



ubecoin

a smarter way to trade



Pure Report November 2018



4.12

Purity Level

OVERVIEW

Ubecoin is a hybrid cryptocurrency that can be utilized as a medium of exchange between business merchants and consumers globally. UBE Ltd is the Gibraltar company that has developed and generated Ubecoin. Their aim is to give power back to the merchants by disrupting the traditional barter model globally and transforming it into a subscription model. They focus on the provision of a user-friendly E-commerce and entertainment platform that provides an easy to access ecosystem. As more and more merchants register on Ubecoins network then the platform and users will be able to benefit from a greater diversification of goods and services. UBE states "this is global trading and barter on a new level".

Current Market

Bitcoin Price (Source: Coin Market Cap)



Ethereum Price (Source: Coin Market Cap)



With crypto prices falling aggressively from December 2017 highs, ICOs have found it difficult to raise their required target amounts and have extended their campaigns or even rescheduled them, waiting for investor confidence to be restored.

Token Information

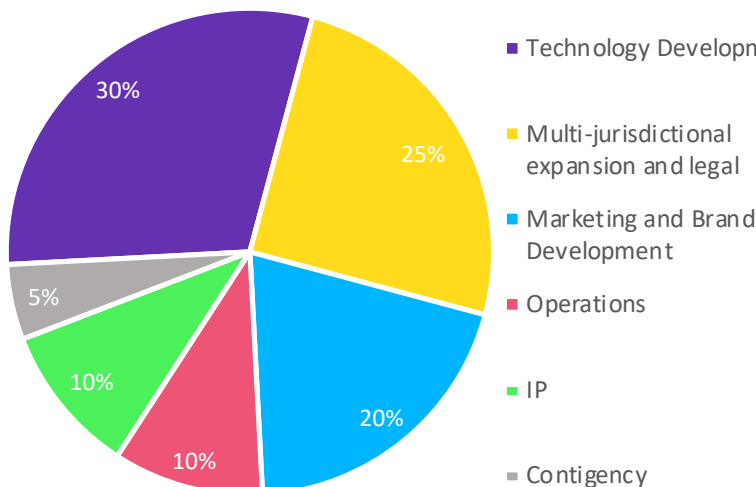
Pre ICO Details

Ticker	UBE
Coin Price	0.25 USD
Sector	Barter / E-commerce
Soft Cap	1,000,000 USD
Hard Cap	\$45,000,000 USD
Total Token Supply	3,000,000,000

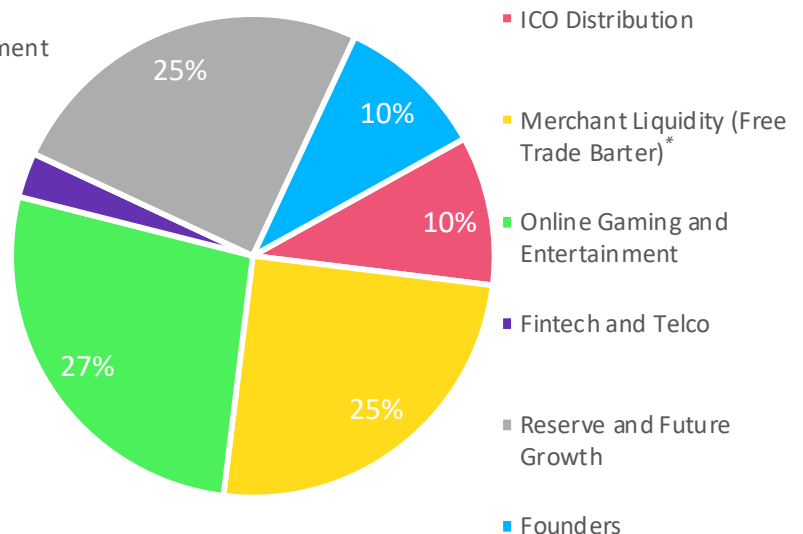
ICO Details

Total Token Sale	300,000,000
Payment Methods	ETH, BTC, FIAT
Token Distribution Date	on or before 31st May 2019
Exchanges to Be Listed	June 2019
Platform Availability	Yes
Minable	No

Funds Allocation



Tokens Allocation



*The 25% of the Merchant Liquidity which is given to Free Trade Barter is to be distributed amongst the first 20,000 merchants that register. More information can be found on the Business Strategy section of this report.

Business Model Evaluation

Ubecoin Offering

Ube Ltd aims to execute its plan of a user-friendly platform with the following 3 phase approach execution.

Phase 1. Free Trade Barter (FTB)

- Ube Ltd proposes a subscription-based advertising model that enables merchants to have a low-cost plan to grow their business. According to Ube Ltd's whitepaper they are also partnering with an online business network in the UK that consists of over 75k merchants and advertising company Ad Drivers consisting of 50k consumers who will be offering advertisements to generate consumer to business transactions. Ube Ltd aims to be transacting in the first 3 months of operation.

Phase 2. Online Entertainment

- Ube Ltd via its JV partner network aims to offer consumers access to its merchant barter network of goods and services. Ube Ltd is developing partnerships with a license pool of online operators such as Probability Limited.

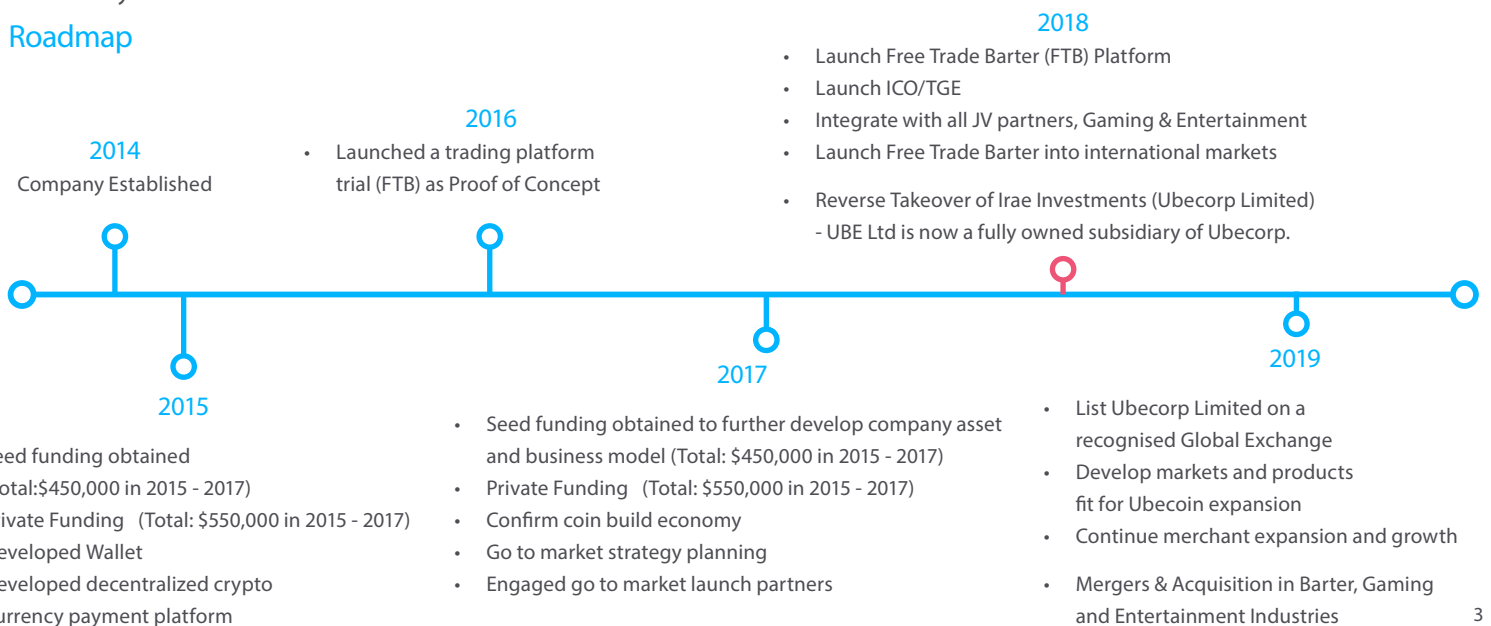
Phase 3. Fintech & Telco

- Ube Ltd will offer retail and corporate products to merchants and consumers. In order to develop and integrate Ubecoin into the financial services providers product ranges UBE Ltd is developing partnerships within the Fintech space. Currently, they are working with a large telecommunications wholesaler to develop mobile media wallets for targeted consumer advertising.

Use of Token and Subscription Model

- The merchant registers their business with Free Trade Barter (FTB).
- The merchant will also need a current certificate of registration local authority in their jurisdiction, a confirmed trading address, the business owner or company owner's details, an email address and contact telephone number.
- FTB will verify the business details. The only trade restrictions applicable are those set by the relevant authorities as to the legalities of trading certain types of goods and services.
- FTB will facilitate the issue to the business of a digital wallet. FTB will issue an invoice for the first year's subscription fee of £150+ applicable local tax or the equivalent in the local territory and at the same time cause Ube Ltd to issue 300 Ubecoin by transferring the Ubecoin to the merchant's digital wallet. The business will be registered on FTB's online business directory as part of a global resource of merchants that accept Ubecoin as payment.
- FTB has the ability to target market sectors and to use social media to increase sale and brand awareness for members.
- There are no ongoing cash transaction fees payable to Ube Limited or FTB.
- Businesses can accept Ubecoin payment or a combination of Ubecoin and cash. The percentage accepted is at the merchant's discretion. FTB is an advertising business directory and does not act as an intermediary for business activity as this is conducted directly between merchant and consumer.

Roadmap



Market Context

The non-profit organisation committed to promoting standards of practice and operation within the barter industry is the International Reciprocal Trade Association (IRTA). According to statistics taken from IRTA's website 450,000 businesses transacted \$10 billion globally in 2008 while in 2015 the industry is estimated to have 600,000 businesses transacting \$14 billion globally.

Some of the most prominent B2B barter exchanges are Tradebank while Bunz is a P2P barter exchange which has accumulated over 75,000 users in over 200 cities worldwide while only having being established in 2016. The largest barter exchange and corporate trade group in the United States is the International Monetary Systems.

Bartercard is the largest Australian and New Zealand barter exchange with offices in the United Kingdom, United States, Cyprus, UAE and Thailand. with approximately 54,000 cardholders and barter trades of an excess of 600 million dollars each year.

Free Barter Trade

Barter and reciprocal trade industry is the initial target market targeted by Ubecoin. The modern trade and barter industry includes three major sectors. Traditional retail barter exchange companies, corporate barter companies, and countertrade. Ubecoin can be utilized in any sector wherever a barter exchange occurs globally.

Ube Ltd has developed a trading and subscription-based advertising platform known as "FreeTradeBarter" (FTB). Listed merchants on the FTB can accept Ubecoin or a combination of Ubecoin and cash for goods and services.

Ube Ltd has identified that at least 600,000 merchants participate in the barter economy on a global scale via various platforms. The fees on the other platforms range between 10-13% (buy/sell) on average per transaction combined with joining fees, advertising fees, non-trade fees and lock-in contracts. The global barter exchange businesses use proprietary trade dollars (T\$) as a medium of exchange. A Trade dollar is used between trade exchange members in place of cash in a non-reciprocal trade transaction. The US IRS values a trade dollar the same as a U.S. Dollar. The trade dollar can only be used by merchants within the platform that produced it and it is a closed source payment offering. A trade dollar cannot be exchanged for fiat currency or traded on an open currency exchange. In addition, merchants cannot trade directly with each other for goods and services, as it is a breach of the terms and conditions of the platform provider who acts as an intermediary.

FTB is a subscription-based platform utilizing Ubecoin as a medium of exchange. Merchants can barter or exchange goods and services for nil cash transaction costs payable to Ube Ltd. Merchant members will transact via FTB and the ownership of the Ubecoin and its trading is controlled by the merchant. The merchants will benefit from significantly reduced infrastructure costs of the Ube Ltd platform.

Business Strategy

Ubecoin will delay listing the coins on exchanges as they aim to bring traction within their ecosystem. Their primary concern is bringing volume to the platform and building a sustainable long term business. This ties in nicely with the current market conditions and at the same time it limits any potential pump and dump strategies by speculators. As mentioned above Ubecoin aims to minimise costs to merchants to a fixed subscription model of £150, \$300 (AUD), €190 or \$220 (USD) based on their subscription model. They also plan to explore other revenue streams such as advertising and promotions as well as some other revenue streams that cannot be disclosed at the current stage.

Ube Ltd aims to onboard 38,600 merchants in the first year of operation and 78,529 in the second year. They aim to achieve this by an extensive marketing campaign in multiple jurisdictions. They will also allow the first 5,000 merchants in each jurisdiction (20,000 merchants in total) to join for free and receive 300 Ubecoin bonus.

By the end of the fifth year, it is estimated (according to Ube Ltd) that they will have the equivalent of 68% of the merchants that are currently registered with the IRTA.

Pure Reports believes that due to the fact that no other platforms are targeting the barter space specifically, Ubecoin will have the early mover advantage. If Ubecoin is successful and they are able to capture a large percentage of the merchants they might be able to transform the early mover advantage into a competitive advantage since a large user base attracts even more users and sets up barriers to entry for potential competitors.

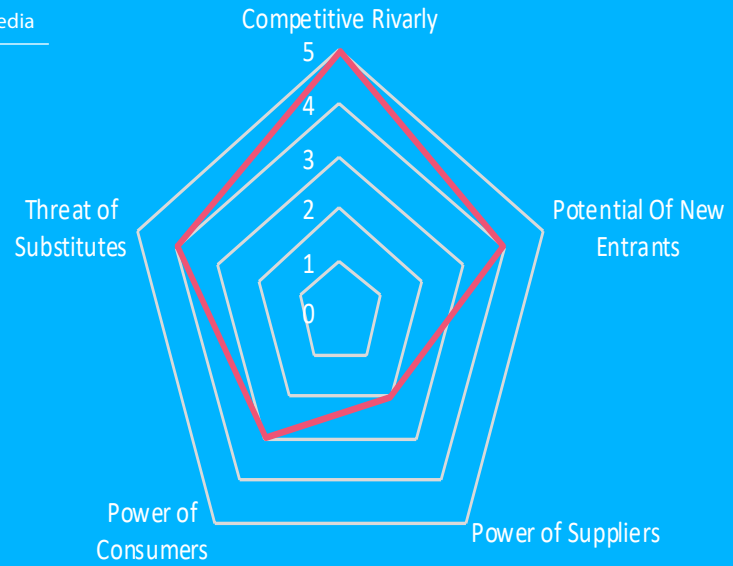
Competitive Landscape

Competitive Analysis

Competitors

Name	Website	Content	Product Offering	Social Media
Aora	Informative/ Visually Attractive	Exec Summary, Two Pager, Whitepaper, Token Sale Agreement	Appealing	Strong
Xtribe	Simple/ Informative	Whitepaper, Video Explanations	Appealing	Strong
Elementh	Simple	Whitepaper,	Appealing	Strong
Omnitube	Informative/ Visually Attractive/ Mature		Appealing	Strong
Araw	Informative/ Mature	Multi Language Whitepaper,, Pitch Deck, One Pager	Moderate	Strong

Porter's Five Forces



*Ubecoin has several competitors within its sector as outlined in the table above. Each competitor offers a slightly differentiated product.

Possibly the most prominent competitor is AORA which offers a token that could be used for cross-border E-commerce purchases. With an attractive proposition, polished website and a strong team of advisors, AORA makes a strong case. Although Ubecoin and AORA exist in the same industry, Ubecoin is set to disrupt the barter market and has clearly defined its own niche market. In addition, Ubecoin acts as a medium of exchange between Business to Business (B2B), Business to Consumer (B2C), and Consumer to Business (C2B).

Porters Five Forces summarises the competitive landscape. Given that the barter market is quite traditional, we do believe that the blockchain space might help in improving it. The story depicted here is as follows. There is definitely competitive rivalry as there are numerous firms in the same sector. Given the market value of the sector Pure Reports does not expect Ubecoin to remain alone in its niche market for long and for this reason, the possibility of potential new entrants is high. With this in mind, the threat of competition is high as well. Suppliers and consumers are rated to have low power as they need to use the platform in order to benefit.

Risk Profile Explanation

Pure Reports has identified a few risks that should be taken into consideration and showcased on the risk profile graph. With regards to Ubecoin specifically, the primary issue that we have identified is attracting consumers and businesses to the platform. Ubecoin has already signed various partner deals that will ensure an influx of merchants and consumers to the platform. Nevertheless, it is a risk that should be identified even though it has been mitigated. The rest of the risks are risks that are relevant to the industry. Regulatory uncertainty and the reduction in client spending as well as hacker threat are some of the risks that we see in various projects and not only to Ubecoin.

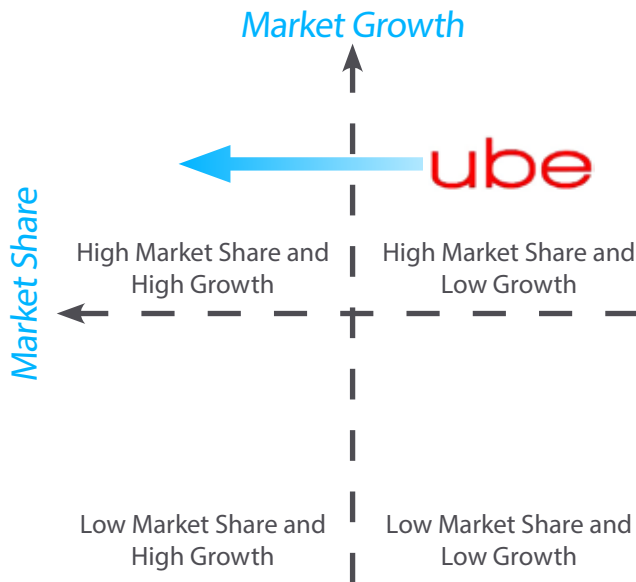
Risk Profile

	Low	Medium	High	ID	Risk Level	Details
	Acceptable	Tolerable	Problematic	MR1	Medium	Reduction in client spending due to market conditions
Improbable		MR1		L1	Medium	Regulation uncertainty
Probable	T1	L1	T1	T1	High	Scalability (Attracting users to the platform)
				T2	Low	Hacker Threat

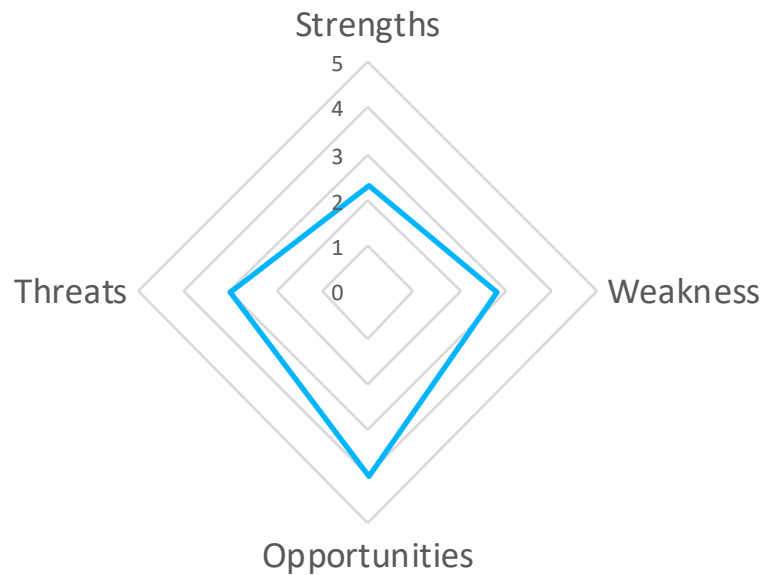
The matrix identifies possible risks, ranks them according to severity and addresses the likelihood of occurrence.

Market Landscape

Boston Matrix



SWOT Analysis



We have utilised the Boston Matrix to form a long-term strategic view on Ubecoin. Pure Reports aims to illustrate here that Ubecoin is in a high growth market and it could possibly move towards the high market share and high growth section of the matrix if they follow through with their niche market within the E-commerce sector. It is expected that as soon as the partnerships come to fruition, Ubecoin will be able to scale dramatically.

Strengths

- Strong social media presence.
- MVP is available already.
- Years of experience in the relevant space.
- Healthy pipeline of partnerships.
- Utility tokens can be used cross border without any regulatory issues at the moment.

Opportunities

- 38,600 merchants to be available on the first year.
- The barter industry according to the International Reciprocal Trade Association is worth \$ 14 billion globally.
- Given the platform is already set up and with limited costs for Ubecoin from this point onwards it is expected that Ubecoin will have large margins.

Weaknesses

- Currently low user base.
- Competitive space, others looking to enter the e-commerce space as well.

Threats

- Threat of hacking.
- Unfavourable market conditions.
- Ever-changing regulatory environment is uncertain especially when conducting business globally.
- Low barriers to entry for other firms that would like to enter the barter space.

Corporate Governance

Primary Team Information



Laurie Ziatas

Chairman



David Wilmot

Managing Director



Andrew Stokes

Director of Sales and Marketing



Shane Deas

Blockchain Developer



Julian Wilmot-Barr

Finance Officer



Michael Wilmot

Asset Security



Malcolm Miller

Business Development Manager



Mark Hamon

Advisory



Karlo Kempis

Advisory



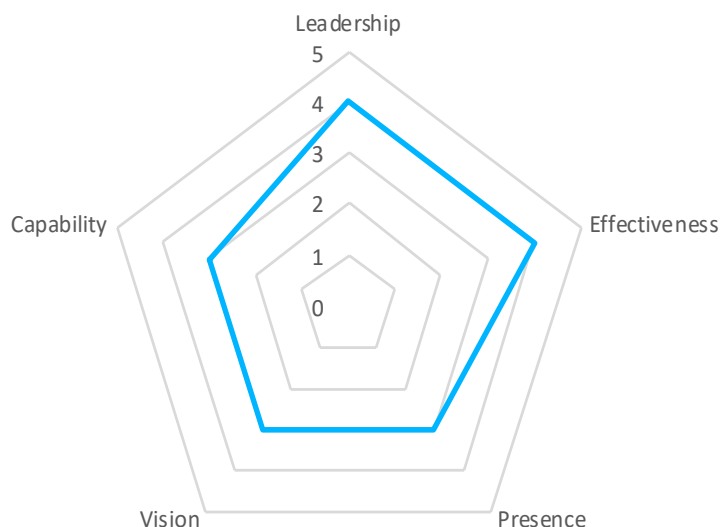
Ash Hoey

Advisory

Comments on Team

The size of the team is quite small with only 7 members. The website goes into great detail on each of the members. The team is experienced in building start-up companies and have a diverse skill set. The advisory team consists of 8 members that compliment the skill-set of the team.

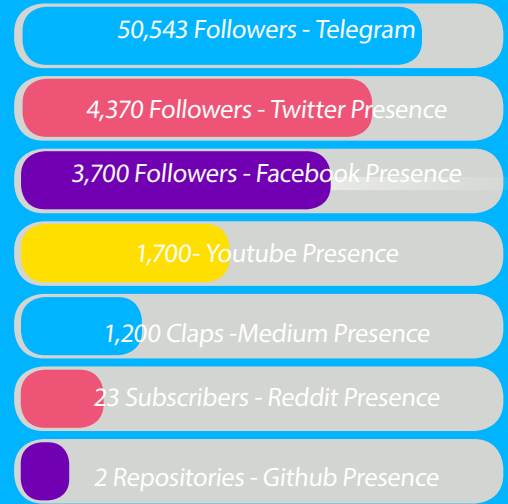
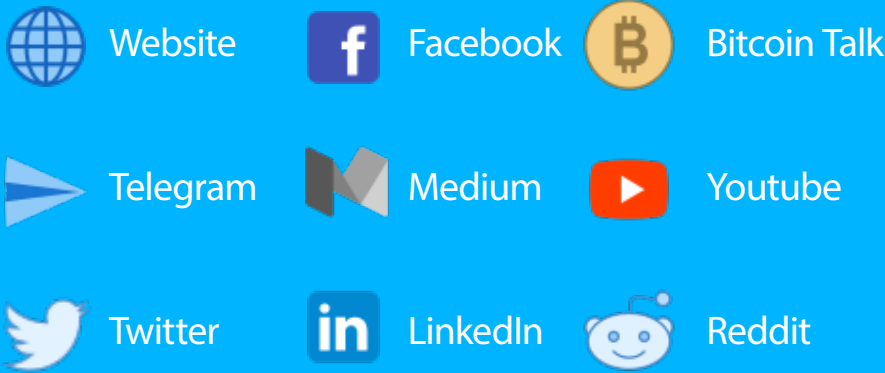
On the corporate governance spider chart, the team scores high on leadership and effectiveness as they have managed to finish their MVP and bring it to the market. In addition, Ubecoin scores quite low on the capability since the team is quite small for the time being. Finally, although they are under the umbrella of E-commerce, the team has the unique vision of targeting the barter industry which limits their competition for the time being and implies an innovative way of utilising the blockchain technology.



Partners

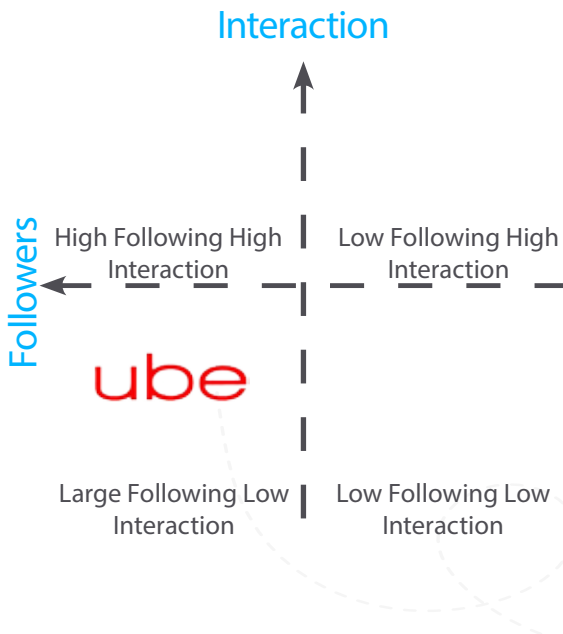
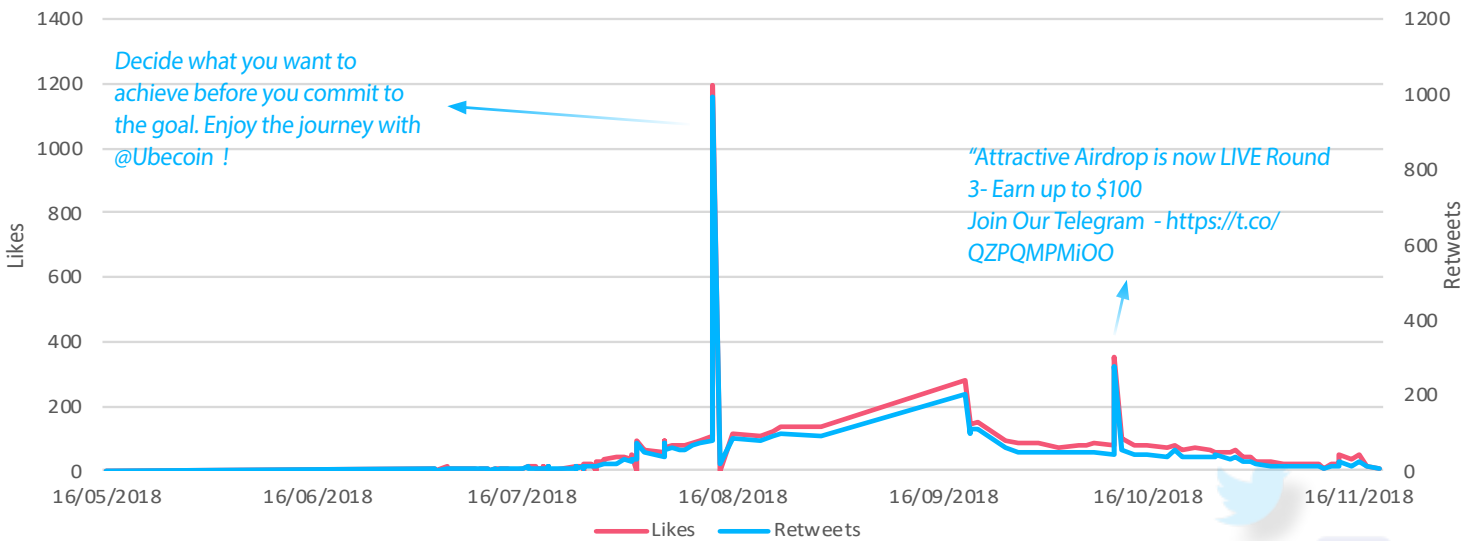
Most of the ICO's viability is determined on user adoption. Ubecoin tries to address that issue by having placed various partnerships around the globe. They have established partnerships with Probability Gaming (India), RapidID, AdDrivers Limited, RISKU Pty Ltd, Revinfotech. Through these partnerships, they will be able to access a vast network of merchants in order to kick-start Ubecoin instead of building it slowly which would take time and effort.

Social Media Presence



Social Media Analytics

Tweets Commentary

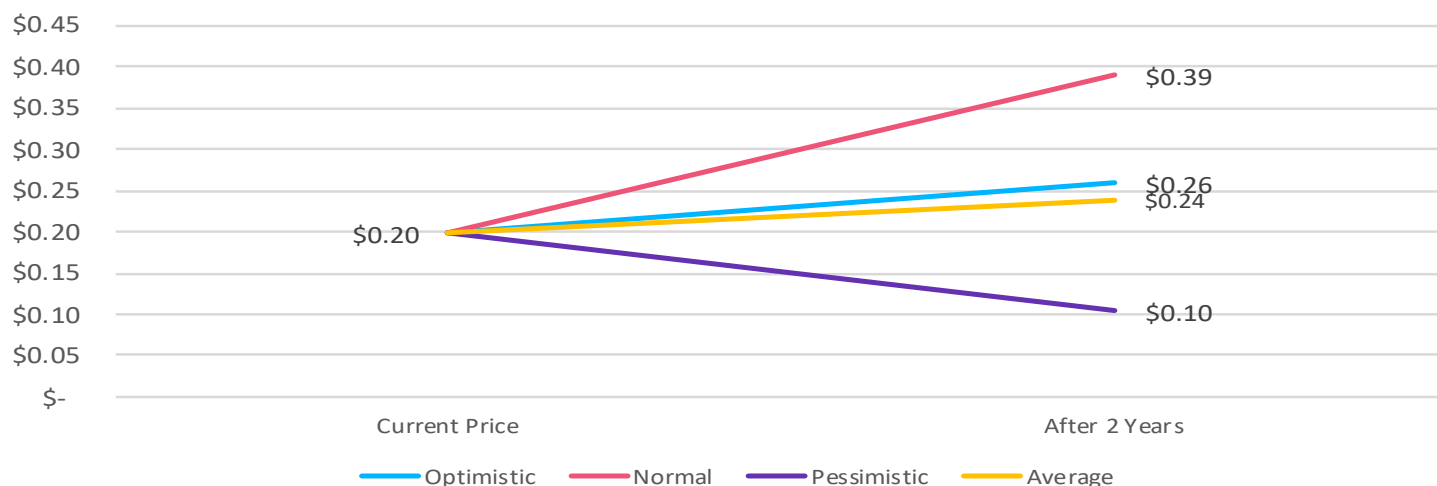


Ubecoin appears to be present on all social mediums. It is listed on popular ICO trackers and articles have been written about it online. Fifty thousand followers on telegram and around four thousand followers on twitter are definitely impressive and show's commitment to building a community. Pure Reports believes that although Ubecoin has a strong presence, there is room for improvement when it comes to investor awareness and enthusiasm. The market is maturing and it could be argued that social media is becoming irrelevant, the statistics show that strong engagement from a retail investor fan-base are still pre-requisites of a successful ICO. For this reason, Pure Reports has created a chart which is showcased on the left. The chart depicts the relationships that an ICO has on social media between its followers and their level of interaction.

Token Price Valuation

The following valuation is based upon Pure Reports view on the expected price of the crypto asset. Taking into account a variety of information given by Ubecoin we form 3 different price scenarios which are then amalgamated to give an average price which is compared to the price of the crypto asset.

ICO Price Scenarios



Valuation

Metric	Pessimistic Valuation	Base Valuation	Optimistic Valuation
End Year	2020	2020	2020
Discount rate			40%
Token Value <i>(Based on expectations of future utility)</i>	\$0.10	\$0.26	\$0.39
Status	Overvalued	Undervalued	Undervalued
Weight	33%	33%	33%
ICO Issue Price			\$0.20
Weighted Average Valuation Price			\$0.23

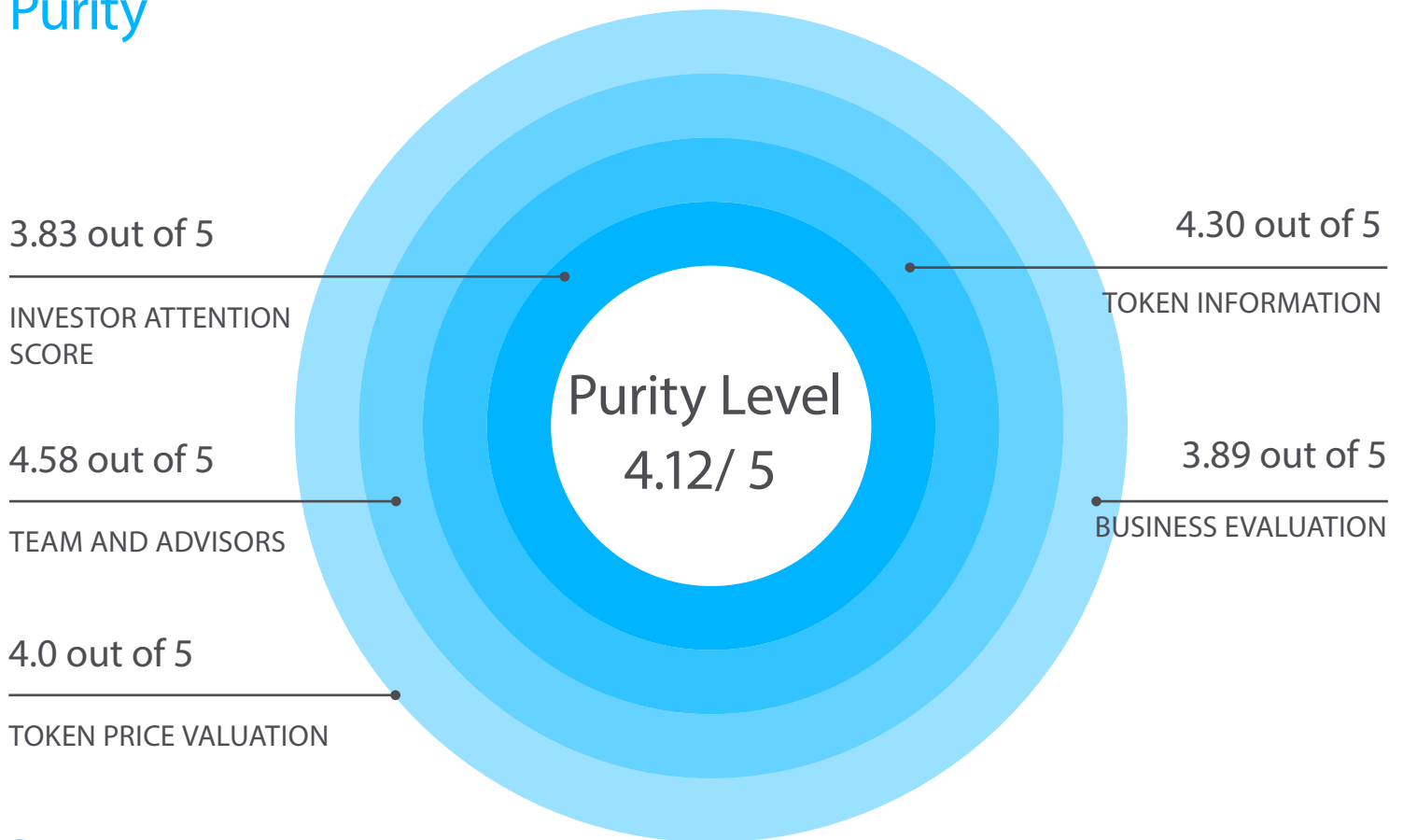
We have formulated our analysis around the time frame of 2 years and have calculated three different scenarios for our model.

All three different scenarios are formulated around the discount rate of 40%. A 40% discount rate is slightly higher than what Venture Capital firms demand for their valuations with the risks given. Since the coin is not currently traded and we expect a slow adoption, we have set the velocity of the token to be extremely low for our starting year. We then dynamically increase it after that. The three valuations differ in the general public adoption of the token with the optimistic valuation suggesting a far bigger user adoption of 10% of the total addressable market in comparison to the 3% for the pessimistic valuation.

Given our results, we have then assigned equal weights to all three outcomes and came up with a weighted average for all of our valuations.

We find the weighted average valuation price of the token should to be \$0.23.

Purity



Summary

Investor Attention Score

Ubecoin has a strong media presence. They have accounts on all social mediums with a considerable following. They score 3.83 out of 5.

Team and Advisors

The team is experienced and keen on attracting more partners into their product offering. Pure Reports nevertheless believes that the team is quite small. They score 4.58 out of 5.

Token Information

Pure Reports has given 4.3 out of 5 for Token Information. This is due to the fact that only minor information are missing with regards to token information.

Business Evaluation

Ubecoin has a finished product which is ready to go live once the partnerships are in place. This is quite unusual for an ICO typically we would expect them to be in the development stage. We have awarded a 3.89 out of 5 as we see the space to be quite competitive.

Token Price Valuation

Pure Reports has estimated the price of the coin to be around \$0.23 making the current token undervalued. For this reason we have given Ubecoin a score of 4 out of 5.

Overall

Pure Reports has scored the project as a 4.12 out of 5 which is above average. Ubecoin offers a finished product which is ready to launch. The main driver for the success of this project is user adoption. If the company is able to follow through on their partnerships then they will be able to launch quickly and have a competitive advantage.

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Our team of analysts are constantly reviewing the best cryptocurrencies that come to the market and our investment criteria is highlighted through our reports. Pure Reports aims to provide quality reports that provide clarity on a variety of factors that we have found significant in the valuation process. Our reporting process captures all factors through both qualitative and quantitative data.

The Pure Team

Our team consists of experts based in the City of London with years of experience in the financial markets, across many asset classes. We are a fine blend of youth and experience, with analysts and traders that are able to tackle crypto assets on all fronts. Our approach when we analyse a crypto asset offering is based on similar methodologies used in our selection process for bond new issues and equities IPO's.



Andy Charalambous
CEO - Founder

CEO-Founder. Over 27 years of financial markets trading and sales experience, Andy is a serial entrepreneur who has invested in most asset classes during his career. He has been following and investing in the Crypto space over the last few years and is looking to apply City style approach to this exciting new world. Founder of Ramek Asset Management, Lonpro UK Plc and Benjami Limited.



George Manousios
Senior Manager

Graduated from ICMA Business School in 2011 having completed his Masters Degree in Financial Risk Management. He is the Chief Investment Officer at Ramek Asset Management based in the City of London. With over 6 years financial markets investment and analysis experience in fixed income, new issues and equity IPO's George brings a range of experience to Pure Reports.



Adonis Zachariades
Crypto Asset Analyst

Undertaking an MSc in Investment Analysis at Stirling University and with a background in Economics. Passionate cryptocurrency analyst and programming enthusiast. His dissertation was on the efficient market hypothesis of cryptocurrencies. Adonis is also part of Benjami Limited as an analyst.

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