



The yukii Community Token (YCT)

www.yukii.app/token

White Paper v1.0

The **yukii** B.V., a registered Dutch company with its seat in Amsterdam, will issue a community token, which is a deflationary utility token and offers its token holders different benefits while interacting with the **yukii** mobile marketplace. This white paper describes the **yukii** platform, the token and the token holder's benefit and the fair token generating event.

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1. Introduction

On the one hand, **yukii** is a tokenization platform for traditional private assets and funds, on the other hand, it offers crypto portfolios to retail investors with a focus on DeFi networks.

yukii's mission is to provide retail investors with the opportunity to invest in asset classes, which historically have been harder to access, either from a regulatory standpoint or a technical one.

The past few years have shown the rise of retail investors investing in capital markets via mobile apps. We want to offer these investors a possibility of portfolio diversification through the investment into alternative assets such as private funds or crypto portfolios.

As a blockchain startup, we believe that tokenization of real-world assets is one of the key bridges between traditional financial instruments and the crypto space. During the next five years, we are planning to tokenize a volume of two billion USD worth of traditional assets and to bring them to the blockchain.

2. Industry Overview

2.1. Private Assets

Private Equity as an asset class has been around for a while and so far, was only accessible for wealthy investors. In a nutshell, private equity can be described as investments into non-public companies, which are not listed on any exchange around the world. Due to the fact that the investment targets are private companies, private equity funds usually employ some of the best analyst and management teams, which are sourcing the right deals for their respective fund. There are a couple of private equity strategies that have been established over the years and which have, on average, outperformed most public markets over the past decades:

1. Venture Capital: Venture capital funds invest minority stakes in promising young startups, helping them grow and develop until a certain pre-defined exit point, which can be a sale to a bigger competitor or an IPO etc.. Venture capital is probably the most famous

of all private equity forms, being highlighted more and more even in today's mainstream media.

2. Leveraged Buy-Out (LBO): LBO funds will buy controlling stakes in mature, stable cash-flow producing companies, altering their operations making them more profitable and competitive within their industry before selling the stake for a multiple of invested capital. These funds usually invest half their own equity (LP money) and half debt capital to increase return on equity.
3. Growth Equity: Growth equity funds are in the middle between VC and LBO funds when it comes to the stage their respective investment targets are in. They usually invest in more mature businesses than VCs, looking to help scale operations or enter into new markets. They can be seen as bridge funds between venture capital funds and LBOs.

Private Equity can be seen as a diversification to your stock or ETF portfolio, since it does not move parallelly to stock markets (correlation lower < 1) and variance in value of assets is lower than that of stocks, making it an asset class for long term added capital value. Usually, fund terms reach anywhere between ten to twelve years, where investors only receive their return after a longer period of time. However, at yukii we will provide a liquid secondary market where our users will be able to trade their fund stakes at any time if desired.

Private assets gained a significant volume growth over the last years. Between 2009 and 2019, the capital demand of private funds grew 13% per year. This opens up a huge opportunity for investors to join this market.

2.2. Crypto Assets and DeFi

The blockchain technology has been around now for a while, ever since Satoshi Nakamoto described the distributed ledger technology in his whitepaper about Bitcoin back in 2008. Fast forward to October 2021 and there is approximately \$1.7 trillion invested in Bitcoin and Ether together, only two of a multitude of crypto currencies. Blockchain technology is definitely here to stay.

On top, smart contracts have made it possible for decentralised exchanges to grow, where investors can trade at low cost without financial intermediaries.

Users can nowadays also invest in liquidity pools (staking) and earn a return as well as engage in stable coin lending for passive income.

3. Problem Definition

Traditionally, when thinking about investing their own, hard earned money, retail investors basically had three options:

1. stocks as an equity investment,
2. bonds as fixed income debt investments,
3. or real estate as the only feasible alternative asset.

However, since the financial crisis of 2008, political intervention in the form of zero or negative interest rates have practically taken away two of the former traditional investment opportunities for private investors. Investment grade bonds, which historically have returned at least a couple of percent have been rendered non-investable due to monetary policy. That same policy also enhanced the enormous rise in real estate prices.

Therefore, the only remaining option for investing were stocks, which together with the emergence of zero or low cost brokerage apps, lead to what many analyst experts call an unprecedentedly overheated equity market. This poses the threat of an immediate crash and subsequent loss for millions of retail investors around the world. All this, simply because of the one sided investment options left for retail investors.

4. Solution

4.1. Our Platform

The **yukii** digital investment platform will be **yukii's** easy-to-use mobile online platform offering retail investors the opportunity to buy or sell shares in high quality private equity funds starting at only € 100 as well as buy and sell crypto portfolios consisting of stable coins like USDC/USDT, staking or liquidity pools and high market cap crypto currencies. The app will be offered for Android (Android App) in the Google Play Store as well as for iOS in the App Store.

4.2. Private Funds

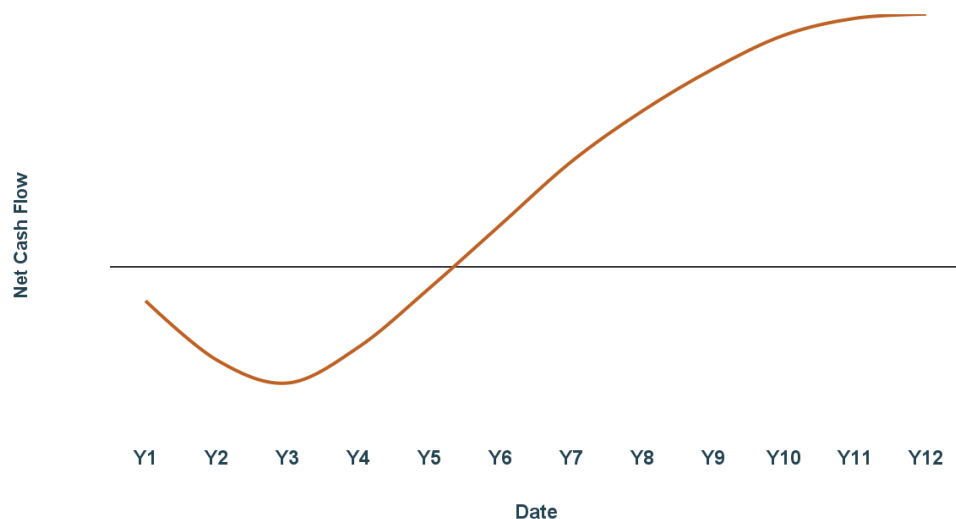
One of **yukii's** core products will be offering shares in high quality private equity funds. Private equity fund managers, which are currently in the process of seeking investor money to open new private funds will be featured on our platform. Thus, our users can buy and sell shares of those funds and participate in the profits.

Private equity funds are a long-term investment, perfectly suited to help diversify and round out one's own equity portfolio. Usually, a private equity fund will exist for about 10-12 years, delivering a great chunk of its returns somewhere in between year 6 and 10 of its term. The reason is simple: buying private companies and turning them around or helping them scale takes its time, however, the reward is worth the wait.

The investment process of private equity funds can be somewhat complex, yet it is not rocket science. Private equity fund managers will start gathering funds from so-called LPs (limited partners) with the goal to use said funds combined with debt financing from banks to invest in target companies. Some targets are pre-defined, others are found during the investment period (first 3 years). Usually however, the fund has a clearly defined investment range in terms of industry, size, geography, or certain other factors when it comes to which companies will be invested in. During the operational enhancement phase (years 4-6), the targets' new management undertakes all necessary measures to achieve the goal of increasing the companies' price. The first returns will occur in the harvesting period (usually after year 6), when the first target companies are either sold or taken public. Our users will then firstly receive their invested capital and once all invested capital is paid back, the return on invested capital will be paid out (this way, on the client level, returns are taxed towards the end of the fund term).

For each private fund issued on the investment platform, **yukii** will issue a separate subordinated equity linked note. An equity linked note is a debt instrument which behaves completely like the underlying equity, meaning the fund. The interest on the note is the return on investment delivered by the underlying fund.

Typical Private Equity Net-Cash Flow J-Curve



The J-Curve shows the typical cash flows through the term of a private equity fund. Through the first couple of years, the fund is heavily investing in target companies until the first companies are sold after years five or six

4.3. Tokenization

As we rely on the Polygon blockchain and are supporters of the blockchain ecosystem, we tokenize our investment products, so that they are interoperable with other blockchain based products like wallets or exchanges. Our users will have a similar experience and control of their assets and of course private keys like they have when investing in Bitcoin. On top of that, tokenization also offers **yukii** the possibility to build a proprietary secondary market so that our users can trade their assets with each other and enjoy the same liquidity as in other public markets.

4.4. Crypto Portfolios

Our users will be able to invest in pre-defined crypto portfolios, which consist of the following assets:

1. High Market Cap Coins or Tokens (Coinmarketcap Ranking top 100)
2. Stable Coins like USDC or BUSD

3. DeFi Coins or Tokens

Our USP is not only to offer a crypto portfolio like other providers, but we are also aiming to stake our tokens or coins on different platforms in order to hedge the downside risks and to maximise the return potential of our portfolios. For asset staking, we are aiming to include different staking types, like liquidity pools, lending protocols or portals and simply staking pools. One of our main features is that each user can choose an individual risk/reward ratio, depending on his individual requirements. If a user, for example chooses 0% risk, the stable coin lending stake of his portfolio will be 100% and if the user chooses 100% return, the stable coin lending stake of his portfolio will be 0%. Our users will be able to invest and divest directly and 24/7. We are expecting an additional return between 5 and 30% per year (APY) on our crypto portfolios.

5. Why yukii?

yukii is the only investment platform with the purpose of becoming a one stop shop for private investors searching for alternative asset classes to invest in. We partner up with the best performing high quality private equity funds to ensure our users get access to the best assets available.

In addition, we are the only platform to date offering the DeFi-investment approach to retail investors who otherwise would not bother investing in such portfolios due to technical hindrances.

The easy-to-use **yukii** mobile app will give its users a gamified best-in-class user experience (UX) with a tap-tap-buy approach, with which the customer can buy shares in a fund as easy as tapping a button three times.

6. Our Infrastructure/Partners



The polygon network is a high performance blockchain, which relies on and offers the same infrastructure as the well-known Ethereum blockchain.



Tatum is a Software-as-a-Service provider, which will supply the whole blockchain technology and infrastructure for our app. Cooperating with a Blockchain partner is economically way more convenient for our business case than self-development.



Authenteq is a leading KYC provider, which uses AI to reduce the onboarding process time to under 40 seconds.

7. Business Plan

Our work at **yukii** comes with the utmost level of transparency, as it is one of our core values and after all, we have set out to change the status quo and bring light to an otherwise somewhat intransparent market.

Therefore we are keeping the fee structure straightforward and easy to understand. **yukii** has three sources of income:

1. Service fee
2. Trading fee for the secondary market
3. Carry on its private fund products

7.1. Service Fee

yukii's users will be subject to an annual service fee based either on the capital invested or the net asset value (NAV)

1. Private Funds: For the product of private equity funds, **yukii** will charge its users an annual fixed fee of 0.75% per year, based on the capital invested in the respective fund. The fee will be deducted on a monthly basis.
2. Crypto Portfolios: Users investing in our crypto portfolios will be charged an annual fee of 2.00% per year, based on the NAV of the respective investment. The fee will be calculated based on the end-of-month NAV and deducted on a monthly basis.

7.2. Trading Fee

yukii will build a secondary market for its issued fund shares. Users will then be able to trade their shares in a fund before the fund term is up. Prices will be determined by market forces and the trading fee will amount to 2.50% (1.25% taker and 1.25% maker fee).

7.3. Carry

Every private fund determines a minimal annual return (hurdle rate) it wants to surpass. The incentive for each fund manager is that if they manage to constantly outperform the hurdle rate, the profits in excess of that rate will be split between the manager and the limited partners. At the end of the fund term, **yukii** will receive 3.00% of the return achieved above the hurdle rate.

7.4. Assets under Management

Assets under management is the capital that has been invested through our platform. For **yukii**, assets under management (AuM) is the most important KPI, because it shows how many users **yukii** was able to reach.

8. Roadmap

Time Frame	Milestone
March 2022	Finalisation of the initial legal setup. And registration as a Virtual Asset Service Provider (VASP) within the Dutch authorities.
Mai 2022	Finalisation of the app construction, several marketing initiatives and the legal prospectus of the first private fund.
June 2022	Launch of the first private fund on our app within the initial target market UK and launch of the first crypto portfolios.
August – December 2022	Further expansion in terms of our user base, second fund offering and second funding round.

9. Our Token

9.1. General Token Information

Name	yukii Community Token	Platform	Binance Smart Chain (BSC)
Symbol	YCT	Decimals	9
Total Supply	13,600,000	Exchange	PancakeSwap V2
Initial Value	\$ 0.145 (\approx 0.125€)	<u>Smart Contract</u>	

The value of \$ 0.145 (0.125€) per token derives from this calculation: A user needs 1,200 tokens to invest with a discount of 50% in one of our products. If he invests 4,000€ (which is the average on similar platforms like ours) and saves the half of 0.75% or 2.00% fee over 10 years, the equation is: $(4,000€ \times 0.0075 \times 10)/2 = 150€ (\approx \$174)$.

9.2. Token Utilities

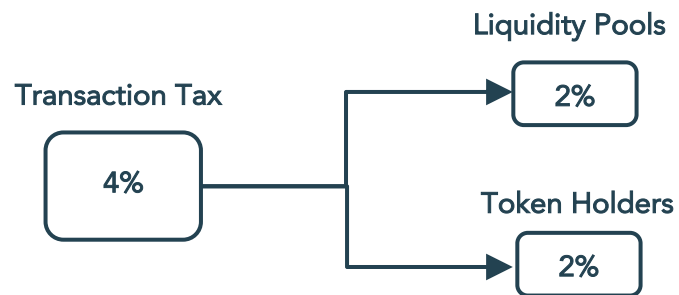
1.	Benefits for holding and burning 1,200 Tokens (one time per Investment)	Discount	The user will be able to use one of our products with a 50% discount on the fees. For example, he pays 0.375% instead of 0.75% per year for investing in our tokenized funds.
		Cashback	The user will get a 1% cashback in YCT on his investment.
2.	Future Utilities	With further expansion of our platform and products, we will add more attractive token utilities.	

9.3. Deflation Mechanisms

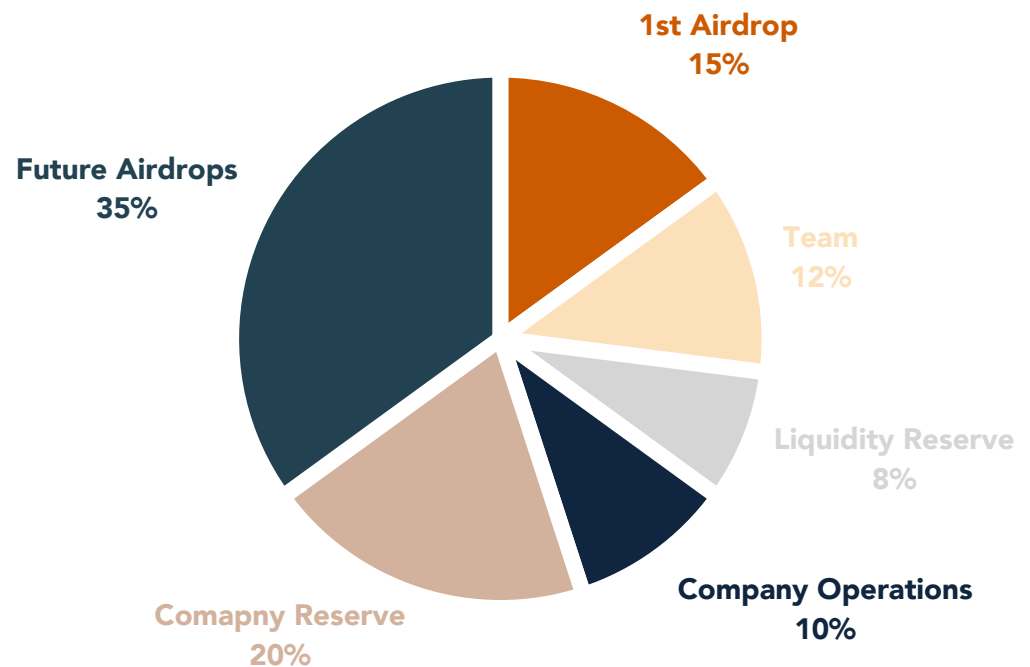
The following deflation mechanisms are in place:

1. Increase of tokens per redemption: Every year, the required number of tokens for receiving the full benefits will increase by 10% (starting at 1,200 tokens in year 1).

- A transaction tax of 4.00% will be applied, of which 2.00% will be allocated to liquidity pools and the other 2.00% distributed to token holders.



9.4. Token Distribution



Token Release Schedule

	Amount	%	Lockup	Vesting
1st Airdrop	2,040,000	15%	-	-
Airdrop Reserve	4,760,000	35%	-	-
Company Reserve	2,720,000	20%	3 Months	10% per Month

Company Operations	1,360,000	10%	3 Months	10% per Month
Liquidity Reserve	1,088,000	8%	-	-
Team	1,632,000	12%	6 Months	10% per Month

9.5. YCT Airdrop Campaign Round 1

Details			
Airdrop Date	03/11/2021	Maximum Participants	unlimited
Winner Notification	10/11/2021	Randomly selected Winners	6,000
Token Distribution	30/12/2021	Reward	340 YCT (≈ \$50)
Important Note	We will never sell any tokens in a public sale; we are giving away 50% of the total supply for free.		

Tasks	
Join our Telegram Channel	Mandatory
Follow us on LinkedIn	At least one is mandatory
Follow us on Instagram	
Join our waiting list on www.yukii.app/token by clicking on "Request Access"	Mandatory

10. Management

yukii was founded in 2021 by two friends who dearly wanted to revolutionise the way we go about private wealth management. Meet the team:



Kilian Peter Krings

Kilian grew up in the lower rhine region, close to Düsseldorf, Germany. He discovered his interest in the blockchain industry in 2016/2017. Over the past 5 years, Kilian has worked with more than 15 different Blockchain companies as an advisor, senior manager, or co-founder. Specializing in investment and trading platforms, decentralised finance and private assets. Kilian and Alexandru have known each other for a while now and have decided to build **yukii** in April 2021.



Alexandru Turkonje

Alexandru studied at the Vienna University of Economics and Business (WU Vienna) and received his master's degree in Finance and Accounting. After his studies, he joined the Financial Advisory team at Deloitte Hamburg, serving clients like private equity funds and large banks throughout all of Europe. After 3+ years, he decided to take a more entrepreneurial path and co-founded a business development agency with a couple of friends. After putting their heads together, Alexandru and Kilian have decided to found a new startup and finally give retail investors access to alternative investments, to help drive the democratisation process of the financial world.

11. Legal Disclaimer

The objective of this white paper is for informational purposes only and to present the yukii Community Token (YCT) to potential token holders relating to the proposed airdrop campaign. The information above may not be exhaustive and does not imply any elements of a contractual relationship. Its sole purpose is to provide relevant and reasonable information in order to determine a thorough analysis of the company, the proposed airdrop campaign and in particular the terms and explanatory notes of such airdrop campaign. Trading of YCT on (decentralised) exchanges is speculative and involves a high degree of risk and uncertainty.

This document is a marketing document and is not intended to be legally binding. Nothing in this document shall be deemed to constitute a prospectus of any sort or a solicitation for investment, nor does it in any way pertain to an offering or a solicitation of an offer to buy (or sell) any investments in any jurisdiction and should not be construed as such. The information in this document does not constitute a recommendation by any person to participate in the airdrop campaign, nor to purchase YCT on secondary markets.

Certain statements contained in this document may constitute forward-looking statements or speak for future events or plans. Such forward-looking statements or information involve known and unknown risks and uncertainties, which may cause actual events to differ materially. No reliance should be placed on any such forward-looking statements or information.

The participation in our community token launch event (airdrop) is restricted to residents from the Netherlands.