

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
EstateX (ESX)

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Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading ESX. Investors should perform their own assessment to determine the appropriate level of risk for their personal circumstances. Be sure to do your own research and due diligence while taking into account your own financial situation and risk tolerance. Please review the [Risk Summary](#) for additional discussion of general risks associated with the assets made available in the platform. These materials are for general information purposes only and are not investment advice or a recommendation or solicitation to buy, sell or hold any crypto asset or to engage in any specific trading strategy. The information contained in this risk disclosure is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is EstateX and how does it work?

EstateX is a real-world asset tokenization platform that the team claims will transform property investment by breaking large real estate assets into tradable digital shares. It issues PROPX tokens to represent fractional ownership in vetted properties and operates a secondary marketplace for seamless trading, offers instant, permissionless loans through CapitalX, and integrates a comprehensive education portal, all accessible via a single, intuitive interface designed for both traditional investors and crypto newcomers.

At the time of writing, the token is not live, but the team plans to have ESX automatically convert a portion of daily rental income into on-chain buybacks distributed to holders, cover all marketplace fees (with 25 % of fees burned), power real-world spending via EstateX Pay cards and loan repayments, support ongoing buyback-and-burn programs, unlock token-gated education and premium property deals, offer staking rewards and future governance voting, and serve as the native gas token on EstateX's Layer-1 blockchain.

Who is behind the project?

EstateX was co-founded by Bart de Bruijn and Thomas Onel.

Tokenomics of ESX

The total supply of ESX is 7 billion tokens which is distributed as follows:

ESX Allocation	ESX tokens	% of Total supply
Presale Tokens (Less Staked Tokens)	668,383,691	9.54833844%

Private Round 2 + 3	778 million	11.11428571%
5% Presale Bonus	88,004,344	1.25720492%
DP Launchpad	67,796,610	0.968523%
Launchpad 2 + KOL Round	232,253,390	3.31790557%
Liquidity, Listing & MM	630 million	9%
Operations & Development	210 million	3%
Team	280 million	4%
Advisors	817,600,000	11.68%
Strategic Reserve	298,716,402	4.26737717%
Staked Tokens	713,703,190	10.19575986%
Marketing & Partnership Funds	230 million	3.28571429%
Partner Airdrops	347,542,373	4.96489104%
Staking Rewards	1,008,000,000	14.4%
NFT Rewards	350 million	5%
Bonus Tokens	210 million	3%
Charity	70 million	1%
Total	7 billion	100%

General Risks

Like all other digital assets, there are some general risks to investing in ESX. These include short history risk, volatility risk, liquidity risk, demand risk, forking risk, code defects, cryptography risk, regulatory risk, concentration risk, electronic trading risk and cyber security risk. For more information on general risks associated with smart contracts and digital assets, see Kraken's Risk Statement.

Risks specific to ESX

Competition

The EstateX faces competition from other tokenized real-estate platforms such as Realio. ESX's value derives from its broader adoption in the market. If the EstateX fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of ESX.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on ESX and determined that ESX is unlikely to be a security or derivative under UK securities legislation. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of ESX, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created ESX;
- The supply, demand, maturity, utility and liquidity of ESX;

- Material technical risks associated with ESX, including any code defects, security breaches and other threats concerning ESX and its supporting blockchain (such as the susceptibility to hacking and impact of forking), or the practices and protocols that apply to them; and
- Legal and regulatory risks associated with ESX, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of ESX, and (ii) consideration of statements made by any regulators or securities regulatory authorities in the UK, other regulators of the International Organization of Securities Commissions, or the regulator with the most significant connection to ESX about whether ESX, or generally about whether the type of crypto asset, is a security and/or derivative.

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you should not expect to be protected if something goes wrong. [Take 2 mins to learn more.](#)

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