



ATHENA INTELLIGENCE

DUE DILIGENCE
SPiCE VC

25 October 2022



DISCLAIMER

The advice and recommendations submitted in these documents constitute neither a warranty of future results by Athena Intelligence SA nor an insurance against risk. This material represents the best judgment of Athena Intelligence SA and is based solely on information which was publicly available at the time of writing. This does not constitute financial advice and readers are advised to do their own research.



CONTENTS

EXECUTIVE SUMMARY 5

PROFILE 7

CORPORATE STRUCTURE 9

 Spice Venture Capital Pte Ltd – Singapore..... 9

 Spice Funds Management Ltd – Cayman Islands..... 10

MANAGEMENT PROFILES 11

 Tal Elyashiv 12

 Carlos Francisco Domingo Soriano 12

 Rene Eichenberger..... 13

 Rob-Roy Roedel..... 13

 Yuriy Ushkov 14

 Hayden Blank 14

REPUTATION 14

LITIGATION..... 15

SANCTIONS & WATCH LISTS..... 16



KEY RISK INDICATORS	YES/NO/NOT APPLICABLE	SCORE
Are there any references to the company in business directories, commercial databases, official announcements or similar sources of business information for the relevant sector(s)?	Yes	4/4
Is the company backed by known investors?	Yes	4/5
Is the corporate structure unorthodox or unduly complex?	Yes	2.5/5
Is there an offshore element in the corporate structure?	Yes	2.5/5
Does the company have a diversified portfolio of investments?	Yes	4/7
Are the company's financial returns available from online research?	Yes	5/7
Is the company making a loss?	Partly	3.5/7
Does the company have a reputation in investing in large and/or known crypto projects?	Yes	8/10
Have the company and its key individuals a proven track record of developing successful projects?	Yes	9.5/10
Have the company and its key individuals been mentioned in the media in connection with illegal business practices or in any negative or controversial context?	No	10/10
Are there any evidence that the company and its key individuals have been involved in litigation?	Yes	9/10
Are there any evidence that the company and its key individuals are listed on blacklists?	No	10/10
Are there any evidence that the company and its key individuals have been involved in credit or bankruptcy issues?	No	10/10
OVERALL RISK ASSESSMENT & TOTAL SCORE	LOW	82/100



EXECUTIVE SUMMARY

SPiCE VC is a tokenized venture capital (VC) fund, focused on investments in blockchain companies and in the tokenization ecosystem. Its Ethereum-based token SPiCE gives token holders a direct economic interest in the companies that SPiCE VC invests in and ensures that proceeds from exits are returned to them, in a *pro rata* way.

SPiCE VC is operated by **Spice Venture Capital Pte Ltd**, a company incorporated under the laws of Singapore on 19 September 2017. The latter's directors and shareholders are **Tal Elyashiv** (50%) and **Carlos Francisco Domingo Soriano** (50%), who is best known as Carlos Domingo. They respectively serve as **Managing Partner** and **General Partner** of SPiCE VC. Besides Mr Elyashiv and Mr Domingo, SPiCE VC reportedly included two other founders, namely **Amihay Ben David** and **Shay Finkelstein**. We note that they left the company in August 2019 and August 2020 respectively, for undisclosed reasons.

On 31 March 2018, SPiCE VC completed its first closing of the inaugural **SPiCE Fund I**, reportedly raising in excess of **USD 15 million**. At present, **the fund portfolio consists of 13 companies**, all operating within the tokenization ecosystem. Based on the latest Net Assets Value (NAV) report, published on a quarterly basis on SPiCE VC's website¹, as at 31 March 2022, SPiCE Fund I had estimated Net Assets Under Management (AUM) amounting to **USD 50,947,175**. The largest portfolio investment was reportedly held in **Securitize**, a company that was **spun off from SPiCE VC** in late 2017. Of note, Securitize is a compliance platform for the digital securities industries, which raised funds from numerous VCs, such as Blockchain Capital, Coinbase Ventures, Ripple, NXTP and Global Brain Corporation. **SPiCE tokens can notably be traded on Securitize.**

Research was conducted to confirm the figures indicated in SPiCE VC's NAV reports. The 2020 balance sheet² of Spice Venture Capital Pte Ltd shows that the book value of the company's total assets amounted to USD 8,029,444 as at 31 December 2020. Yet, the NAV report for Q4 2020 indicated that AUM equaled to USD 17,381,484. As such, it may be that the management **overinflated the value of the AUM** in the

¹ It should be noted that the NAV reports are unaudited and the figures are provided by the fund's management.

² The 2020 balance sheet is the most recent one available.



ATHENA INTELLIGENCE

NAV reports. This may also **influence the SPiCE token value**, as the latter's value is determined by the value of the fund's portfolio companies.

Furthermore, while SPiCE Fund I tended to invest in **early stage companies**, SPiCE VC is now planning to launch its **SPiCE Fund II**, to invest in both early and later stage companies. The fund intends to raise in excess of **USD 250 million** and its launch date is expected to be in Q2 2022.

The reputation of SPiCE VC and its founders should be considered **positive** overall. SPiCE was notably highlighted as the **leading tokenized VC** by Security Token Market, one of the largest security token financial data and media firms. Further, we note that SPiCE is often regarded as a **pioneer** in the tokenization ecosystem and **three companies from its portfolio went public in 2021**, namely **Bakkt, INX** and **Lottery.com**. In 2020, SPiCE VC also **signed an agreement with Coinbase Custody**, under which Coinbase will serve as the digital asset custodian for the SPiCE token. As for Mr Elyashiv and Mr Domingo, we note **they have substantial experience in raising funds, as well as a positive track record of successfully growing companies in their relevant industries**.

SPiCE VC has not been identified as being involved in any civil or criminal investigations. Tal Elyashiv was involved in minor civil litigations in Israel between 2010 and 2013. The cases are all closed.

SPiCE VC and its founders do not feature on any international sanctions or watchlists.

Based on the above elements, Athena Intelligence has assessed SPiCE VC as an overall **low** risk.



PROFILE

SPiCE VC³ is a tokenized VC fund, which seeks to leverage the blockchain technology to disrupt the traditional VC industry. In particular, SPiCE VC aims at providing its investors with access to leading international startups operating within the blockchain and tokenization industries, thanks to a liquid and tradable digital token, SPiCE. The latter gives token holders a direct economic interest in the companies that SPiCE invests in and ensures that proceeds from exits are returned to them, in a *pro rata* way. The fund plans to distribute 85% of all proceeds from realization events to token holders and 15% to the management team and general partners.⁴

From 18 October 2017 through 31 March 2018, SPiCE VC completed its first closing of the inaugural SPiCE Fund I and reportedly raised in excess of USD 15 million.⁵ Based on the company's website, the latter's portfolio consists currently of 13 companies, all operating within the tokenization ecosystem and whose technology gives access to capital markets, banking, real estate and other industries.⁶ These portfolio companies include: Securitize, Bakkt, INX, RealOneX, Archax, InvestaX, RNDR, Lottery.com, IOB, ROKK3R, Blockdaemon, Ripio and Sensei Node. Three portfolio companies went public in 2021, namely Bakkt, INX and Lottery.com⁷, and the financial health of the other companies appears to be rather steady.

According to SPiCE VC's NAV reports, which are published on the website on a quarterly basis⁸, as at 31 March 2022, SPiCE VC had estimated AUM amounting to USD 50,947,175 (as against USD 49,055,943 at 31 December 2021, for example). The largest investment held by SPiCE Fund I was in Securitize (40.9%), followed by Blockdaemon (31.7%), Inx (10%) and Ripio (8.9%). Regarding asset class distribution, 92% were equity, 5% cash and 3% digital securities & tokens. The reported NAV per token stood at USD 3.39.⁹

³ <https://spicevc.com>

⁴ <https://medium.com/pink-sky-group/tokenizing-securities-and-spice-vc-779da198a225>

⁵ <https://medium.com/@BitPR/spice-vc-is-tokenizing-venture-capital-investments-in-blockchain-startups-8949676b3751>

⁶ <https://spicevc.com/portfolio.html>

⁷ www.businesswire.com/news/home/20220707005654/en/SPiCE-VC-Announces-Second-Global-Investor-Road-show-Stop-in-Zurich-Switzerland

⁸ It must be noted that the NAV reports clearly specify that they have been prepared by the fund's management and have not been audited or reviewed by the company's auditor.

⁹ https://spicevc.com/downloads/reports/2022_Q1_NAV_Report.pdf



ATHENA INTELLIGENCE

Research was conducted to confirm the figures indicated in SPiCE VC's NAV reports. The 2020 balance sheet¹⁰ of Spice Venture Capital Pte Ltd shows that the book value of the company's total assets amounted to USD 8,029,444 as at 31 December 2020.¹¹ Yet, the NAV report for Q4 2020 indicated that AUM equaled to USD 17,381,484.¹² As such, it could be that the management overinflated the AUM in the NAV reports. This may also influence the SPiCE token value, as the latter's value is determined by the value of the fund's portfolio companies.

At present, SPiCE VC is set to launch its SPiCE Fund II. While the SPiCE Fund I tended to invest in post-seed or A series round, SPiCE Fund II will seek to invest in both early stage and later stage companies, within the blockchain and tokenization ecosystems. SPiCE VC recently announced it intends to raise USD 250 million via its SPiCE Fund II, which would be four times larger than SPiCE Fund I.¹³ At the moment, we note that there is no exact date regarding the launch of SPiCE Fund II.¹⁴ Of note, each fund is designed as a seven year fund: 3.5 years of new investments and 3.5 years of follow up investments and portfolio management.¹⁵

We note that SPiCE token is an Ethereum-based token. So far, it can reportedly be traded on two US platforms, namely Open Finance Network and SharesPost, as well as one Asian platform, namely Fusang Exchange.¹⁶ It is also traded on Securitize Market.¹⁷

¹⁰ The 2020 balance sheet is the most recent one available.

¹¹ <https://s3.us-east-2.amazonaws.com/securitizemarkets.io/SPiCE+VENTURE+CAPITAL+PTE+LTD+15c2-11+final-compressed.pdf>

¹² https://www.spicevc.com/downloads/reports/2020_Q4_NAV_Report.pdf

¹³ www.coindesk.com/business/2022/05/10/spice-vc-launches-250m-blockchain-fund-targeting-institutional-investors

¹⁴ While the website's front page shows it will be launched in Q1 2022, the 'About' page states it will be launched in Q2 2022.

¹⁵ <https://stomarket.com/sto/spice-vc-spice>

¹⁶ <https://finance.yahoo.com/news/spice-unable-liquidity-us-takes-180638793.html>

¹⁷ <https://securitize.io/invest/secondary-market>



CORPORATE STRUCTURE

SPiCE VC is operated by Spice Venture Capital Pte Ltd, a company incorporated under the laws of Singapore on 19 September 2017. In addition, we have identified corporate structures affiliated with SPiCE VC in the Cayman Islands and potentially Israel.

Spice Venture Capital Pte Ltd – Singapore

NAME	Spice Venture Capital Pte Ltd (201726716D)
DATE OF INCORPORATION	19.09.2017 – Active
ADDRESS	101 Thomson Road, #14-02/03, United Square, Singapore (307591)
MANAGEMENT	Tal Elyashiv – Director Carlos Francisco Domingo Soriano – Director Wong Ying Cheeng – Director and Secretary
SHAREHOLDERS	Tal Elyashiv – 50% Carlos Francisco Domingo Soriano – 50%
MAIN ACTIVITIES	Trusts, funds and similar financial activities

Spice Venture Capital Pte Ltd was incorporated on 19 September 2017. The company's shares are equally owned by Tal Elyashiv and Carlos Domingo, who also serve as the company's directors. According to SPiCE VC's website, Mr Elyashiv and Mr Domingo are the fund's co-founders and serve respectively as Managing Partner and General Partner.

We also note that the 2019 financial statements specified that Spice Venture Capital Pte Ltd is engaged to invest in both blockchain and non-blockchain startups, including sectors such as artificial intelligence, augmented reality or virtual reality, cybersecurity and Internet of Things.



Spice Funds Management Ltd – Cayman Islands

NAME	Spice Funds Management Ltd (326852)
DATE OF INCORPORATION	11.09.2017 – Active
ADDRESS	Po Box 30746, Governors Square #3-212, 23 Lime Tree Bay, Cayman Islands
MANAGEMENT	Tal Elyashiv – Director Carlos Francisco Domingo Soriano – Director Bolder Corporate Services (Cayman) Ltd – Registered agent
SHAREHOLDERS	<u>Alleged shareholders at inception:</u> Tal Elyashiv Carlos Domingo Amihay Ben David
MAIN ACTIVITIES	Funds management

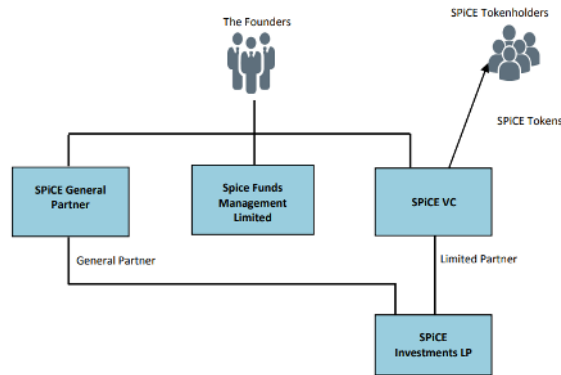
Spice Funds Management Ltd was incorporated on 11 September 2017 and is currently managed by Tal Elyashiv and Carlos Domingo. Based on SPICE VC's Offering Memorandum, the company's initial shareholders were Mr Elyashiv, Mr Domingo and Amihay Ben David.¹⁸ Since the latter left the company in August 2019, he is likely no longer a shareholder.

Based on the overview of the organizational structure, presented in the Offering Memorandum, Spice Funds Management Ltd was designed to manage Spice Venture Capital Pte Ltd, the company which operates SPICE VC. Another function of Spice Funds Management Ltd was allegedly to manage another Cayman Islands company, referred to SPICE GP in the Memorandum, a company planned to be incorporated at a later date. In turn, the role of the latter was to invest in Israel-based and potentially non-Israel-based companies operating in the tech sector. While we could not identify the existence of

¹⁸ <https://pdfcoffee.com/spice-vc-offering-memorandum-pdf-free.html>



SPiCE GP and SPiCE Investments LP, we have identified that both Spice Venture Capital Pte Ltd and Spice Funds Management Ltd maintain an address in Israel, at 55 Bustani Street, Ramat Hasharon.¹⁹



Source: SPiCE VC's Offering Memorandum, last updated on 30 November 2017²⁰

* * *

It should be also noted that a company named Spice Venture Capital LLC exists in the Delaware business registry. The latter was established on 22 September 2021. While its directors and shareholders are not disclosed, we have identified a Florida-based branch of the company, managed by a Maya Bakhai. She is the founder of Spice Capital, also a VC company.²¹ No connection was found between Ms Bakhai and SPiCE's founders.

MANAGEMENT PROFILES

According to SPiCE VC's whitepaper, the fund was co-founded by four individuals, namely Tal Elyashiv, Carlos Domingo, Amihay Ben David and Shay Finkelstein. Note that Amihay Ben David and Shay Finkelstein left the fund in August 2019 and August 2020 respectively, for undisclosed reasons.

At present, SPiCE VC's executives include Mr Elyashiv as Managing Partner; Mr Domingo, Rene Eichenberger and Rob-Roy Roedel as General Partners; Yuriy Ushkov as Principal; Hayden Blank as Director

¹⁹ www.sec.gov/Archives/edgar/data/1720284/000172028417000001/xslFormDX01/primary_doc.xml

²⁰ <https://pdfcoffee.com/spice-vc-offering-memorandum-pdf-free.html>

²¹ www.spicecapital.xyz/thesis



ATHENA INTELLIGENCE

of Investor Relations & Business Development. Of note, they are supported by a team of advisors from the tech and blockchain world, including Dana Al Salem (international innovation expert and serial entrepreneur), Eyal Hertzog (co-founder and architect at Bancor), Loic Le Meur (co-founder of LeWeb and investor) and Rico Pang (blockchain VC fund manager).

Tal Elyashiv

Tal Elyashiv is SPiCE VC's co-founder and Managing Partner. He is a seasoned executive, serial entrepreneur and venture capitalist with over 20 years of experience in multiple industries, including seed and early stage investments.²²

Before founding SPiCE VC, he served as Chief Information Officer (CIO) at Capital One, from the company's inception to becoming a Fortune 500 company, where he managed over 1,200 IT staff. He was also CIO at Bank of America, where he led the technological development of the consumer banking business; as well Chief Operating Officer (COO) at BondDesk, a fixed income market place; and Chief Technical Officer (CTO) & Head of Technology at 888 Gaming, an online casino.

On the entrepreneurial side, Tal Elyashiv (co-)founded Yallo (Israel), Exactor (US), Navion (China) and lately Securitize (USA) – a spinoff company of SPiCE VC. Reportedly, he also made successful angel investments and served on the board of various startups globally, such as Humavox, 365Scores, Zoomd or Cryptlago.

Carlos Francisco Domingo Soriano

Carlos Domingo is SPiCE VC's co-founder and a General Partner. He is a senior executive, entrepreneur and startup investor with over 10 years of experience in seed and early stage investments.²³

Before founding SPiCE VC, he was notably President & Chief Executive Officer (CEO) at Telefonica R&D, CEO of New Innovation Business at Telefonica Digital and Chief Digital Transformation and Innovation

²² www.linkedin.com/in/talelyashiv

²³ www.linkedin.com/in/carlosdomingo



ATHENA INTELLIGENCE

Officer at du. He has also served as CEO and/or a Board member of multiple tech startups, such as Celartem Technologies, Lizardtech or Extensis.

On the entrepreneurial side, he founded Wayra, one of the largest corporate accelerators in the world, as well as angel investment funds Sling Venture sand Dubai Angel Investors. Besides SPiCE VC, Carlos Domingo is the co-founder and CEO of Securitize, a spinoff company of SPiCE VC.

Rene Eichenberger

Rene Eichenberger is a General Partner at SPiCE VC. He is a private equity investment and management specialist with many years of experience and is notably the current Executive Chairman at New Venture Associates AG, a private equity firm in Switzerland²⁴, which possibly invested in SPiCE VC.

We note that a former shareholder of Spice Venture Capital Pte Ltd is Viva Investment Partners AG, a private equity firm based in Zollikon, Switzerland, focused on investments in alternative asset managers and emerging growth companies.²⁵ Rene Eichenberger is reportedly a co-founder of Viva Investments Partners AG, but does not list this experience on his LinkedIn profile. It is likely he left Viva Investments Partners AG to created New Venture Associates AG.

Rob-Roy Roedel

Rob-Roy Roedel is a General Partner at SPiCE VC and works as a Managing Partner at New Ventures Associates AG, the private equity company of René Eichenberger. He was formerly a Venture Partner at Viva Investments Partners AG.²⁶ Rob-Roy Roedel's past career focused on family offices, global investments, investment diligence, business development and capital placement.

²⁴ www.linkedin.com/in/ren%C3%A9-eichenberger-4394318

²⁵ <https://vivapartners.net>

²⁶ www.linkedin.com/in/rob-roy-roedel-60665b



ATHENA INTELLIGENCE

Yuriy Ushkov

Yuriy Ushkov is Principal at SPiCE VC and works as a Senior Investment Manager at New Ventures Associates AG, the private equity company of Rene Eichenberger. Prior to that, he worked as an Advisor in Dating Group, an international tech holding, and Social Discovery Ventures, a private equity company.

Hayden Blank

Hayden Blank is Director of Investor Relations & Business Development at SPiCE VC. Prior to that, she worked for various startups and founded her own company, World Nomad Venture LLC, through which she has been investing in tech-based startups, from med-tech to fem-tech.²⁷

REPUTATION

Based on our review, SPiCE VC has an overall positive reputation. In particular, the fund is mostly regarded as a pioneer in the space and was highlighted as the leading tokenized VC by Security Token Market, one of the largest security token financial data and media firms.²⁸ In 2020, SPiCE VC also signed an agreement with Coinbase Custody, a subsidiary of Coinbase – one of the largest cryptocurrency exchanges – under which it will serve as the digital asset custodian for the SPiCE token.²⁹

We also note that three portfolio companies successfully went public in 2021, including INX, Lottery.com and Bakkt, suggesting the team has experience in detecting prolific investment opportunities.

Furthermore, we note that a number of high profile companies within the blockchain and cryptocurrency industry have invested in Securitize. The company raised funds from Blockchain Capital, Coinbase Ventures, Ripple, NXTP and Global Brain Corporation. In April 2020, Securitize also closed a strategic investment from Sony Financial Ventures.³⁰ We also note that Tal Elyashiv's startup Yallo, an Israeli voice

²⁷ www.linkedin.com/in/hayden-blank/details/experience

²⁸ www.bloomberg.com/press-releases/2022-02-11/security-token-market-report-cites-spice-vc-as-top-tokenized-venture-capital-fund-globally

²⁹ www.coindesk.com/markets/2020/08/17/blockchain-venture-capital-firm-spice-vc-taps-coinbase-as-digital-asset-custody-partner

³⁰ <https://techstartups.com/2020/02/04/sony-financial-ventures-invests-millions-cryptocurrency-startup-securitize/>



ATHENA INTELLIGENCE

calling app, closed a USD 4 million Series A round. It also raised USD 2.5 million from Deutsche Telekom Strategic Investments, the investment arm of German telecom giant Deutsche Telekom.³¹

KEY RISK INDICATORS IDENTIFIED BY ATHENA INTELLIGENCE	YES/NO/NOT KNOWN
Does the individual and the key companies have any discernible media profile in the general or specialized press?	Yes
Has the individual been mentioned in the media in connection with, illegal business practices (money laundering, corruption, tax evasion, fraud, misappropriation of public property etc.) or in any negative or controversial context?	No

LITIGATION

Athena Intelligence has conducted litigation checks on SPiCE VC and its founders, Tal Elyashiv and Carlos Domingo, to determine whether they have been involved in any civil or criminal lawsuits. We did not identify any litigations related to SPiCE VC.

We have found small claim civil litigations involving Mr Elyashiv in Israel as plaintiff and defendant between 2010 and 2013. The cases are all closed.

KEY RISK INDICATORS IDENTIFIED BY ATHENA INTELLIGENCE	YES/NO/NOT KNOWN
Have any of the key directors, principals or beneficial owners been involved in litigation, either as a claimant or plaintiff?	Yes

³¹ <https://sg.news.yahoo.com/israeli-voice-calling-app-yallo-dials-us-2-160100436.html>



SANCTIONS & WATCH LISTS

Athena Intelligence carried out a review of approximately 700 global records comprising official anti-money laundering lists, international sanctions, debarment lists and prohibitive lists. SPiCE VC and its founders, Tal Elyashiv and Carlos Domingo, do not feature on these lists or sanctions.

The consulted lists include, amongst others, the Specially Designated Nationals and Blocked Persons list ("SDN List") and all other sanctions lists administered by OFAC, all US related issued sanctions, also at state level; all UN/WorldBank/IMF Watchlists and Sanctions, all EU, Sanctions, including national states financial ministry sanctions, all LATAM and Asian continent watch lists.

KEY RISK INDICATORS IDENTIFIED BY ATHENA INTELLIGENCE	YES/NO/NOT KNOWN
Has the individual been listed in any international regulatory blacklists?	No
Have any of the key companies been listed on any international regulatory blacklists?	No