



smartlands

# SEMI- ANNUAL OVERVIEW

April 2020

Hello all, and welcome to our **Semi-Annual Overview** of Smartlands achievements and strategic updates.

As the new quarter of 2020 started, our team is analysing the results of the previous periods and building projections for the next ones. Not an easy task we must admit as the issue of a pandemic and worldwide economic downturn has become a significant variable in calculations. Nevertheless, we stay optimistic and aim to fulfil all the milestones declared at the beginning of this year.

Going back to the historical data, we have realised how much our team has done for the last half a year and we feel sharing these key highlights with all of you is a must. As a result, we have prepared an extract with the major updates to make sure you have access to all important information in one place.



**EMBRACE A  
NEW ERA OF  
INVESTMENTS**

# EXECUTIVE SUMMARY

**Q4' 2019 and Q1' 2020 have been indeed fruitful for Smartlands as the team progressed in all five strategic growth pillars, namely**

- Smartlands platform customer base growth
- Listing new projects on Smartlands platform
- Initial work on the launch of White Label solution
- Raising capital for global scaling
- Launch of Smartee digital banking service.

In the Q4 of 2019 Smartlands focused primarily on laying the foundation for its customer base growth. In particular, the team was in negotiations with potential partners and worked on nourishing its pipeline with new projects. This resulted in a kick-off of the [joint project](#) with the UK Sotheby's and creating a solid backlog of the upcoming projects. Meanwhile, the team started working on a brand new [Smartee](#) product - digital banking service powered by Smartlands. While in Q3 the team was working on developing the concept of the project, the next quarter was dedicated to the technical development of the Android application, designing a brand image and creating communication strategy. All these efforts led to a [soft launch](#) of the product end of last year.

As for many, Q1 of 2020 has become challenging for Smartlands with a rapid downswing in the worldwide economy and unforeseen situation around COVID-19. The main targets for this quarter were to initiate the process of obtaining [required permissions](#) in a new European jurisdiction, launch a [crowdfunding campaign](#) for global scaling and start developing a [white-label solution](#) for business. Despite the obstacles, Smartlands team managed to deliver results for this quarter. Yet goals for the next ones will need to be adjusted according to the global situation.

- ✓ The first blockchain regulated tokenisation platform in UK
- ✓ In TOP-5 platforms for issuing single asset digital securities
- ✓ 16k community, 11.5k wallets, 30+ identified projects
- ✓ "Best Crowdfunding Platform" at 2020 FinTech Breakthrough Award

# BUSINESS MODEL UPDATE

Having consulted with leading experts in the financial sector and studied the aspirations of our current and potential clients rigorously, Smartlands decided [to add several more positions](#) to the list of strategic updates, shifting the company's strategic course into a high gear. Let's have a look at major updates.

## ATTRACTING NEW TYPES OF INVESTORS

In 2020, Smartlands [will align itself primarily](#) with the interests of high-net-worth individuals, family offices, and institutional investors. Two years ago, we began by focusing on retail crypto investors providing this group of multinational individuals with a highly sought-after opportunity to diversify their investment portfolios. Having tested this approach meticulously, we have concluded that the market is much better prepared for private wealth management. Note that by no means do we refuse service to retail investors, but we are focusing our efforts on attracting new types of users to the Platform with a heavy emphasis on professional investor groups. This step will allow Smartlands to diversify its client base and balance our value proposition for a broader range of companies issuing securities on Smartlands.

## ● THE BLOCKCHAIN ACT

The glorious Liechtenstein Blockchain Act (officially known as "Tokens and TT Service Providers Law" (TVTG), but we will use the acronym LBA for cogency) is now in effect. Every asset owner, investor or any other entity seriously considering tokenising literally anything using the EU legal framework should rejoice: you now have a full-stack legal solution to invest via security token offerings, and do it within the confines of a straightforward government-sponsored and approved regulatory environment of Liechtenstein.

Today, a UK-based platform that attempts to tokenise US-issued debt, real estate in Greece or a Disruptive Technology fund faces realities that are difficult to overcome in the current financial and legal climate. Therefore, as a first-ever jurisdiction in the world that managed to fully integrate security tokens in its financial network, Liechtenstein is about to become a true Mecca for issuers. Smartlands has been waiting for this since 2017 and we [intend to apply for registrations under LBA](#).

# WHITE LABEL SOLUTION FOR BUSINESS

First and foremost Smartlands is getting ready to release [SaaS service for varieties of business clients](#): starting from small enterprises that previously have had no experience with investment and crowdfunding, ending with prominent companies seeking solutions to optimise existing operational processes and significantly reduce costs. The release is scheduled to Q2'2020.

# SMARTLANDS PLATFORM

For any investment platform, customer base and quality of the projects listed are two essential components to concentrate on. We are happy to report that for the last half-year Smartlands has demonstrated growth in both segments.

## CUSTOMER BASE

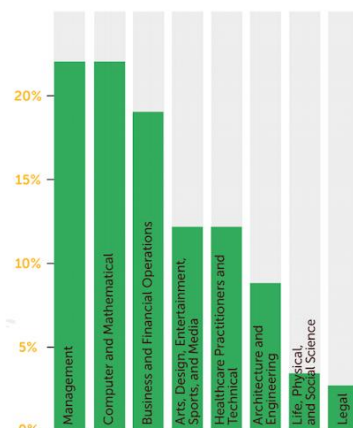
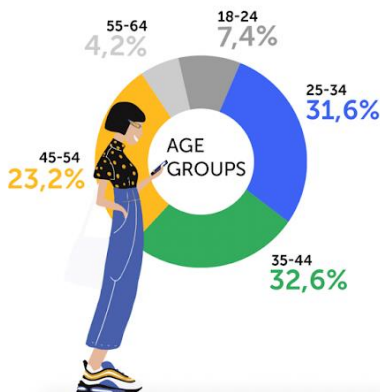
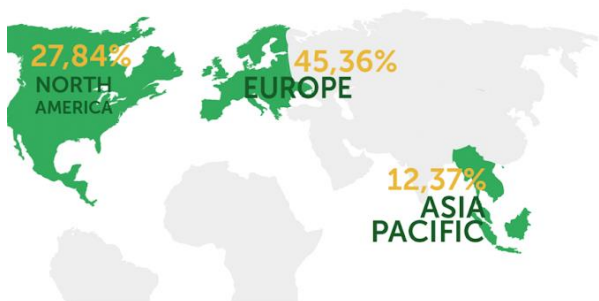
To better understand the preferences and needs of our customers, we have [conducted a poll](#) back in October. The insights we received were indeed of great value! We used the findings as the basis when developing new products and communication strategy. Below are some findings.



TOP ASSET CLASSES PREFERRED BY THE SMARTLANDS COMMUNITY AS TARGETS FOR INVESTING



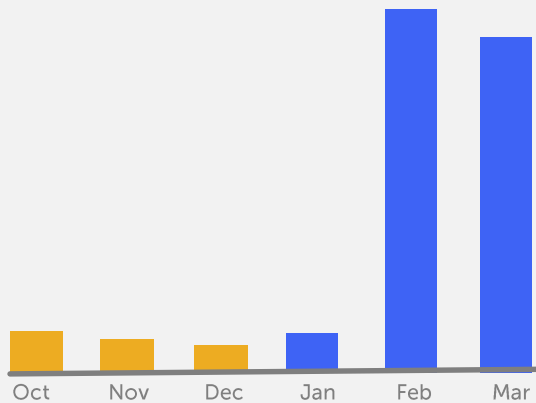
DISTRIBUTION BY REGIONS



SMARTLANDS COMMUNITY: DIVISION BY OCCUPATION

## Customer base growth, %

(Month-over-month)



As for the quantitative parameter of users on the Platform, it varies from month to month depending on different factors, like the number of active projects on the platform, ongoing marketing campaign, worldwide market situation etc. What is true for sure is that we can observe a steady growth and since the beginning of this year there have been +1700 new investors registered on the Smartlands platform that truly inspires us.

## MARKETPLACE

It all started with the launch of our [dedicated landing page](#) - one and only convenient place to explore projects.

Our [joint effort with UK Sotheby's International Realty](#) to experiment with tokenising luxury properties. It gives us great pleasure to report that the first joint project is underway and Smartlands together with UK Sotheby's International Realty intend to tokenise together a luxury duplex apartment in London's Lillie Sq.

The other projects listed to research and collect data about general preferences of investors are on

- Tokenisation of the Investment Fund focusing on [precious metals](#);
- Tokenisation of the UK-based Fund specialising in [industrial logistics](#) properties;
- Tokenisation of the [disruptive fund](#) focusing on investments in mid-stage startups.

It is worth mentioning that this is far beyond the full pipeline. Smartlands has around 30 projects in the pipeline and we aim to deliver it on time. However, we need to admit that the timeline might be shifted due to pandemic.



### LILLIE SQUARE

London, UK

OFFERING TYPE		SINGLE PROPERTY OFFERING	
PROPERTY PRICE	PROFITABILITY	OWNERSHIP STAKE	
£ 1,819,000	7.5%*	100%	

United Kingdom | Sotheby's INTERNATIONAL REALTY | smartlands

## PLATFORM INTERFACE UPDATE

During Q1 the team was working on technical updates on the Platform, and early Q2 launched a [pilot version of an updated platform](#) interface in a test mode. The main goal is to design an interface in the most simple and laconic way possible. Platform users don't need to navigate to the separate interface that initially was significantly different from Smartlands website in terms of structure and UX. Now they are able to stay on the same website as a registered user and manage account, study offerings and invest directly from the main website. Today we test the model when Smartlands website is the interface of Smartlands investment platform.

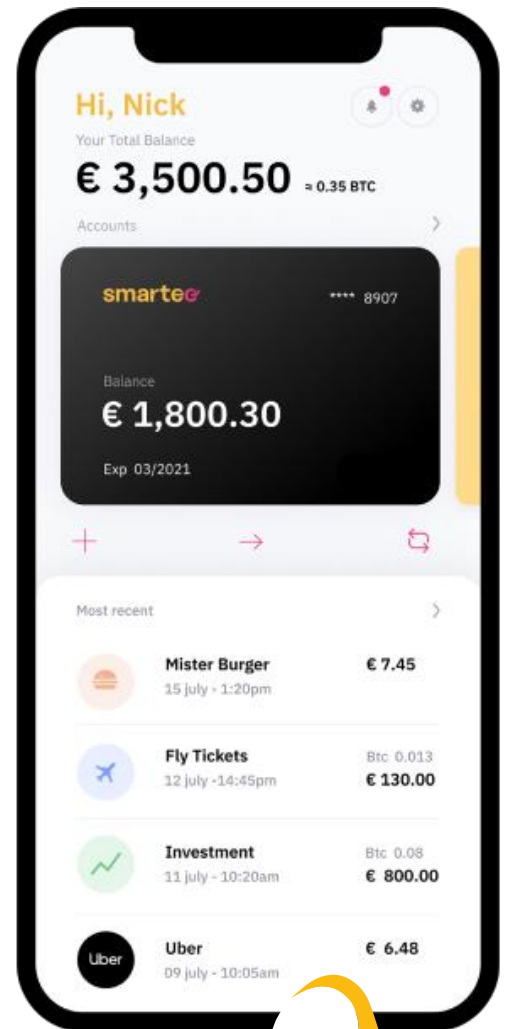
# SMARTEE

Store, spend and earn money E A S I L Y

One of the greatest milestones of the last half-year is the [launch of Smartee](#) – one place where customers can store, spend and earn money. Smartee users will be able to receive, store and transfer all their EUR, GBP, USD and the most popular digital currencies in a Friendly and Secure Mobile App that features a built-in wallet.

Not only the App is already available in [Google Play Store](#) (App Store release expected next quarter), users already are able to participate in an exclusive [Co-ownership program](#) after registering an account and passing KYC. In a nutshell, registered users can co-own Smartee, refer their friends and associates to it, and collect rewards that are already available to you.

Despite recent [setbacks](#), the P2P lending industry continues its rise because neither market nor social conditions for its ascension have changed. The demand for safe and direct investment mechanisms has never been higher, particularly from individuals who cannot get financed other than obtaining a loan from their peers. SMEs want access to fast and reliable funding, investors want better than average returns, and the economy at large needs an influx of global liquidity that would redefine the concept of “money at work.” And here is where [Smartee plans to gain an advantage](#) - the works are scheduled to Q3 2020.



## Can your bank do it?

One friendly and secure place for all your money

# THE COMPANY

## FUNDRAISING ROUND

At the end of Q1 2020, Smartlands [launched](#) Smartlands + Smartee private stage of the fundraising round on Seedrs - a leading equity crowdfunding platform for investing in startups and later-stage businesses throughout Europe.

As of release date, we have reached 33% of the target which indicates a genuine interest in our project. Yet due to pandemic and rapid decline in worldwide business activity, we have decided to extend the private stage of the campaign on Seedrs to make sure that all interested ones will have an opportunity to participate in this round.

The goal is to sell 2.53% of equity stake on Seedrs to help fund a freemium model for customers in 2020, expand the internal engineering team, and obtain the rest of the necessary licenses to move forward. In the case shares remain available post-private sale, the campaign will be open to the general public. The offering on Seedrs is a part of our bigger strategy of bringing in investments through the sale of a 12% equity stake, most of which we plan to raise through VC firms.

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## SMART-X AMBASSADOR PROGRAM

Launch of [Smartlands Smart-X Ambassador program](#) was announced in Q2 2019 and it's a pleasure to report that we have processed over 15 applications for this program. Currently, we have 4 Smartlands ambassadors who help us spread a word about Smartlands and expand the company's global reach.





# ACHIEVEMENTS

We are excited to report that Smartlands has received the “Best Crowdfunding Platform” Award from the [FinTech Breakthrough Awards](#) that recognises the top companies and products in the financial services and technology industry today.



*“We are happy that our mission was recognised and honoured by such a distinguished organisation,” says Smartlands CMO Yaroslava Tkalich. “It’s a real pleasure to receive the well-deserved industry praise as a global fintech leader. It’s also important that the award comes from an independent and well-respected third party whose validation of our creativity and hard work will undoubtedly result in even higher awareness of the Smartlands brand.”* To remind, last year Smartlands has become a proud member of the European Crowdfunding Network and Security Token Alliance.

Smartlands is happy to report its garnering so much attention in the financial industry media. Below we have prepared highlights of TOP publications. Enjoy and stay in touch.

## AS SEEN IN

Finextra

Seeking Alpha<sup>α</sup>

 coindesk

PropertyInvestor**TODAY**

 HACKERNOON

**YAHOO!**  
FINANCE

**Prolific** London



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Web: [www.smartlands.io](http://www.smartlands.io)