

mail@sto-ico.eu

www.sto-ico.eu

IR CONSULT

Since 1994, IR CONSULT has been a successful corporate consultant for capital market issues (M&A, VC, PE, etc.), listing of companies (STO, ICO, IPO and corporate bonds) as well as fundamental investor relations, i. e. absolutely targeted information (fact-book, equity story, presentation, online IR, etc.) for domestic and foreign investors including international road-shows.

Our consulting portfolio is rounded off by efficient financial communication, international co-operations and active participation in various capital market networks.

The IRC team is proud to have broad experience from nearly 100 IPOs and over 100 IR projects in over 25 years.

Numerous and long-standing mandates of well-known stock listed companies underline our successful and clearly focused consulting approach with an optimal price-benefit ratio.

www.ir-consult.com
www.ipo-advisor.com
www.boersenreif.com



IR CONSULT

Am Kirschenberg 43
GER - 61239 Ober-Moerlen
Germany
Phone: +49 - 6002 - 92042
mail@sto-ico.eu

Alexander Vollet
Mobile: +49 - 172 - 688 4341

IRCONSULT



www.ir-consult.de

www.sto-ico.eu

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SUCCESSFUL STO REALIZATION

A Security Token Offering (STO) or also Equity Token Offering (ETO) is a revolutionary way of raising capital for companies.

Especially for start-ups and small and medium-sized enterprises (SMEs), a STO can solve the financing problem, as the whole capital raising process is quick, easy and cost-effective.

IR CONSULT also advises start-ups and SMEs on their STO realization and follow-up activities. Our many years of capital market know-how as well as our well-established contacts to the international financial markets are the decisive keys to your successful STO.

Contact: mail@sto-ico.eu or phone +49 - 6002 - 92042.

VIA A STO EASY ACCESS TO GROWTH CAPITAL

In the case of a STO, a **company issues security tokens** either itself or via a STO platform instead of own shares (IPO) or equity (VC). Interested investors can purchase them and benefit from the successful company. The technical settlement as well as booking on the account of the investor (wallet) is done cheaply via the blockchain technology. That is why market speaks of a 'digital share'.

The issuer can **offer its token itself** or use a STO platform, which not only helps with issuing, but also enables a regular, transparent and cost-effective secondary trading for the token. In addition, such **STO exchanges** have established access to interested investors worldwide, making the placement of tokens faster and more successful.

The **money raised** then flows directly to the company and can be used for the planned future and growth investments. The token can be equity, debt or a kind of hybrid capital which is attributed to equity, but without voting rights. In contrast to a crowdfunding, which is often realized via a subordinated loan, which therefore has to be repaid, the **STO capital is available to the company over the long term.**

The **STO investors** receive a kind of profit-dependent dividend and sometimes additional money if the company will be sold in the future (Exit). Thus, he will benefit twice: from this attractive income and from the expected **price increases of the tokens.**



A STO OPENS SIGNIFICANT ADVANTAGES FOR COMPANIES

ADVANTAGES

- ◆ fast and cost-effective capital raising for start-ups and SMEs
- ◆ via security token even worldwide and for all investor types
- ◆ also suitable for larger amounts
- ◆ long-term capital
- ◆ partly no voting rights
- ◆ if hybrid capital equity similar
- ◆ company determines the rights of the token owners
- ◆ without any collateral
- ◆ awareness and publicity is increased
- ◆ regulated public offer as the tokens are a security and regulated
- ◆ facilitates follow-up issues (even up to an IPO in the medium-term)

DISADVANTAGES

- ◆ no placement guarantee
- ◆ approval and regulation
- ◆ expenses for STO realization
- ◆ placement of tokens within a fixed period of time (usually 30-60 days)
- ◆ more public transparency through company documents
- ◆ on-going duties as a security



NECESSARY DOCUMENTS

The following documents and information about the company / project are necessary **for the issue of token**, which have turned out to be common and helpful in practice:

- ◆ meaningful website with a part for token investors
- ◆ videos and photos to explain the desired products or projects
- ◆ product brochures etc.
- ◆ approved security prospectus: A kind of a business plan with details about the company, the team, the project, the future potential, their funding as well as the expected corporate development
- ◆ 'term sheet', i. e. details about the number of issued tokens, the term of the issue, road-map, the rights of the buyer and possible risks
- ◆ possibly further 'special papers' on technology, patents, legal matters etc.
- ◆ PR and IR documents
- ◆ marketing supporters



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STO-CONSULTING OF IR CONSULT WITH CRUCIAL ADVANTAGES



The creation of the company information necessary for a STO is possible in 3 to 4 **months**. It is helpful that the company can also use many of these documents for other purposes, such as loans, partnerships, marketing, etc.

For a successful STO-realization one needs **capital market know-how, experience and contacts.**



IR CONSULT, the only provider of integrated **IPO consulting** (www.ipo-advisor.com), assists our STO clients as follows:

- ◆ optional: capital market check (www.boersenreif.com)
- ◆ decision-making pro / contra STO
- ◆ project management, placing key data
- ◆ choice of the appropriate token type
- ◆ search for a legal consultant (external)
- ◆ finding the best STO platform (extern)
- ◆ investment case and presentation
- ◆ consulting of all necessary documents
- ◆ initiate STO marketing (external)
- ◆ supporting PR, Q&A etc.
- ◆ STO/IR contact during the placing
- ◆ Post-STO investor relations



Your company benefits from IR CONSULT

- ◆ **cheap realization due to efficiency**
- ◆ **fast realization due to our experience**
- ◆ **established investors' network**
- ◆ **improved placement chances**
- ◆ **more time for the operational business**
- ◆ **medium-term target: normal IPO**