the main risk in the event of sustained growth and scaling ?

The primary risk associated with scaling is not driven by demand, but by the **gradual erosion of operational discipline.**
In property finance, **rapid growth** often encourages platforms to **loosen their selection criteria** in order to absorb more volume. Over time, this dynamic can lead to :

- an **accumulation of weaker projects** ;
- an **increase in distressed situations** ; and
- ultimately a **loss of investor confidence**.

ePat.me was designed with **operational discipline at the core of the model.** Each project is subject to a **viability and risk audit** based on **standardised internal documentation** and carried out by **professionals with local expertise**.

Scaling is therefore deliberately **progressive and conditional** on :

- the availability of **internal or external qualified professionals** ;
- **clearly defined thresholds** in terms of **asset types, jurisdictions covered**, and **operators' operational capacity**.

The objective is not to maximise **short-term deal flow** to the detriment of **quality**, but to preserve **model consistency** and **credibility across multiple market cycles**.

Q9. How do you prevent low-quality operators or projects from entering the platform?

Operators are not selected solely on the basis of **proposed yields** or **target fundraising amounts**.
The preliminary **Risk assessment stage** covers both the project and the operator: **track record, legal structure, operational capacity,** and **understanding of downside and distressed scenarios.**

Risk management extends well beyond the **initial fundraising phase**. Operators operate within a **constraining framework** that includes:

- **Governance rules defined from inception**;
- **Reporting obligations** to investors and the SPV's legal representative *(typically a real-estate professional acting similarly to a property manager) ;*
- **Continuous monitoring mechanisms** ;
- **Mandatory and recurring updates** of key information, particularly in connection with the **secondary market** and **token transfers**.

This approach is designed to **align interests throughout the entire life-cycle of each project,** not only at the initial fundraising stage.

Q10. Why don't you initially attract low-quality projects ? Why not pursue faster growth from day one ?

The model is **not optimised for rapid, artificial growth**, particularly during the **foundation phase**, which is subject to **regulatory, IT, and operational constraints**.

Low-quality projects tend to self-filter : they are unattractive either because returns are **too low**, risks are **excessive**, or fundraising amounts are **disproportionate** relative to the number of investors required.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

Furthermore, the need to **strictly control early projects** - *based on prior operational experience* - intentionally limits the number of **property markets covered** and **pilot projects listed.**

While this positioning restricts **short-term deal volume**, it significantly strengthens the platform's **credibility** and **robustness over the long term**, once **legal, regulatory, operational, and marketing frameworks** have been validated.

Q11. What percentage of your pipeline is already identified ?

At the launch stage, **pipeline visibility is intentionally concentrated** on a **limited number of pilot operations** rather than on large forward volume. **For Year 1**, the **objective** is to validate proof-of-concept through a **small number of low-risk, short-duration operations** *(mainly flatshare / co-living Bridge Debt models).* These pilots are sourced through:

- Existing operator relationships;
- Founders' prior operational experience;
- Pre-identified, "ready-to-activate" local opportunities.

This means that initial **operations are largely identified before listing**, but the platform does not rely on maintaining a large pre-committed pipeline.

From Year 2 onward, once regulatory validation, MVP stabilisation, and marketing KPIs are achieved, **sourcing capacity** becomes structurally recurring **through** the **Operator-Representative network**. Growth therefore depends on scalable sourcing relationships, not on accumulating one-off deals in advance.

Q12. How do you prevent operational slowdowns ?

Through decentralised operator representatives and standardised documentation. Core structuring remains centralised, but execution capacity scales locally.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

4) Why now ?

Q13. Why wouldn't this model have worked five years ago ?

Five years ago, the property market operated in a **highly favourable environment**: **easy access to credit, historically low interest rates** for private individuals, and **marginal default** and **delay rates** among property developers.

In that context, **simple platforms focused on yield and development projects** performed efficiently.
By contrast, models incorporating **heavier legal constraints**, **guarantees**, and **operational discipline** would have produced **more heterogeneous and less competitive** short-term returns.

The market downturn has fundamentally shifted priorities, **placing** :

- **risk management, liquidity**, and **distressed-scenario handling** at the centre of **investment decisions** ;
- while **increasing the relevance of exposure to more dynamic international markets**.

Finally, the performance in recent years of **stock markets, commodities**, and **cryptocurrencies** have established them as **primary asset classes**, from a **higher-return perspective**, although alongside **recurring market reversals**. This performance gap relative to crowdfunding platforms was **far less pronounced five years ago**, when a certain degree of **competition between investment vehicles** could still be observed.

Today, the landscape appears to have crystallised into **two now-distinct investment paradigms**, with an **intermediate return / risk / liquidity profile** for real estate crowdfunding, and a **materially stronger - though more volatile - profile** for the other asset classes.

Q14. What if the market becomes very favourable again ?

The French market seems **structurally constrained** due to combined **demographic, tax**, and **regulatory factors** *(energy-efficiency regulations, short-term rental restrictions, rent cap limits, end of tax incentives for property investments).*

Beyond this, ePat.me is **explicitly designed not to depend on a single national market**. Its **international approach** - *not solely European* - enables **exposure to dynamic markets** regardless of local conditions.

This **geographic diversification** aims to avoid **prolonged periods of low and challenging activity** that severely weakened first-generation crowdfunding platforms.

Q15. Why is now the right timing ?

The 2023 downturn exposed the **structural weaknesses of first-generation property crowdfunding**, particularly around governance, enforcement, and liquidity design.

However, **household savings remain at historic highs**, and fundraising volumes only declined when offer quality became less attractive. **The issue was not capital availability, but structuring credibility and lack of dynamic property markets covered**.
At the same time, European regulatory clarity (ECSP, MiCA) and digital adoption now enable more disciplined, institutional-grade models.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

This cycle reversal creates an opportunity for second-generation platforms combining stronger structuring, tangible guarantees, and scalable and international digital infrastructure.

Q16. What structural trend are you betting on ?

The model is based on a **structural evolution of property markets and their financing**.
In France, **demographic, tax, and regulatory pressures** are likely to persist, reinforcing **long-term banking conservatism.**

At the same time, **household savings have reached historic highs**, as reflected in the fundraising levels of first-generation platforms until 2023**.**
This capital will return once a **credible second-generation offering emerges** - one that combines **attractive returns** with **structured risk management and tangible guarantees**.
ePat.me positions itself **precisely within this transition**.

Q17. What could realistically kill or jeopardise this project ?

The main risk is not external but internal.
As with many property financing models, the primary risk lies in a **gradual loss of discipline** over time, **particularly during phases of growth**.

Pressure to increase volumes may lead to a progressive **weakening of discipline**, with regard to **both operator and project selection**. This could result in listing poorly structured operations, with risks that are insufficiently identified or liquidity becoming constrained in distressed situations.

Such deviation may occur particularly when trying to accelerate too quickly or too early.
This risk is addressed through clearly defined **internal capacity thresholds**, strict selection processes, and an explicit acceptance of refusing projects, even at the cost of slower growth.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

5) How do you actually make money ?

Q18. Where do revenues come from ?

The ePat.me revenue model is built around **two complementary sources :**

- **Upfront commissions** linked to the structuring and launch of financed projects, including legal and financial engineering and the creation of dedicated SPVs ;
- **Recurring fees** collected over the **life-cycle of each investment**, notably during **income distributions** and **token transfers** on the secondary market.

This structure **aligns the platform's revenues with the actual duration and performance of investments**, rather than concentrating incentives solely on the **initial success of fundraisings**.

In addition, the model benefits from **scale and repetition of projects**, supported by a **network of Operator-Representatives**. This network enables a **decentralised growth strategy** that is **structurally more efficient in marketing spend** than intensive, **centralised advertising strategies.**

Q19. What drives Customer Lifetime Value (CLV) expansion ?

Customer Lifetime Value expansion is driven by portfolio diversification, reinvestment behaviour, secondary-market activity, and capital recycling generated by progressive repayments in certain SPV structures.

Recurring fees increase as investors :

- **remain longer**
- are **active, by selling and reinvesting, either directly or in a delegated manner**, thanks to Token Agent Representatives.

Q20. What happens if Take Rate is lower than expected ?

The take rate at ePat.me is not a single commission. It is a diversified revenue structure composed of three distinct layers:

- **Upfront structuring** / success fees collected at SPV launch;
- **Recurring life-cycle fees**, mainly linked to income distributions;
- **Secondary-market transaction** fees, generated on **token transfers**.

Each commission layer operates within predefined progressive brackets depending on project size, typology, and volume. Fee levels are thus adjustable within strategic policies and are not structurally rigid.

Take rate compression may occur in two different ways:

- **Pricing compression :** If expected commission percentages prove too high to attract sufficient investor demand or operator participation, fee brackets can be revised. **Pricing policy is adjustable** and can be **updated periodically without redesigning the model.**

- **Activity compression**. The take rate may mechanically decline due to:
  - lower deal volume *(fewer upfront structuring fees)* ;
  - shorter SPV lifecycles *(reduced recurring distribution fees)* ;
  - limited secondary-market activity *(lower transfer fees).*

These scenarios affect revenue growth velocity, not structural viability.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

Because **revenues are diversified** across three layers and because **fixed regulatory and IT costs are absorbed progressively**, **take-rate compression primarily delays scaling** rather than undermining the core economics.

Q21. How resilient is your model to slower adoption ?

Three different Marketing stress scenarios are modelled with delayed adoption. Viability does not depend on aggressive early growth.

Q22. What is your break-even point in terms of projects per year ?

Break-even is achieved at a moderate recurring volume of SPVs per year, once regulatory and IT fixed costs are absorbed. It does not require aggressive scale.

Q23. How do margins evolve after Year 3 ?

Margin expansion after Year 3 is driven by operating leverage, cumulative recurring revenue, and disciplined acquisition economics.

As the **Token Representative network grows**, investor acquisition becomes increasingly operator-driven :

- **allowing weighted CAC to be controlled and stabilised** ;
- **avoiding dependence** on aggressive and **costly direct-marketing channels**.

At the same time, more **active secondary-market** transactions generate additional fee layers without proportionate cost increases.

Operational automation - *notably in reporting, token management, compliance workflows, and revenue distribution* - progressively **reduces unit costs** per SPV and per investor. Blockchain integration further supports cost efficiency at scale.

Finally, as both the **number and average size of listed projects increase**, upfront structuring revenues grow in absolute terms, while the accumulation of ongoing SPVs strengthens the recurring fee base.

Margin expansion therefore results :

- **primarily from operating leverage and revenue mix evolution** ;
- rather than from higher commission percentages or aggressive acquisition assumptions.

Q24. €720k revenue by Year 3 is modest - why is this VC-backable ?

Year 3 revenue must be read in mandatory context of the **build sequence** :

- **Years 1-2** focus on **regulatory setup** (ECSP then MiCA), **MVP production**, and **marketing model validation** through controlled pilots. Revenue is intentionally minimal - priority is infrastructure, compliance, and stable CAC validation ;
- **Year 2-3** marks **operational activation**: blockchain integration reduces marginal costs and the validated marketing model is deployed at scale ;
- **Year 3** is effectively the **first full trading year**, with revenue growing from €120k to €720k (+600% YoY), while remaining France-focused.

The infrastructure, licensing groundwork, and acquisition engine are in place from Year 3 - positioning the model for **geographic expansion and intensifying scale from Year 3-4 onward**.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

6) What is the development path ?

Q25. What is your scaling strategy ?

The scaling strategy is initially constrained by **three preliminary phases** : **regulatory validation, platform deployment,** and **marketing-model validation through pilot projects**.

Once these foundations are secured, growth is organised as a **progressive ramp-up structured in successive stages**. Each stage is **conditional on the validation of clearly defined operational criteria**, including quality of execution, robustness of legal mechanisms, long-term operational capacity, and investor satisfaction.

Development relies on a **network of local property operators and partners**, enabling:

- **expansion of supply** through new projects, markets, and areas of expertise;
- **expansion of demand** through indirect acquisition of new investors and their activation through **effective liquidity mechanisms**.

This operating and marketing model is deliberately **decentralised**.

Compared with centralised platforms, it is:

- **more efficient** in terms of marketing spend, as it avoids heavy reliance on direct advertising;
- **less risky** in terms of ensuring appropriate local expertise and discipline, especially when expanding to **new locations**.

Priority is given to the **validation and repeatability of the model** before any acceleration stage, once regulatory and technical production phases are completed.

Q26. What are your key success indicators ?

At first, **Key Performance Indicators (KPIs)** are **qualitative** ; then **quantitative**.
During the foundation phase, the **number of projects is factually limited by regulatory and technical preliminary validations.** At this stage, operational indicators focus on the **success of pilot projects**, **including validation of the operational, legal, and marketing frameworks.**

At a later stage, **volume indicators** become more significant, both in terms of the **number of projects** and **their financing levels**. Key Performance Indicators include:

- **alignment with initial operational, technical, and regulatory roadmaps**, which are conditions for scaling ;
- **achievement of Key Performance Indicators (KPIs) defined in scaling and marketing assumptions**, including number of projects, partner operators, investors, and funds raised ;
- **quality and consistency of ongoing controls and reporting** ;
- **proper execution of the legal framework**, particularly in the handling of **distressed situations** *(unilateral sales, arbitration, and enforcement of guarantees).*

Q27. What role does technology play in the model ?

Technology is primarily a tool for **standardisation, traceability, control**, and **transparency across projects**. This includes legal structuring, monitoring of financial flows, semi-automated investor reporting, and management of the secondary market.

Blockchain functionality becomes essential during the scaling phase, as it significantly **reduces unit operating costs** per token and enables:

- **lowering the minimum token unit price** to a practical threshold (i.e €10) ;

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

- **increasing risk tolerance** per project through broader diversification ;
- **increasing the number of tokens and investors per project** ;
- managing a **larger cumulative number of operations and investors** ;
- **automated** monthly **updates of token-holders** list *(considering token transfers and secondary-market activity)* ;
- **automated distribution of revenues to investors**.

Beyond efficiency gains, interoperability with other investment platforms - via APIs - reinforces ePat.me's positioning as an intermediate and complementary infrastructure within more mature investment ecosystems, allowing it to benefit from large existing investor bases.

Q28. How long does it take to structure one SPV from scratch ?

Before launching projects in a new market, a **mandatory legal stress test validates** the SPV model within the relevant jurisdiction. This ensures that governance, enforcement mechanisms, guarantees, and arbitration clauses are fully operational and replicable. Once validated, the structure becomes ready-to-go for subsequent projects in that jurisdiction.

After template validation, **structuring a new SPV typically takes 2-6 weeks**, depending on:
- jurisdiction-specific administrative timelines;
- project complexity (Debt vs Equity, guarantees, multi-currency elements);
- involvement of local legal representatives.

Two mechanisms allow time optimisation:
- **Creation of dormant SPVs**: In higher-volume jurisdictions, a limited stock of pre-incorporated SPVs may be maintained to reduce administrative lead times ;
- **Structuring in parallel with fundraising** : As fundraising may last up to three weeks, structuring steps can begin before the formal close when subscription momentum confirms target achievement, allowing partial overlap.

Initial market entry therefore requires preparatory validation, but once a jurisdiction is operational, structuring timelines become predictable and scalable.

Q29. What part of the structuring process is automated vs manual today ?

As outlined in the "Step-by-step" and "Chronological" roadmaps *(please refer to the dedicated appendices)*, automation is implemented progressively.
Legal structuring, SPV validation, risk assessment, and regulatory compliance remain manual and expert-led, given the required standards and the potential legal liability considerations involved.

In Version 1 (non-blockchain MVP), **operational layers** are **partially automated**:
- KYC onboarding,
- deal listing and portfolio dashboards,
- token ownership tracking *(recorded in a central database or off-chain),*
- PSP-integrated payment flows,
- reporting tools.

And **income distribution is semi-manual** *(Excel-based calculations and API-assisted bank transfers).*

In Version 2 (blockchain), **automation extends** to:
- smart-contract token issuance,
- on-chain transfer tracking,
- automated income distribution,
- real-time wallet updates.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

Thus, governance remains manual by design, while transaction and distribution layers become progressively automated to support scale.

Q30. What is the single biggest execution risk ?

The primary execution risk is dilution of selection discipline during rapid scaling.
As operator density and transaction flow increase, the temptation to prioritise volume over quality may arise. If underwriting standards weaken, long-term reputation, liquidity, and investor confidence would be affected. To mitigate this risk:

- SPV selection criteria are standardised and jurisdiction-validated;
- operator admission is conditional on governance compatibility and track record;
- enforcement and arbitration frameworks are predefined before market entry;
- scaling is sequenced rather than volume-driven.

Growth is therefore structured around controlled expansion, not aggressive deal accumulation.

Q31. How liquid will secondary trading realistically be ?

Secondary liquidity is structurally stimulated but not guaranteed. It depends primarily on two factors:

- the **engagement of operator-agents**, supported by aligned economic drivers *(passive and active commissions)*, who may manage delegated buy/sell mandates on behalf of investors ;
- the **attractiveness of listed projects** *(yield profile, duration, project model type, geographies).*

The objective is not to replicate high-frequency trading, but to provide periodic exit optionality compared to traditional illiquid property investments.

Automated trading features mainly support operator-agents in **managing portfolios efficiently**. As the operator network densifies, secondary activity is expected to increase progressively.
Liquidity should therefore be viewed as moderate and improving over time, rather than instantaneous or guaranteed.

Q32. Who holds the legal risk if enforcement is needed ?

Legal risk is contained at the SPV level, which is legally **isolated** from the platform. Each SPV operates under its own contractual framework, and enforcement responsibility lies with the SPV legal representative under predefined arbitration and enforcement mechanisms.

ePat.me is not the legal counterparty to the underlying property transaction. However, enforcement outcomes may carry reputational implications. To mitigate operational and reputational risk, ePat.me provides:

- a standardised and tested SPV legal framework, including predefined arbitration procedures;
- access to selected legal, accounting, and enforcement professionals in each jurisdiction;
- structured validation and monitoring of Token Representative Agents.

During the first trading years, the Agent Representatives are directly selected by ePat.me and, if necessary, replaced. As the platform scales, with more numerous and decentralised Operators, governance becomes more institutionalised through mandatory validation, standardised documentation, and transparent reporting requirements.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

7) Team, governance & alignment

Q33. What is the team composition and its key role ?

The **core team** is structured around **key competencies**: legal and financial structuring, risk management, operational oversight, and platform development.

This core is complemented by a network of **external experts with strong local expertise** - *particularly in operations and real estate* - enabling the auditing of projects and operators prior to validation.

The “Founding Team” appendix identifies both:

- the **target profile types required** ; and
- a **pre-selected pool of 15 named specialists available**.

This organisation aims to maintain a **high level of standards** while preserving an **agile and cost-efficient structure** in terms of fixed payroll and operating expenses.

Q34. How are interests aligned with those of investors ?

The economic model is designed to **fully align the interests of the platform, investors, and Operator-Representatives throughout the full life-cycle of each operation**.
Platform revenues are not concentrated solely on initial fundraising. They are generated over time through **recurring fees linked to income distributions and liquidity events**, including commissions on secondary-market token transfers.

This structure encourages the platform to **prioritise quality of execution**, transparency, and effective resolution of distressed situations, **rather than maximising short-term fundraising volumes**.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

8) What about regulatory & crypto risk ?

Q35. Is this a crypto product ?

ePat.me is not designed as a crypto product in the strict sense, especially during its early years of development.

The platform is based on **concrete underlying real-estate assets**, **legally enforceable rights**, and **traditional financial flows**. **Blockchain** is introduced as a **technical tool** to improve efficiency, traceability, and scalability, without altering the economic or legal nature of the underlying investments.

Once the **relevant regulatory approvals** *(including MiCA, where applicable)* are obtained, ePat.me may rely on **regulated digital representations of securities**. In this context, blockchain serves as an infrastructure enabling:

- a reduction in unit operating costs per token ;
- improved traceability and real-time updating of token ownership ;
- more efficient management of the secondary market ;
- automated distribution of revenues to investors.

At no point does blockchain replace the legal framework governing ownership rights, SPVs, or enforceability.

Q36. What happens if regulation tightens ?

The model is intentionally built on a **European regulatory base**, which is among the **most conservative worldwide**, particularly when compared with jurisdictions such as the United States or certain Middle East countries.

Starting from a rigorous regulatory environment **facilitates subsequent international expansion**, as the platform can rely on practices that are **already compliant** - *or more conservative* - than those required in many other jurisdictions.

Regulatory tightening is thus treated as a scenario to be **absorbed by the model**, rather than as an existential risk.

Q37. What is the biggest regulatory risk to your model ?

The primary regulatory risk is stricter regulation for intermediation in property investments through tokenised securities. This includes requirements for obtaining and renewing licences, at global, European, and local levels.

However, the model is already built conservatively within existing European frameworks *(ECSP and MiCA/CASP)*, with compliance integrated into the development roadmap from inception.

Ultimately, SPVs are structurally jurisdiction-specific and legally independent, allowing geographic and operational adjustments if regulatory standards evolve.

The objective is regulatory resilience - ensuring the platform can adapt to more conservative rules without fundamental redesign.

Q38. What happens if MiCA interpretation changes ?

The licensing scope may adjust, but underlying SPV and legal structures remain valid.
The technology layer adapts; asset governance does not.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

Q39. How exposed are you to cross-border enforcement friction ?

Cross-border enforcement friction is a structural risk in international property operations, but it is mitigated through:

- **standardised contractual clauses** covering distress, disposal, enforcement conditions, and predefined arbitration mechanisms;
- **multi-layer protection structures** *(traditional, cumulative, and external guarantees - including joint guarantors, where applicable);*
- **designated SPV legal representatives** responsible for enforcement execution.

Prior to entering a new jurisdiction, legal validation assesses enforceability and arbitration recognition. Jurisdictions are selected only where enforcement frameworks are confirmed as operationally viable and are periodically reviewed thereafter.

Q40. Have you had informal feedback from regulators ?

Preliminary discussions confirm feasibility within EU frameworks. Formal validation depends on licensing progression.

Q41. How long could licensing realistically take ?

Licensing is a two-step process and should be viewed as largely cumulative:

- Step 1 - ECSP *(crowdfunding licence)* : typically 6-12 months for regulator review and approval *(in addition to preparatory documentation and pre-application stages).*
- Step 2 - MiCA/CASP *(tokenised / crypto-asset service permissions)* : pursued after ECSP as part of the transition to the fully tokenised platform, with additional legal, compliance, custody, and audit requirements, typically structured over the following 6-12 months.

Some preparatory work can start earlier *(documentation, policies, architecture choices),* but formal approval timelines are not assumed to run fully in parallel. Conservative licensing durations are therefore integrated into planning.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

9) What is defensible ?

Q42. What is your primary competitive advantage ?

As a second-generation real estate crowdfunding and investment infrastructure, ePat.me is built around **three complementary and cumulative competitive advantages**:

- **Creative legal structuring**, enabling the use of **cumulative, tangible, and multi-layered guarantees** for each project, combined with **contractual clauses** and, where necessary, **Arbitration proceedings**, with the objective - *particularly in distressed situations* - of accelerating capital recovery and mitigating final capital losses ;
- **A decentralised operational and marketing model,** based on **local Operator-Partners or Token Agents**, which reinforces **operational discipline**, project quality, and cost-efficient growth, with improved return on marketing investment (ROI) ;
- **Deliberate interoperability** with **traditional banks** *(refinancing, lower-yield investment products)* **and other higher-yield investment vehicles**, positioning ePat.me as an **intermediate and complementary structure rather than a direct, frontal competitor.**

This combination of legal creativity, decentralised execution, and interoperability is **difficult to replicate quickly from a simple user interface**. The advantage is cumulative rather than feature-based.

Q43. What would be difficult for a large player to replicate

Large, centralised players typically face **several structural constraints**:

- **Limited agility** and **legal creativity** due to **standardised processes** and **rigid compliance frameworks**, making it difficult to adapt legal structures and guarantees to local realities;
- **Organisational constraints** linked to **top-down operating models**, centralised teams, and high fixed costs, limiting the integration of high-value local operational expertise;
- A **tendency to replicate existing financial or banking-market mechanisms** *(standardised mortgages, "auto-buy" / "auto-sell" features inspired by stock markets or crypto platforms)*, which are poorly suited to the realities of real estate crowdfunding - particularly in terms of liquidity and distressed-case management.

Real estate crowdfunding is neither a fractional replica of bank lending nor a substitute for stock markets or crypto assets. It is an intermediate financing model that requires **distinct legal, operational, and governance approaches.**

Q44. Who is your closest structural competitor

There is **no direct structural equivalent combining all core components** of the model simultaneously:

- a **decentralised operator-agent** network ;
- **credit approval criteria from Community-based lending networks** and based on external joint guarantors ;
- **Arbitration-based enforcement** embedded at SPV level ;
- **global multi-jurisdiction coverage** with currency-conversion mitigation mechanisms;
- and **interoperable token** infrastructure.

However, **partial overlaps exist:**

- traditional real estate crowdfunding platforms *(distribution layer)* ;
- tokenisation platforms *(token infrastructure layer)* ;
- and private real estate syndication marketplaces *(operator-driven sourcing).*

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

The **differentiation lies not in one isolated feature**, but in the **structural integration** of governance, enforcement, operator incentives in order to stimulate liquidity, and token interoperability within a single framework.

Q45. What prevents an existing crowdfunding platform from replicating your SPV model ?

Replicating the model would require more than feature addition. **Existing deal structures and investor expectations already limit flexibility.**

More importantly, **it would require a full legal and operational redesign**, including:

- international SPV structuring frameworks ;
- predefined Arbitration and enforcement architecture ;
- scope and type of Guarantees per project ;
- multi-currency risk mitigation schemes ;
- IT *(and potentially Regulatory)* works to enable interoperability.

This represents significant development time and cost. **In the current property market downturn**, many crowdfunding platforms are prioritising portfolio management and capital preservation, which makes **large-scale structural reinvestment more challenging**.

In addition, international execution experience and dense local operator networks - *particularly in dynamic markets beyond the mature Eurozone* - are not easily transferable.

The **main barriers are therefore preparatory structuring work, legal engineering costs, and strategic repositioning away from existing domestic models**.

Q46. What prevents a regulated tokenisation platform from entering your segment of the market ?

Tokenisation alone does not solve real estate governance and enforcement complexity.
The core differentiators remain:

- **disciplined legal structuring** capable of handling cross-border SPVs and enforceability;
- **operational execution expertise** in sourcing and managing property operators;
- the ability to **build and maintain a dense, active network** of local and engaged property operator partners and active investors.

Legal architecture requires deep structuring expertise, while the latter two depend on operational experience and long-term network development. These capabilities are not purely technological and cannot be replicated through token infrastructure alone.

Q47. Are banks potential competitors or partners ?

Banks are **primarily partners** rather than competitors. ePat.me is designed as a structured, risk-adjusted middle layer between traditional banking and public capital markets. Depending on the operation, it can operate as:

- a **pre-bank financing** and de-risking layer **for short-term** or non-standard operations;
- a cross-border and **multi-currency structuring infrastructure for long-term investments**.

The model complements banks by enabling **refinancing pathways, structured exits**, and **diversified investment vehicles for savings**, while allowing **capital to navigate dynamically across strategies and jurisdictions.**

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

Q48. If this works, who would acquire you ?

Potential acquirers could include regulated fintech infrastructures, private banks, or digital asset platforms seeking real-asset exposure.

However, the **primary objective is to build durable infrastructure** :

- **offering various strategic options in the long term ;**
- rather than optimizing a short-term exit.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.

10) Use of funds & definition of success

Q49. What will the fundraising be used for in concrete terms ?

The fundraising is intended to finance **two successive phases**.

The first is a **foundation phase**, aimed at:

- **securing the regulatory framework and obtaining the required approvals**;
- bringing the platform into **IT production** (MVP);
- integrating **Blockchain functionality** and establishing the first **API**-based interoperabilities;
- **executing operational and marketing roadmaps** through **pilot projects**, with **validation of the model and acquisition of the first investors and Operator-Partners**.

The second phase is a **controlled ramp-up**, leveraging the **delayed and snowball effects of the validated marketing model**. Growth is driven by the progressive arrival of new operations, Operator-Partners, and investors, primarily through referrals, aligned interests, and commission-based recommendations rather than costly direct advertising.

The objective is to validate **robustness and repeatability** ; and then to move forward with **acceleration**.

Q50. What would success look like in 18 months ?

Success at 18 months would primarily correspond to the **complete validation of the foundation phase**. This would be reflected by **active early Operator-Partners onboarded**, a **limited number of pilot operations financed** by a core base of active investors, and proper execution of these operations.

The main objective would be:

- to **have demonstrated that the operational, legal, and marketing model works** across the full life-cycle of projects, including under real market conditions;
- to **be ready for the next phase of controlled scaling**.

At this stage, temporary accounting losses would reflect deliberate investment choices related to controlled growth, rather than any structural weakness of the model.

Once the initial regulatory and technical development phase is completed, the operational base is designed to move rapidly towards breakeven. Marketing intensity then becomes a distinct strategic choice rather than a structural necessity.

Confidentiality Notice : This document and any attachments are confidential and intended solely for the use of the individual(s) to whom it is addressed.