BLOCKCHAIN

ALGORITHMIC TRADING

Inclusive investing
driven by communities

The GameStop Saga

After discovering that several hedge funds had bet on the video game retailer losing value, people banded together on the Reddit forum WallStreetBets to drive up its share price by 1,500%. Over the course of January, GameStop's stock price ballooned to a high of $483 from a low of $17.

GameStop's wild week

The stock took off on a trading frenzy fueled by a Reddit message board

Shares plunge after brokers restrict trading

Hedge fund Melvin Capital says it has closed out its short position in GME

GME cracks $150 in volatile first trading day of the week

Elon Musk tweets "Gamestonk!!"

Robinhood lifts restrictions

$500
400
300
200
100
0

Jan. 25   Jan. 26   Jan. 27   Jan. 28   Fri. Jan. 29

SOURCE: FactSet. Data as of market close on Jan. 29.

CNBC

HOW DID IT HAPPENED

01
SOCIAL MEDIA
WallstreetBets forum on Reddit has 8.5mil subscribers

02
FINANCIAL DATA
Equity/financial research is no longer limited to large Wallstreet firms

03
UBIQUITY OF SMARTPHONES
Everyone can instantly be a trader, anytime, anywhere

04
COVID PANDEMIC
Lots of restless energy, new money from stimulus package
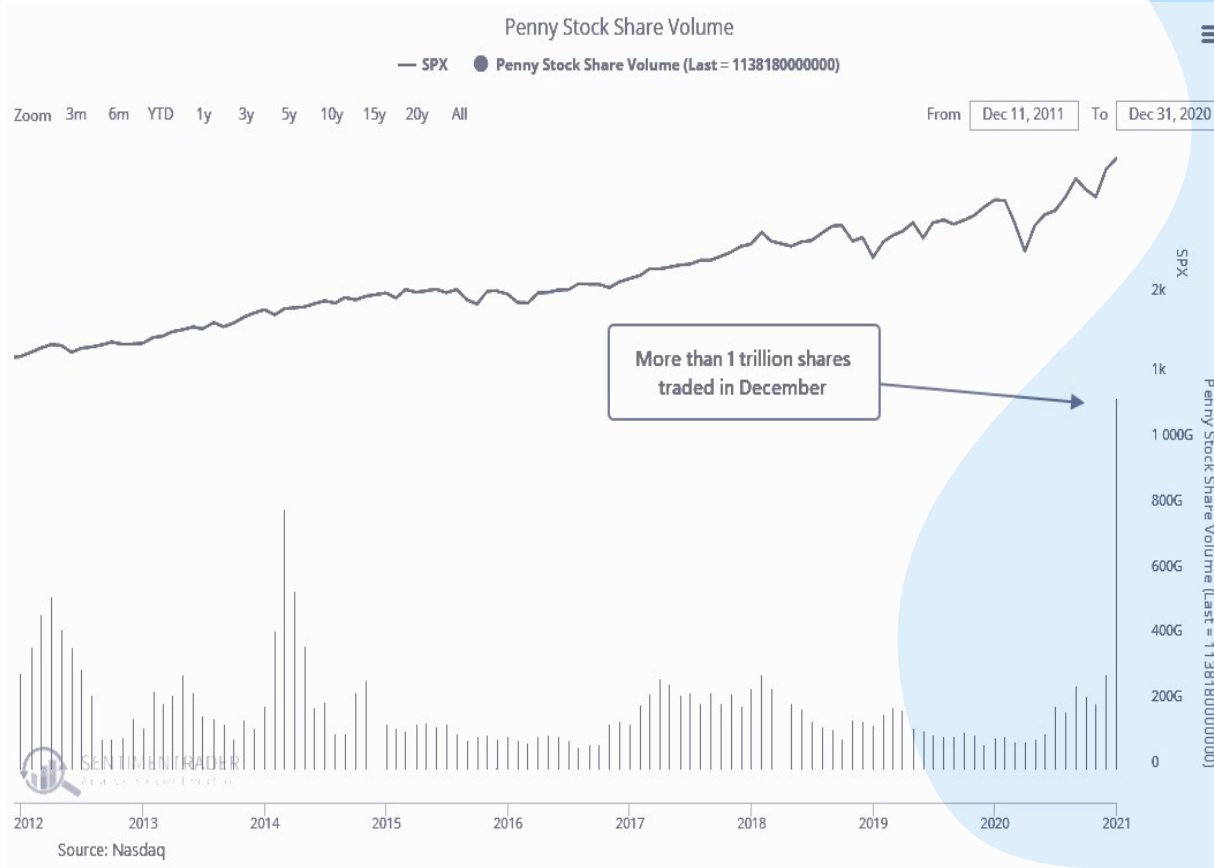
05
ZERO COMMISSION
Robinhood

06
COMEUPPANCE
Arrogant and complacent financial elites

RISE OF THE

RETAIL INVESTOR

WHAT IS GOING ON?

In Dec 2020, investors traded 1 trillion shares of penny stocks.

Such trading is NEVER the work of a professional money manager, or a managed fund.

WHAT IS GOING ON?

Investors have piled into some tech stocks in search of a next unicorn

Goldman Sachs Non-Profitable Technology index
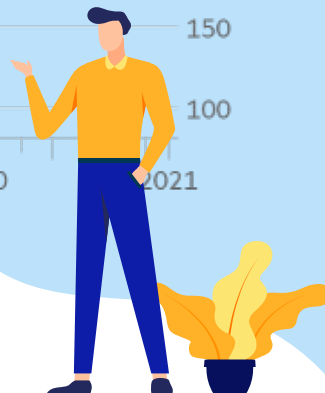

US listed stocks
Source: Bloomberg
© FT

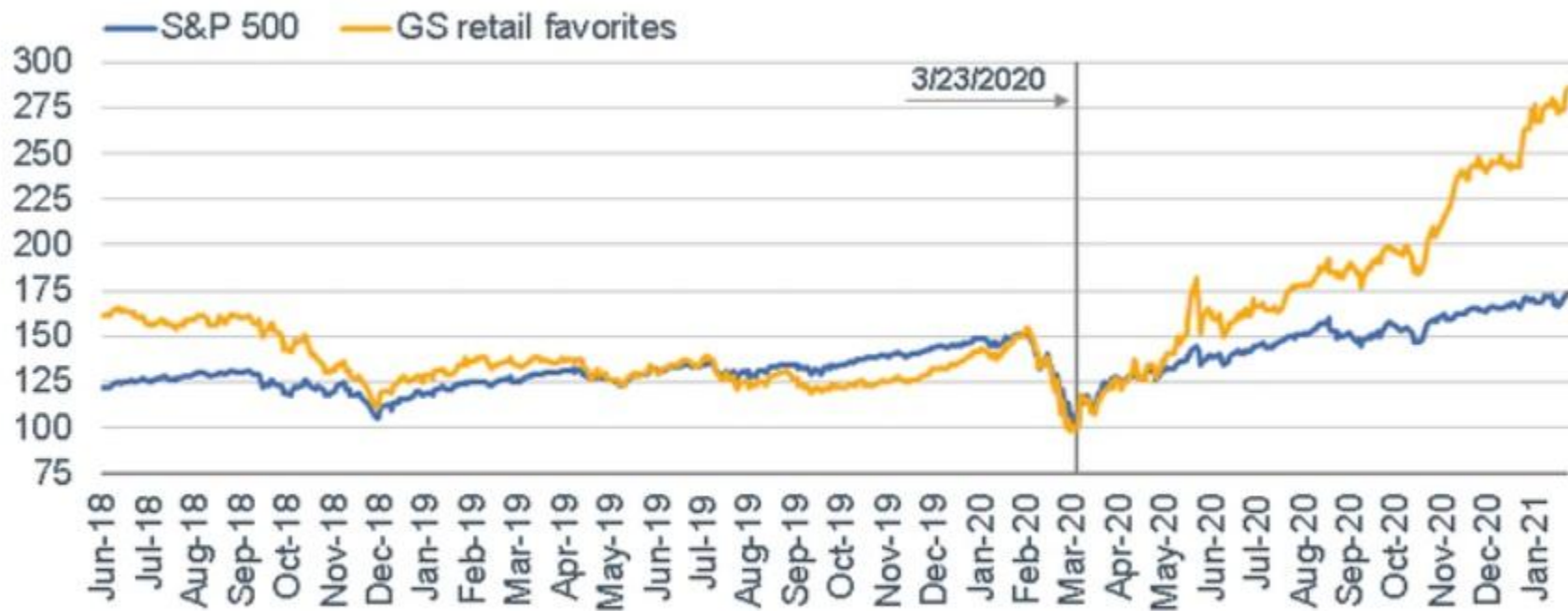GS Non-Profitable Technology Index is an index of technology sector shares that DO NOT produce profits.

Profitability is a major contributor to stock market valuations.

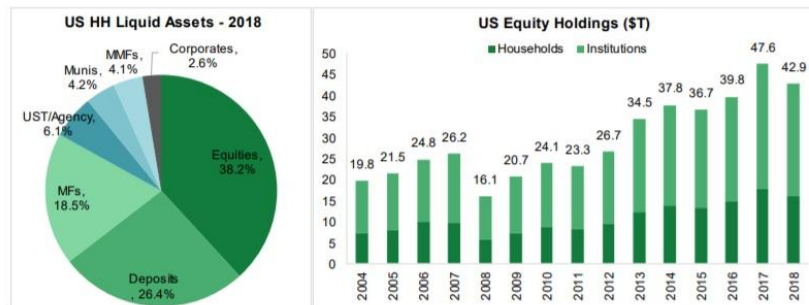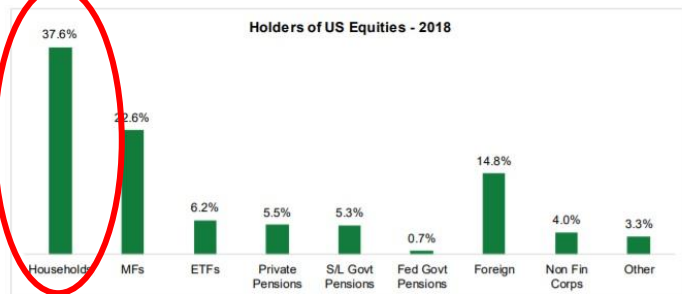Institutions are unlikely to be responsible for the recent outperformance.

Retail Favorites Trouncing S&P 500

Source: Charles Schwab, Bloomberg, as of 2/5/2021. Data indexed to 100 (base value = 3/23/2020). The Goldman Sachs (GS) retail favorites basket consists of U.S. listed equities that are popularly traded on retail brokerage platforms. **Past performance is no guarantee of future results.**
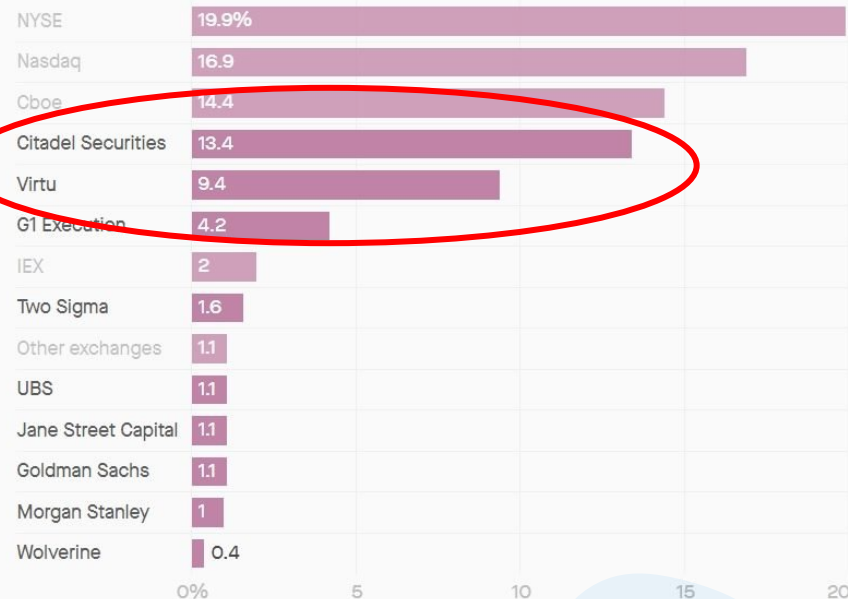
RETAIL INVESTING IS GROWING

Holders of US Equities - 2018

- Households: 37.6%
- MFs: 22.6%
- ETFs: 6.2%
- Private Pensions: 5.5%
- S/L Govt Pensions: 5.3%
- Fed Govt Pensions: 0.7%
- Foreign: 14.8%
- Non Fin Corps: 4.0%
- Other: 3.3%

US HH Liquid Assets - 2018

- Equities: 38.2%
- Deposits: 26.4%
- MFs: 18.5%
- UST/Agency: 6.1%
- Munis: 4.2%
- MMFs: 4.1%
- Corporates: 2.6%

US Equity Holdings ($T)

Legend: ■ Households ■ Institutions

Year	Value
2004	19.8
2005	21.5
2006	24.8
2007	26.2
2008	16.1
2009	20.7
2010	24.1
2011	23.3
2012	26.7
2013	34.5
2014	37.8
2015	36.7
2016	39.8
2017	47.6
2018	42.9

Source: Federal Reserve Flow of Funds Accounts, L.101 & 223; SIFMA estimates
Note: HH includes nonprofits. S/L = state/local govt. Non Fin Corp = ex financial inst. Liquid fin assets = ex pension fund reserves, equity in non-corp bus. Includes direct & indirect equity holdings. Other = life + property & casualty ins, S/L/federal govt, broker-dealers, depository inst, closed end funds

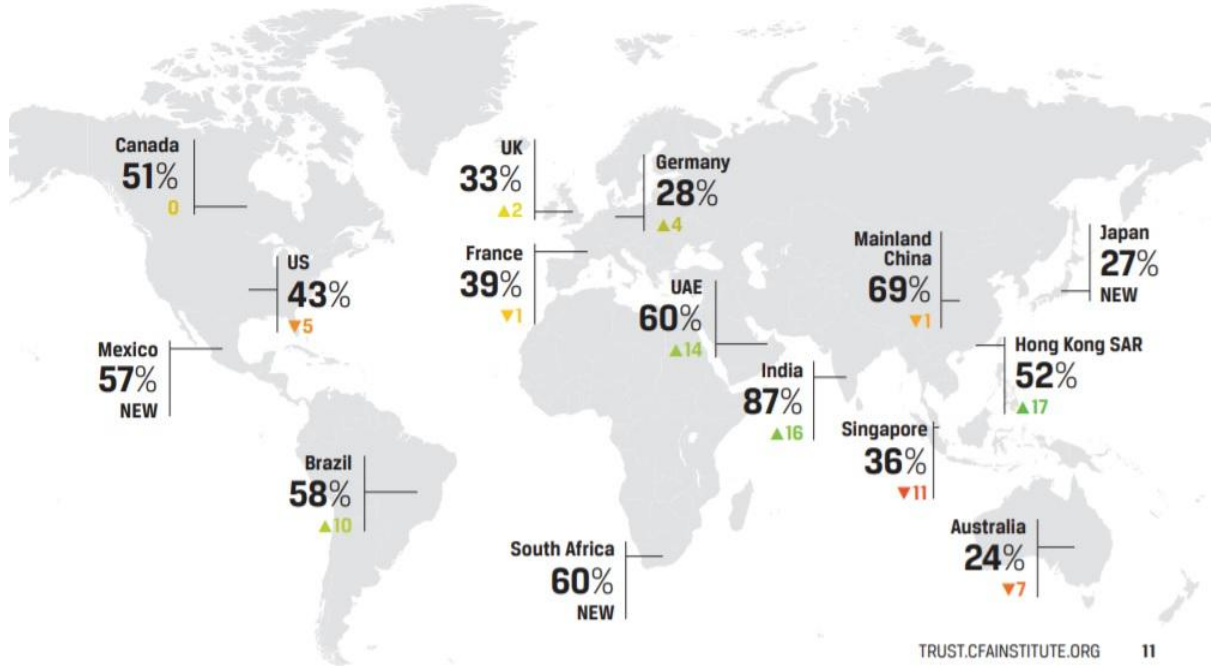**US stock trading market share by venue in December 2020**

Venue	Market Share
NYSE	19.9%
Nasdaq	16.9
Cboe	14.4
Citadel Securities	13.4
Virtu	9.4
G1 Execution	4.2
IEX	2
Two Sigma	1.6
Other exchanges	1.1
UBS	1.1
Jane Street Capital	1.1
Goldman Sachs	1.1
Morgan Stanley	1
Wolverine	0.4

Quartz | qz.com | Data: Larry Tabb, Bloomberg Intelligence

IN FINANCIAL SERVICES
WE DO NOT TRUST

EXHIBIT 7

RETAIL INVESTOR TRUST IN FINANCIAL SERVICES (BY MARKET)

Canada **51**% ▲0

UK **33**% ▲2

Germany **28**% ▲4

Mainland China **69**% ▼1

Japan **27**% NEW

US **43**% ▼5

France **39**% ▼1

UAE **60**% ▲14

Hong Kong SAR **52**% ▲17

Mexico **57**% NEW

India **87**% ▲16

Singapore **36**% ▼11

Brazil **58**% ▲10

South Africa **60**% NEW

Australia **24**% ▼7

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ONLY 10 per cent of Singapore retail investors believe their investment adviser or firm always puts their interests first, compared to the global average of 35 per cent, a study commissioned by the CFA Institute has found.

WHY ALGORITHMIC TRADING

EMOTIONLESS

LESS ERRORS

HIGH SPEED TRADING

BACK TESTING

LOWER OPERATIONAL COST

RISK DIVERSIFICATION

CONSTANT TRADING DISCIPLINE
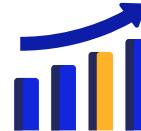
IT IS THE FUTURE

Algorithmic Trading Options

Open Source Bots
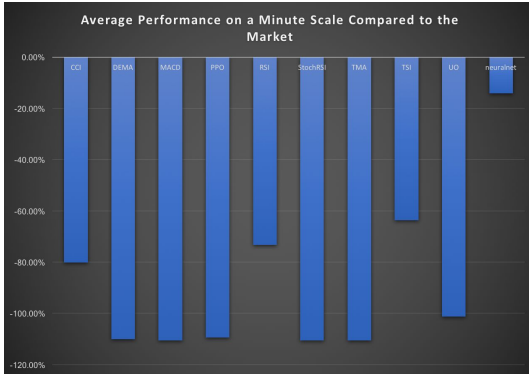
On one minute candles, Gekko performs extraordinarily badly, losing 99% of our money with almost every approach, regardless of whether markets are up or down. — Victor Hogrefe

Paid Platform Bots

The odds of making money with someone's else software is really low. — R

Bot developers revenue model is NOT aligned with investor interest.

Quant Funds
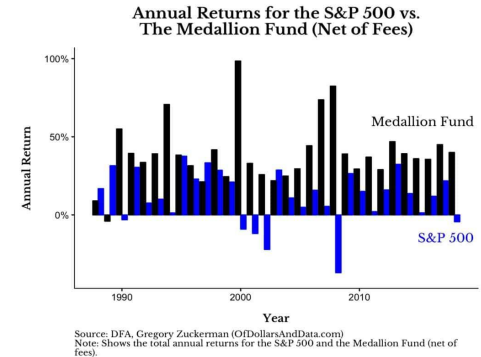
Usually for HNWI

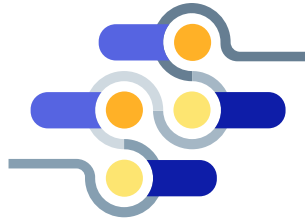High performance fee

OUR PLATFORM POSITIONING

Performance, Cost, Expertise, Technology

Accessibility

Open Source Bots

Paid Platform Bots

Quant Funds

Community-driven algo trading platform that is incentivised, trustless and blockchain based
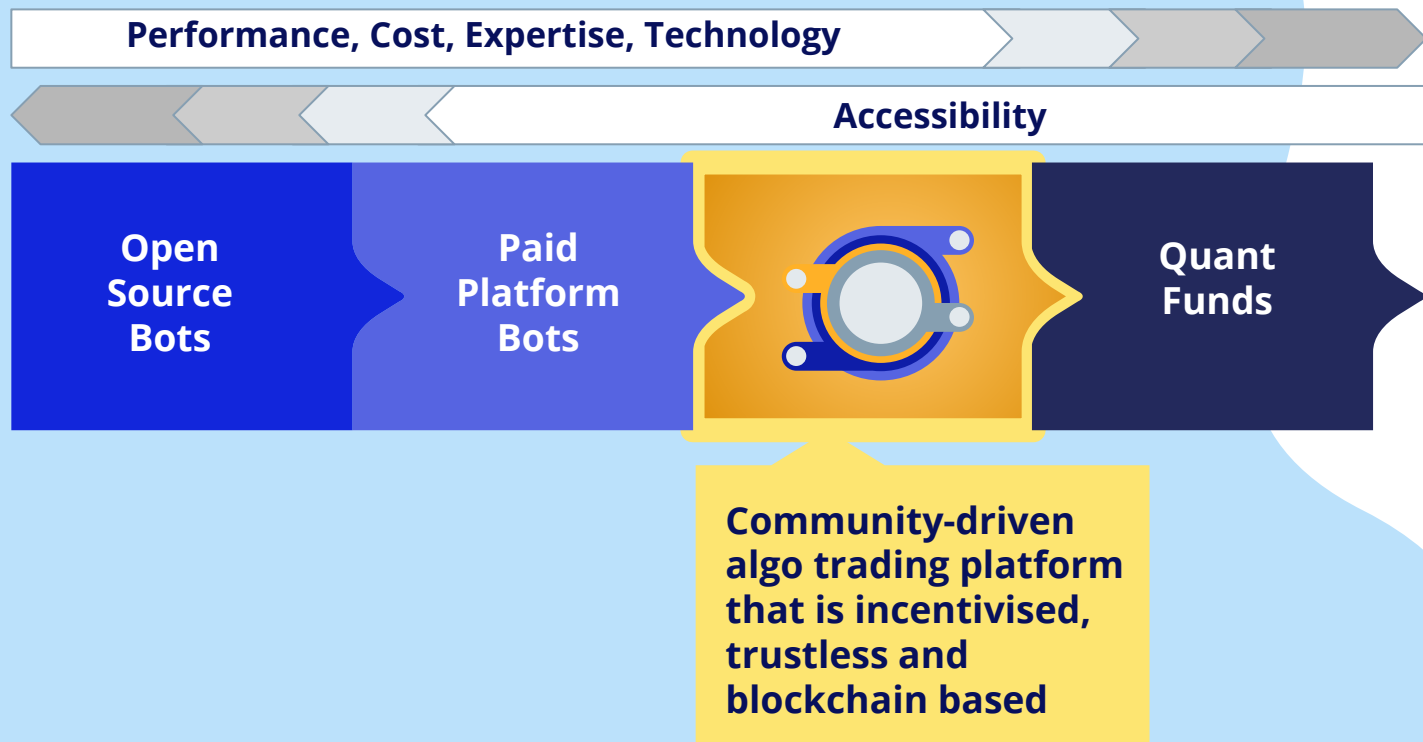
OUR TRADING COMMUNITY

Pricing data, crypto wallets, swap rates

EXTERNAL ORACLES/APIs

Stake Ether for utility tokens, tokens represent entitlement to proportion of portfolio profits

INVESTORS

Trade transactions, portfolio performance, investment advisory, tokens allocation

BLOCKCHAIN

Trading Community

Algorithmic strategy, trading expertise, incentivized by stake in portfolio profits

TRADERS

INVESTORS

You invest, we do the rest.

We provide investors such as family offices and retail investors access to automated algorithmic trading systems supported by proven, back-tested, live tested trading strategies from profitable expert traders only.

■ No management fees, 10% profit fee

■ Asset withdrawal on weekly basis through dedicated investor dashboard

■ Access to multi algo trading strategies (HFT, arbitrage..) with quality risk management, portfolio rebalancing and sophisticated algorithmic trading setups

■ Investor dashboard, analytics reports, investment performances, balance, easy deposit, fast withdrawal

TRADERS

Our blockchain driven platform enables expert traders with proven and winning strategies to share their experience, expertise and knowledge in trading.

We offer to traders the ability to transpose their strategies into algorithmic trading smart contracts.

The traders are incentivized in having a portfolio stake for each strategy and can use the platform for free, no profit fees are applied to traders.

PLATFORM

FUND FEES
- We charged 10% profit fee. No other fees are applied.
- We make money only when our investors make money. Our interest is aligned to yours, therefore performing is our duty.

MINIMUM INVESTMENT
The minimum investment to enter our trading ecosystem is 1 ETH. To be ethically responsible and trustworthy, we only accept qualified investors with sufficient financial sophistication to understand and accept the risks of investments.

MINIMUM INVESTMENT PERIOD
We believe in loyalty and in our performance and have thus no minimum investment period. All investors are free to exit the community at any time and for any reason.

PROFITS AND LOSSES
We calculate profits and losses on weekly basis, due to the volatility of strategies and trades it's hard to give an accurate performance analysis on daily basis.

PROFIT DISTRIBUTION
Profits are split 90/10, 90% is allocated to the investors and 10% of the profit are kept in the fund. According to the performance, each week the investor's balance is increased by the profit made the previous week.

Compounding: All funds and profits are continually used in the investment pool to increase the investor's profitability until the investor withdraw his assets.

Investor Process Flow

01 Investor joins community of choice

Investor stakes Ether on community in exchange for utility tokens **02**

03 Investor monitors performance and audits the trading transactions

Investor exits community,and redeems utility tokens for Ether **04**

Trader Process Flow

01 Trader deploys trading algorithmic smart contract

02 Trader can create and issue investment advisory letters to community members

03 Trader monitors performance and transactions of trading. Trader can the deployed smart contract if necessary

04 Trader exits community,and redeems earned utility tokens for Ether