

# Atlas

**Use loyalty point, voucher & cryptocurrency  
like a fiat currency**

Revision 2.2

31 July 2019



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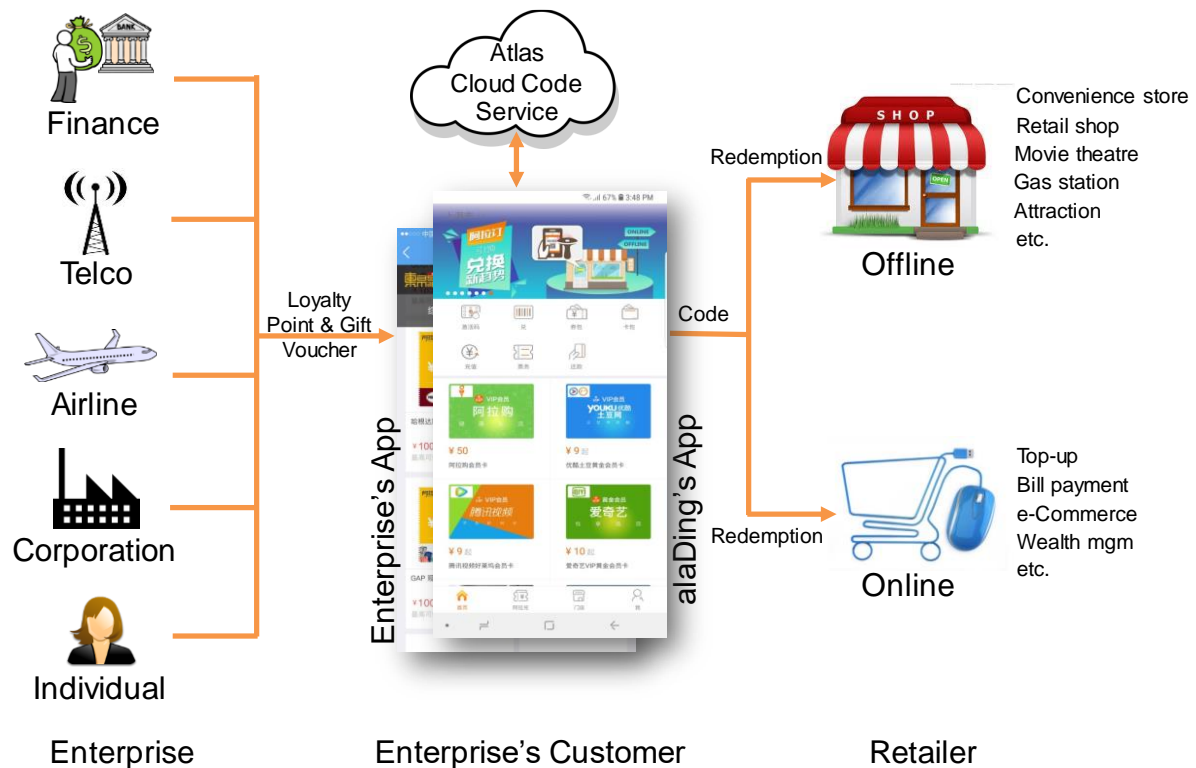
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## 1. Abstract

We started a B2B digital voucher redemption service provider business since 2015 in China. Our mission is to make loyalty point and gift voucher being used like a currency. As a result, a redemption & settlement platform, called alaDing (阿拉订), was developed using mobile internet technology and allow user to redeem almost anything under the sky. As blockchain has emerged as a good technology, we are upgrading the platform and therefore Atlas project is born.



Atlas digital voucher redemption platform

Atlas platform aggregates all the various loyalty point and gift voucher from enterprise such as bank, insurance company, telecoms, airline, corporation etc. At the same time, we integrate with offline retailer's POS (Point of Sales) system and online service provider. Offline retailer includes convenience store, supermarket, store chain etc. and online service provider includes online store, value-added service such as mobile phone top-up, utility bill, ticketing, traffic fine etc.

Through Atlas digital voucher, enterprise's user can use his/her loyalty point and gift voucher to redeem both offline and online goods and services. Our strength is in the convenience store and supermarket where immediate gratification is achieved as compared to waiting for days for online goods to be delivered.

This business has grown rapidly and reaches about US\$ 4 million (RMB 28 million) of monthly revenue recently. This is in contrast of about US\$ 206,000 (RMB 1.4 million) of monthly revenue in 2015.

Project Atlas is to achieve the following:

- a. Launch alaToken as the blockchain digital voucher and Atlas Token as the utility token. alaToken is to replace the technology used by our current digital voucher for better authenticity and security. Atlas Token is to be used for pegging real business transaction (i.e. backed by intrinsic value), buyback and rewarding retailer and product owner to increase traffic, sale and profit.
- b. Create alaWallet to hold alaToken, Atlas and other cryptocurrencies. This digital wallet will also have its own ecommerce so as to accomplish offline and online transactions.
- c. Make alaToken to be accepted at offline retailer and online service provider through our current platform. Other cryptocurrencies will convert to alaToken so as to pay for offline and online transactions.
- d. Establish international settlement between enterprise who issues the loyalty point and gift voucher and retailer whom goods and services are redeemed from.
- e. Build a marketplace for alaToken based loyalty points and gift vouchers.

The beauty of Atlas project is that it is based on existing, proven and unique business. Thus, the usage of blockchain and Atlas to peg alaToken can be put into operation immediately once done. Financial performance can also be realistically projected. Furthermore, the business is in China which itself is already a mammoth market and potential. We will have even more room to grow once we move out of China.

Currently, we have already accomplished the following.



**Enterprise Client**



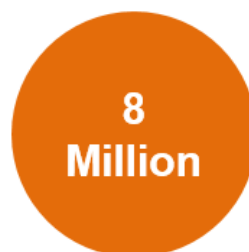
**Retailer & Service Provider**



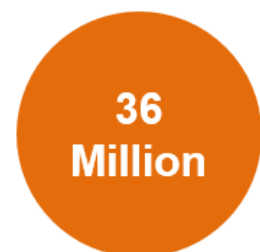
**Store**



**Registered User**



**Daily Exposure**



**2019 Revenue (US\$)**

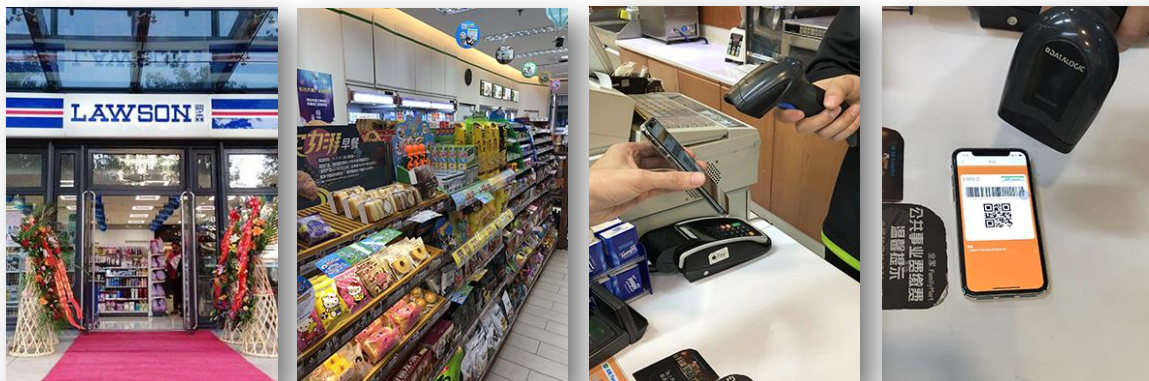
## 2. Background

The traditional retail world is going through painful restructuring due to the impact of the internet and online shopping. Using the US as an example, there is a drastic closure of retail chain stores. The closures, particularly of such premiums and visible brands as Saks or Nordstrom could be fatal for hundreds of shopping malls across the United States.

China, the world's second-largest economy on the other hand has some 4,600 malls. This is more than four times the U.S. total and accounts for more than half the malls built worldwide in each of the past three years. Last year, 61 million square feet of new retail space opened in China. China will hit a tipping point where there will be an oversupply of malls and retail shops if the growth trend continues without proper planning.

Further aggravation of the challenges faced by the brick-and-mortar retailers, China is the most active user of the mobile and desktop ecommerce. More than half of Chinese consumers say they shop via mobile daily or weekly. Only 46 percent say they shop at brick-and-mortar stores with the same frequency. Last year, online consumer sales racked up the equivalent of US\$610 billion. But they account for only 12 percent of all consumer goods sold, meaning it's got plenty of room to grow.

We notice two huge markets in China that need addressing and require linkup. One is the brick-and-mortar retailers who urgently need online strategies to attract additional customers so as to increase revenue and profit. The other one are the enterprises or issuers who need to gain new customers and keep existing customers by rewarding them effectively through their promotions and loyalty programs. Both markets are perfect for each other. We see that these two markets need someone to link them up so as to create an eco-system to share each other resources. Seizing this opportunity, a B2B digital voucher redemption platform is created.



Usage of Atlas digital voucher in convenience store

Then come along the rise of blockchain technology. This technology is ideal for this business. This technology can enhance our business scalability and the competitiveness of retailers and enterprises through our innovative promotion and loyalty solutions.



There exists a vast array of assets in the world which people freely choose as a store-of-value, transactional medium or an investment. We believe the Bitcoin blockchain is a better technology for transacting, storing and accounting for these assets.

Bitcoin was created as “an electronic payment system based on cryptographic proof instead of trust, allowing any two willing parties to transact directly with each other without the need for a trusted third party.”. Bitcoin created a new class of digital currency, a decentralized digital currency or cryptocurrency.

As of Jan of 2018, the total blockchain market value touched around 841 billion USD. But compare to the 250-trillion-dollar global wealth held by the traditional financial system, it is still very small. We believe that there is large opportunity of these assets to migrate onto the Bitcoin blockchain in the future.

As with the development of the blockchain technology, many excellent applications have been explored such as smart contract, privacy token, etc. Hence the blockchain technology has already established a simple prototype of the new financial system based on cryptocurrencies or so called tokens.

Some of the primary advantages of cryptocurrencies are: low transaction cost, international borderless transferability and convertibility, trustless ownership and exchange, pseudo-anonymity, real-time transparency and immunity from legacy banking system problems. Current limitations for mainstream usage of cryptocurrencies include: volatile price swings, inadequate mass-market understanding of the technology and insufficient ease-of-use for non-technical users.

We believe the blockchain technology is very applicable to vouchers and analogous digital assets.



### 3. Industries pain points

The industries that are involved in our business are namely individual, cryptocurrency, retailer and enterprise (or issuer). The following are the pain points for these industries.

#### 3.1. Individual

It is common practice that enterprise and people buy voucher as gift or self-use. Some of the drawbacks of voucher being faced by individual are mentioned below.

##### 3.1.1. True value of digital voucher is not guaranteed

Current technology of digital voucher is prone to be hacked. Unlawful manipulation of data is possible by external and internal hacker. As a result, it is difficult to guarantee the true value of the digital voucher.

##### 3.1.2. Fake voucher

Scalper and fake voucher is rampage. It is not always that an individual can be certain that the voucher presented is genuine or not. If he or she buys a fake one, then this will be a lost. Due to this uncertainty, people shy away from even a genuine and good deal.

##### 3.1.3. Poor circulation

Due to the challenges mentioned above, the voucher circulation is not ideal. Retailer and buyer are unable to ascertain the authenticity and true value of a voucher.

##### 3.1.4. Default risk

The voucher on hand can turn into a worthless piece of paper or in any medium once the enterprise who issues it closes down, gone bankrupt or maliciously default it.

##### 3.1.5. Impossible to increase in value

There is no loyalty point or gift voucher that increases its value over time. Therefore, the worthiness of keeping them is limited.

#### 3.2. Cryptocurrency

With the rise of Bitcoin, many others have followed suit such as Ethereum, Litecoin etc. Although the trading volume is very high, they still fall short in following areas. If these areas are not resolved, it is challenging for cryptocurrency to be the mainstream payment and transaction instrument.

##### 3.2.1. Majority are not backed by any asset or intrinsic value

Not until recently, proposed Libra cryptocurrency by Facebook is going to be backed by fiat currency. However, majority of cryptocurrencies such as Bitcoin are not backed by anything of intrinsic value or asset like gold etc. Thus making them very speculative which is not sustainable in the long run. Current situation is very much like the Tulip mania in the 17<sup>th</sup> century.

### 3.2.2. Mostly unable to use it to buy things

Currently, cryptocurrency is unable or not widely used in neither offline physical store nor online store like a traditional currency. This limits the usage, circulation and scalability of cryptocurrency.

### 3.2.3. No mainstream digital wallet to keep and use cryptocurrency

Like the traditional physical wallet that keeps paper notes and coins, there is no mainstream digital wallet to keep and use cryptocurrency. Without a mainstream digital wallet, it discourages people to use cryptocurrency due to inconvenience and cumbersome.

## 3.3. Retailer

The retailer mentioned here are the likes of convenience store, supermarket, retail chain store etc. These offline stores face fierce competition from the online stores.

### 3.3.1. Difficult to attract customer

It is critical for retailers to attract more customers into their stores to buy their goods and services. Two of the usual methods they deploy are loyalty program and gift voucher and card (or voucher for short). However, ensuring these methods are effective and low cost has proven difficult to fulfill. More will be explained below.

### 3.3.2. Production cost in physical voucher

For retailers like convenience stores to offer physical voucher, they first need to invest and produce them through outsourcing to manufacturing or printing companies. Once produced, retailers need to store them securely. Retailers also need to track and account for them through proper inventory system. All these add up to cost to the retailers directly and indirectly.

### 3.3.3. Need IT investment in digital voucher

It is more scalable, efficient and low cost to offer digital voucher instead of physical one. But in order to do so, retailers require investment in software development and IT infrastructure. Beside one-time investment, daily operation and maintenance of the system are needed. These include modification of codes to adapt to changes of business needs, debug and problem solving when system is not working etc. In most cases, retailers are not technology savvy enough to manage IT strategy effectively. Thus it is painful for retailer to do it themselves.

### 3.4. Enterprise

Enterprise such as bank, insurance company, Telco, airline etc. needs to be competitive in order to survive and strive. Acquiring new customer and keeping existing one is always trying.

#### 3.4.1. High operation cost for using voucher

One of the ways is for enterprises to use vouchers directly reward their customers or for their customers to use their loyalty points to redeem goods and services. In order to do so, enterprises need to pay bulk up front for these vouchers. Once received, they have to ensure proper inventory. They have to deal with logistics so that the vouchers can reach the customers. Nevertheless, vouchers may be stolen or lost along this chain of events. Worst of all, the vouchers may never be used but already paid which make very bad ROI.

#### 3.4.2. Low conversion of loyalty point and voucher

People do not use or redeem their on-hand loyalty point and voucher due to the following:

- a. The whole process can be cumbersome and intimidating for users to go through.
- b. Limited choice of goods and services for their loyalty points and vouchers to redeem to.
- c. Goods and services offered for redemption can be unknown brands, low-end brands or simply impractical.
- d. Neither able to use a single voucher multiple times by splitting into few smaller redemption amounts nor to use different sources of voucher for a single redemption.

It is a failed loyalty and reward program if conversion rate is low. Users are unappreciative even though loyalty point and voucher are given to them. As a result, no loyalty gained. Resource and investment put in by enterprise are wasted.

## 4. Solutions

Through the course of running this business, we are able to deliver innovative solutions by understanding the market needs and leveraging on technology. The technologies used are namely mobile internet and moving forward, blockchain.

### 4.1. Individual

Ensuring digital voucher is legitimate, authentic, protected and valuable are critical to the success for its usage.

#### 4.1.1. alaToken, a blockchain technology based digital voucher

alaToken is a blockchain digital voucher based on existing blockchain platform such as Ethereum. Therefore, the implementation will be fast and usability is proven. Each alaToken issued is backed by enterprise like bank that needs their user to redeem goods and services from their loyalty and reward program. The value and fiat currency being based for the alaToken is determined by the enterprise at the point of issue.

Instead of traditional centralized storage, the information of the voucher is stored in multiple nodes. Thus it makes illegal modification of the voucher information almost impossible.

As alaToken authenticity and true value are ascertained, retailer and buyer can confidently accept and buy them respectively. This will make fake voucher obsolete and scalper illegal scams almost impossible. Circulation will be high once a healthy voucher ecosystem is created.

#### 4.1.2. A marketplace for alaToken based digital voucher

There is a huge demand for different sources of digital voucher to be traded or bartered among users. Once authenticity and security are resolved through alaToken based digital voucher, a marketplace will be created so that users can trade or barter their vouchers freely. This resolve the situations when users do not want the type of vouchers they have or just looking for discounts.

#### 4.1.3. Its value is protected from default

alaToken is being pegged with Atlas Token. As a result, its value is protected even if the enterprise who issues them default through malicious intention, bankruptcy or simply closes down.

#### 4.1.4. Value can appreciate

Since alaToken or blockchain digital voucher is pegged with Atlas Token, its value can appreciate as Atlas Token's price goes up. The user can choose to redeem into Atlas Token from day 1 instead of redeeming offline or online goodies. As Atlas Token price goes up, the user can buy more things through

alaWallet or sell in the exchange. This makes it very attractive and worthy to have alaToken as the preferred gift voucher and loyalty point to be converted to.

## 4.2. Cryptocurrency

Below describe the solutions for the drawbacks of cryptocurrency as it is neither widely backed by intrinsic value or asset nor accepted by both offline and online retailers. Basically, the solutions are based on existing platform. Thus realizing it is realistic and fast.

### 4.2.1. Atlas Token is backed by intrinsic value

As Atlas project is based on an existing, unique and growing business, we can use real revenue to back Atlas Token. This is done through pegging alaToken with Atlas Token. As a result, Atlas Token is tied directly with the revenue of the company.

A hedge or reserve pool of Atlas Token is being set up. A user can either choose to redeem goods and services or Atlas Token, using his/her loyalty point or gift voucher through alaToken. When a user chooses to redeem Atlas Token, the system will issue Atlas Token from the hedge pool base on market price, markup and service fee (detail to be determined at implementation stage).

When the hedge pool is low with Atlas Token, we will replenish it when the Atlas Token price is low. About US\$178 million worth of Atlas Token is being set aside for this hedge pool as this is the accumulated projected revenue for the next 3 years (2019 – 2021).

When the business grow and more users choose to redeem Atlas Token, the hedge pool will grow accordingly. Hence limiting and even diminishing the supply of Atlas Token in the market.

All these make Atlas Token valuable and escalation of price inevitable.

### 4.2.2. Buyback and Atlas Token as reward

Certain portion of quarterly or yearly profit will be used to buyback Atlas and to be destroyed. For those individual, smart scanners or POS who participate as nodes, they can be rewarded with Atlas base on the transaction volume. Initially, we can rebate individual with Atlas Token as reward when they use Atlas Token to purchase things. This will spur more usage of Atlas Token.

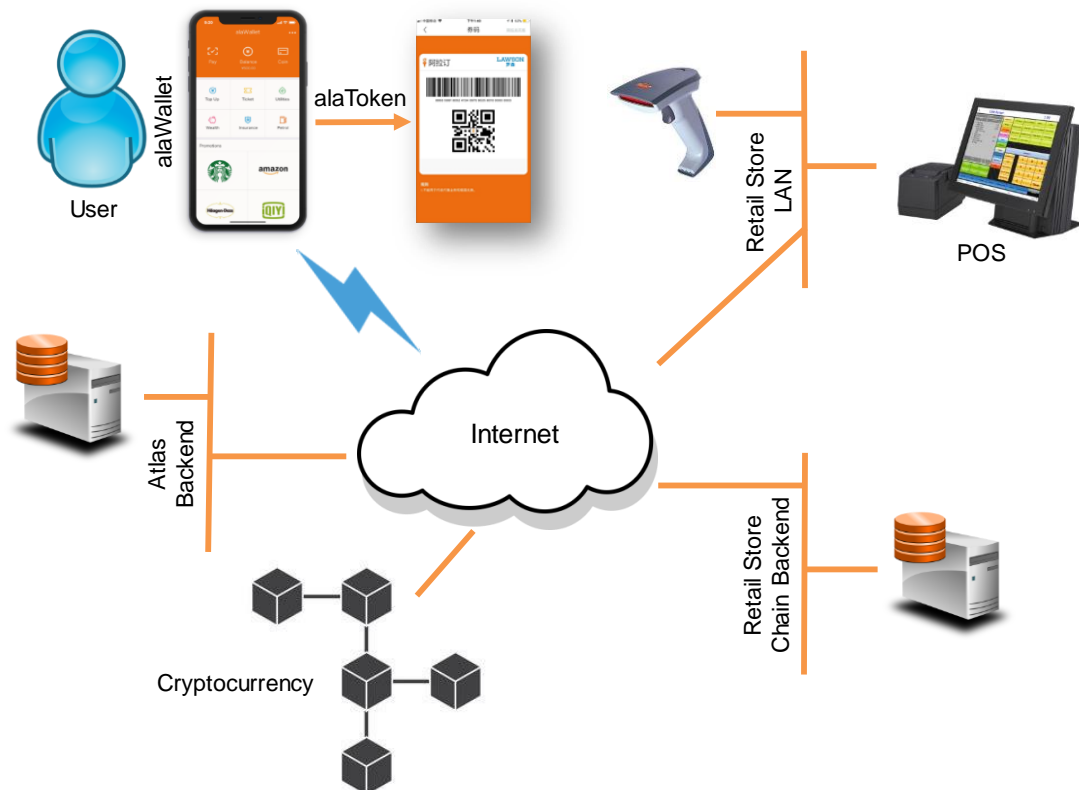
### 4.2.3. Integration to offline retailer POS system (cryptocurrency payment)

Currently, our digital voucher is already being accepted by internationally well-known brands convenience store, supermarket and retail chain store. This is accomplished by retailer adopting our 1D or 2D bar code standard. As a result, both retailer POS and Atlas systems are integrated.

When a bar code is scanned at the store cashier counter, transaction information such as amount redeemed/purchased will be recorded at retailer and Atlas

backend. At the same time, the transaction information is pushed into the blockchain. For other cryptocurrencies such as Bitcoin or Atlas, they first have to be converted to alaToken base on the cryptocurrency price, exchange rate and gas (or process fee). This means that alaToken usage and utilization will be maximized.

As for the gas payment, Atlas is the cryptocurrency that this platform will accept. This will increase the demand and circulation of Atlas.



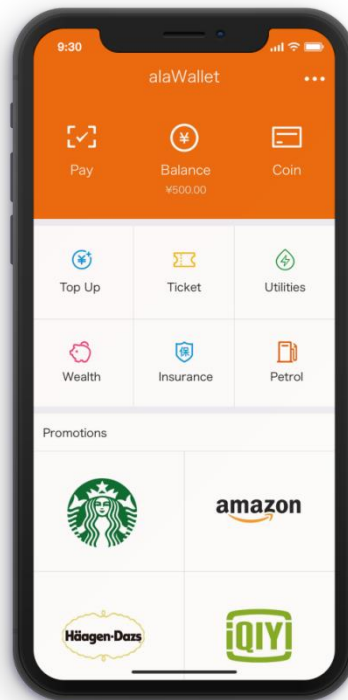
Network diagram for alaToken to be recognized by offline retailer

#### 4.2.4. alaWallet

A digital wallet DApp called alaWallet will be created for iOS and Android mobile OS. The user can tie multiple cryptocurrency accounts, e.g. Atlas, to this wallet and convert to alaToken before he/she uses to pay for offline or online goods and services. A balance shows the amount of alaToken on hand. Whether the conversion is on the fly or beforehand, it will be determined at a later stage of the product design phase. When a user pays at the cashier counter, bar code will be shown in the alaWallet and be scanned by the cashier. Necessary transactions will be processed at the server ends. This complete the purchase and payment cycle.

In this wallet, other value-added services will be included from mobile phone top-up, utility bill to ecommerce etc. This makes alaWallet very useful and practical as it can be used for both offline and online payments.

To encourage usage of alaWallet, user can be rewarded with Atlas Token base on registration, invite, transactions etc.



alaWallet

#### 4.2.5. Settlement system

After each transaction is completed, the settlement system kicks in. The transacted amount in local currency is TT to the retailer bank account accordingly as payment.

#### 4.2.6. Maximize holding and usage of Atlas and alaToken

With our existing huge and growing transaction volume of loyalty point and gift voucher redemption plus future cryptocurrency payment, we design in such a way to harness the situation and business model so that the holding and usage of Atlas Token and alaToken are maximized.

##### 4.2.6.1. Atlas Token

Maximize holding is being done in 2 ways. One is that Atlas is being used in the hedge pool. Since the hedge pool will grow with the business, this will limit the amount of Atlas Token in the market. Hence the other way is that people will hold Atlas Token as its price will go up since there is a limit and diminishing amount in the market.

To further maximize usage, Atlas is also being used as the payment cryptocurrency for gas when user uses other cryptocurrencies for payment through alaWallet.



#### 4.2.6.2. alaToken

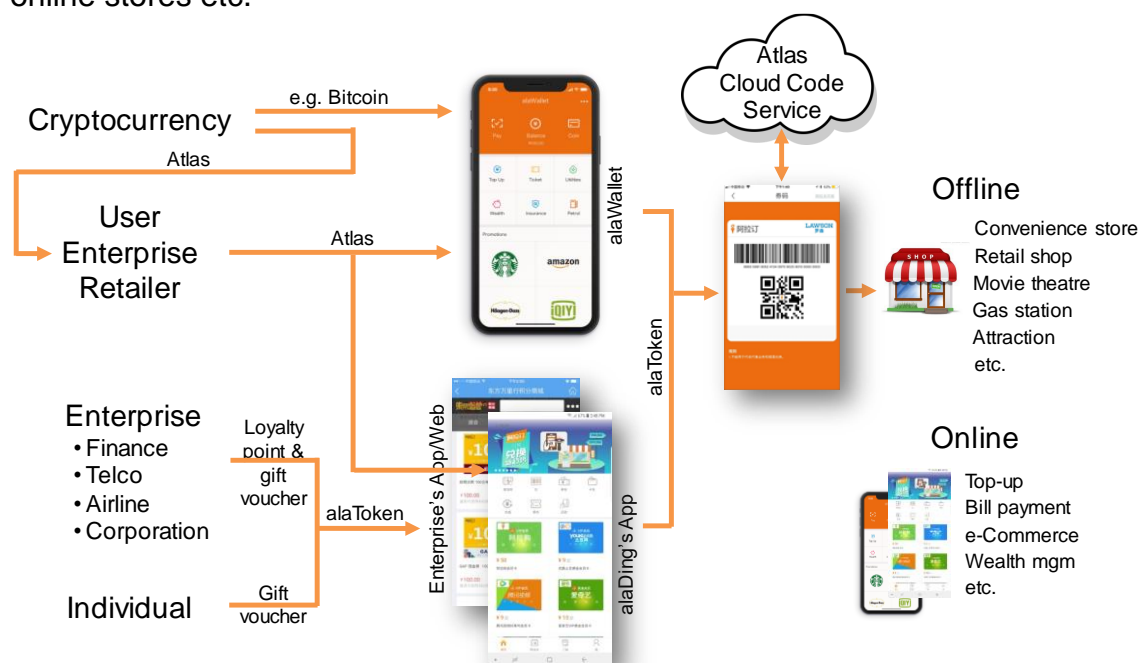
With the current US\$ 4 million redemptions each month and growing, alaToken will have this amount of volume once the digital voucher is based on blockchain. To further increase their usage, alaToken is the only blockchain medium to be used as redemption and cryptocurrency payment in both offline and online retailers.

#### 4.3. Retailer

Our innovative solutions achieve S2C (Service to Consumption) which lead to additional customer traffic, revenue and profit for the retailer. Furthermore, there is minimal to no cost for them to manage their loyalty and reward programs.

##### 4.3.1. B2B alaToken based digital voucher redemption platform

We aggregate enterprises' such as the banks, insurance companies, Telco, airlines etc. loyalty points and vouchers; and for redemption to take place in offline stores and online service providers through alaToken as the medium. Offline stores include convenience stores, supermarkets and retail chain stores while online service providers include utility bill, mobile phone top-up, ticketing, online stores etc.



Flow diagram of Atlas and alaToken

Offline stores POS systems integrate with Atlas platform which enables transaction recordings to be done at both side financial systems. API, DLL and corporate App are available for the retailers to use so that integration works are as straight forward and easy as possible. When the payment term is up with the retailer, our settlement system will pay the retailer accordingly. Likewise, when the AR (Account Receivable) is up with the enterprises, the settlement system will invoice them accordingly.

Once retailers integrate with Atlas platform, they immediately gain access to all the added users from these enterprises. These users redeem their loyalty points and vouchers through alaToken in the stores and thus gaining additional customer traffic, revenue and profit.

#### 4.3.2. alaLoyal loyalty and reward system

Retailers can use our alaLoyal system to manage their loyalty and reward programs. This system will be built on Wechat mini program which makes user adoption and propagation much easier and quicker. Retailers can set how much Atlas Token to be given to their users or customers for certain amount spent on purchases. Users can monitor their alaToken and Atlas Token in alaWallet and choose to use them at the store anytime. The store cashiers just need to scan the alaToken based bar code shown to them in alaWallet.

This is a great way to keep retailer customers' loyalty and with minimal cost. The whole platform is provided and operated by Atlas and retailers do not need to invest heavily in building and maintaining the platform themselves.

For promotion to increase sales, retailers can also give Atlas to the users through alaLoyal backend system.

alaLoyal is also a backend system for us to set which retail channels to promote. For example, if we want to promote convenience store chain A, we will set it such a way that if a user goes to A for redemption, certain amount of Atlas to be given to this user pending on the amount spent. We can even zoom into a particular product purchased in order to be rewarded with Atlas. Product owner can now work with us for their promotion.

With this platform and tools provided, retailers do not need to invest heavily in producing their own physical voucher and IT infrastructure for digital voucher. Yet, they are able to increase customer traffic, revenue and profit through joining the Atlas platform and creative ways of managing loyalty, reward and promotion programs.

#### 4.4. Enterprise

We maximize ROI and reduce cost for enterprises when they implement and operate their loyalty and reward programs.

##### 4.4.1. RaaS (Redemption as a Service)

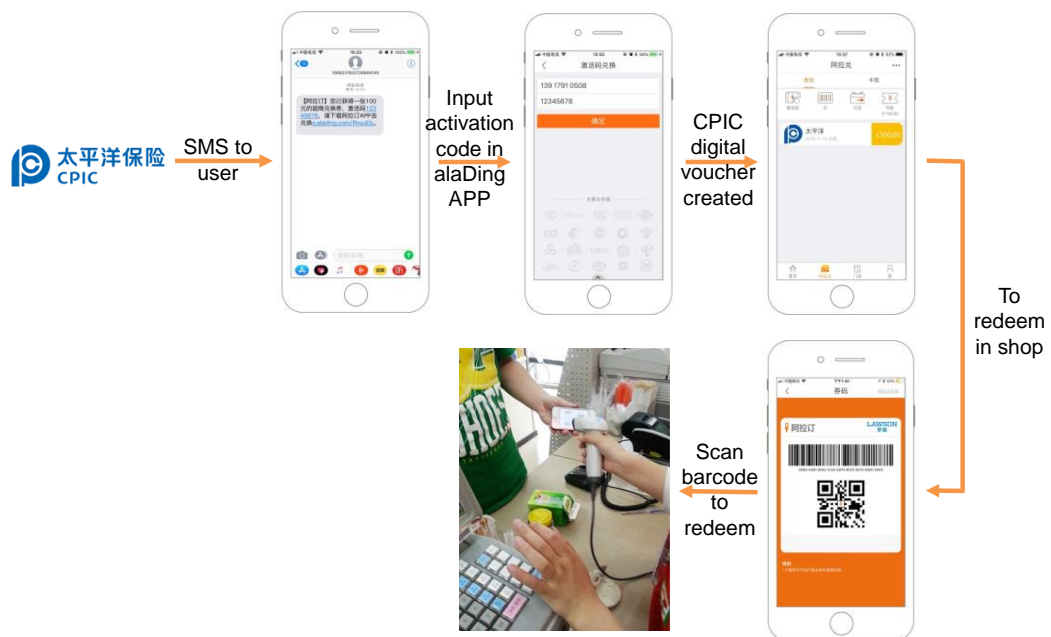
With RaaS, enterprises do not need to pay bulk and up front for things that are being offered for redemption. These offerings can be in their loyalty web sites or vouchers being SMS to their customers. For example, an enterprise plans to offer US\$ 100 Lawson voucher. In the past, this enterprise needs to pay up front to Lawson for certain number of Lawson voucher. Today, when enterprise works with us, they do not need to pay up front when they put up Lawson voucher at their web site or SMS their customer. RaaS track actual redemption at Lawson store by the user. Our settlement system will only invoice the enterprise when actual redemption occurred. This eliminates this enterprise needing to pay up

front. In addition, there is no wastage to the enterprise if the user does not use the voucher and expired. With this arrangement, enterprise reduces cost and maximizes ROI.

#### 4.4.2. Digital voucher

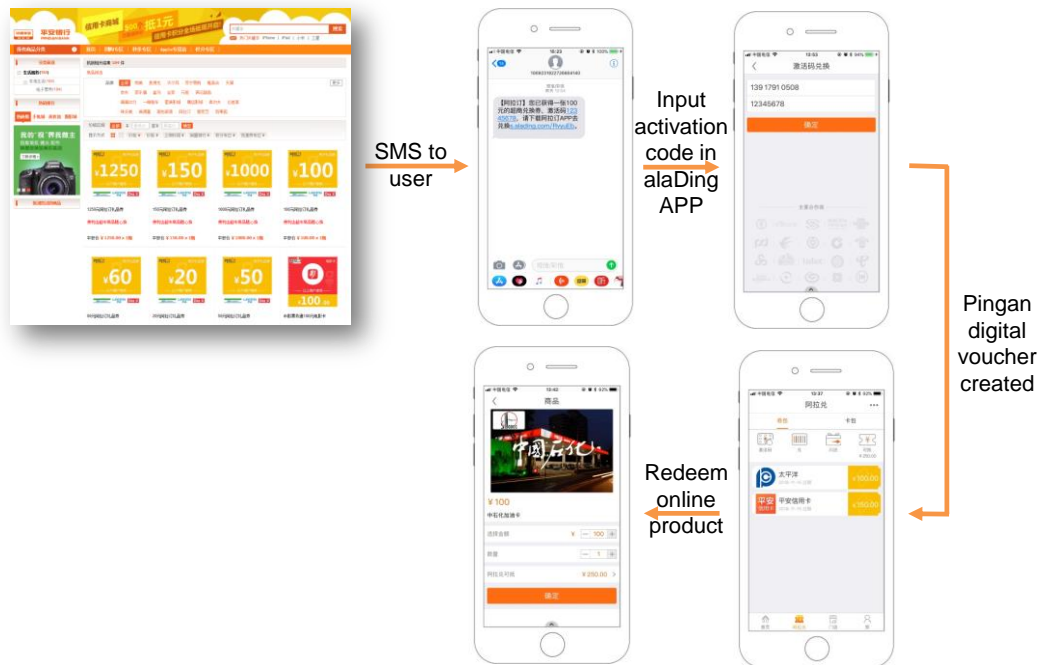
When enterprise uses our digital voucher for their customers' loyalty and reward programs, their customers can redeem immediately almost anything under the sky. This is because our digital vouchers are recognized by both offline retailers and online service providers. Moving forward, digital voucher will be based on alaToken.

- a. Offline retailers include convenience stores, supermarket and retail store chain. Users can redeem any product and service in these stores. Immediate gratification is achieved especially convenience stores which operate 24 x 7.



An example for redeeming at offline store through a (alaToken based) voucher

- b. Online service providers include online stores such as amazon, top-up, ticketing, utility bill, traffic fine, our own online stores etc. Instead of going to physical stores to redeem, users can choose to redeem online without living their house. This gives users more choices and convenience. Making redemption usage like a currency.



An example for redeeming online goods and services

- c. User can combine few digital vouchers so as to redeem something more expensive. This is done through the wallet in our App where the values of different sources of digital vouchers are added up. Each digital voucher behaves like a currency note or coin.
- d. If the total amount value of the combined digital vouchers is not enough for the goods to be redeemed, the user can top up with cash regardless it is offline or online.
- e. The system will provide change when the digital voucher value is more than the goods being redeemed. There is no lost to the user when making small amount redemption. This is like how we use our currency in our day to day life.

With these flexibilities and wide range of choices to redeem, users treat these digital vouchers like a currency. Therefore, the conversation rate (i.e. people having digital vouchers and eventually redeemed) is about 80% to 90%. With this rate, it is proven that the loyalty and reward programs are successful. Enterprises are able to keep their customers happy and retain them or acquire new ones.

#### 4.5. Global market

Our business is universal as everywhere in the world need loyalty point and gift voucher as part of their commercial eco system. Therefore, we will setup offices internationally. The number of offices and the speed of setup will depend on the size of funding for this project. Appended below are the considerations when choosing the location.

- a. It is crucial to attract the overseas retailer to work with us by bringing additional revenue and profit to them. The fastest way is for the Chinese tourist to redeem their loyalty point and gift voucher there. Thus, countries



where Chinese tourist like to visit and sizable Chinese living there will be in higher priority in our choosing.

- b. City where convenience store is a common sight will be considered first. Convenience store is ideal for redemption and cryptocurrency payment as they are 24 x 7 and easy access. Furthermore, with our association with international convenience store brand, working with them overseas will be easier due to our existing working local relationship and similar IT systems.
- c. Proximity is one of the main considerations and hence we will start in Asia first. This improve the cost effectiveness and speed of communication.
- d. Acceptance and welcoming of cryptocurrency at government level will be important for Atlas. This will speed up implementation and adoption.

As a result, cities for our expansion will be Singapore, Bangkok, Tokyo, Seoul, New York, Los Angeles and London.



## 5. Technical and blockchain implementation

Our platform is based on mobile internet architecture. This project is to upgrade to 2.0 using blockchain technology. Blockchain is a new approach by moving away from centralized storage to decentralized ledger. This enables cryptocurrency trading data or other information to be securely stored, ensuring transparency, authenticity and legitimacy. Leveraging on this technology, we aim to make loyalty point and gift voucher to be issued and circulated among enterprises (or issuers) and retailers; without centralized entity and avoiding fraud. At the same time, providing convenience, autonomy, efficiency and cost effectiveness service for the enterprises and retailers.

To the members or ordinary users, the blockchain itself is transparent and an open source. The participants of the system have the right to view the data under the approved system environment and procedure. This is because the On-Chain data is traceable and unable to tamper with. Thus brand values and trustworthiness can be maintained by the corresponding enterprises and retailers who issue their loyalty points and gift vouchers. When a merchant, retailer or user finds their loyalty points and gift vouchers questionable, they can view and trace through the historical operating records of the loyalty points and gift vouchers.

Blockchain increases the settlement efficiency for both parties of a transaction while authenticity is ensured. The distributed storage characteristics of blockchain make the transactions viewable in real time. With blockchain smart contract, two parties of a transaction can be settled through the contract execution and related transaction information is written into the block. Real-time transfer and liquidation are achieved. This cut down the cumbersome settlement process as compared to traditional method. The use of blockchain technology greatly simplify the traditional reconciliation process for enterprises and retailers, therefore achieving rapid settlement.

### 5.1. Atlas blockchain digital voucher platform design (microservices)

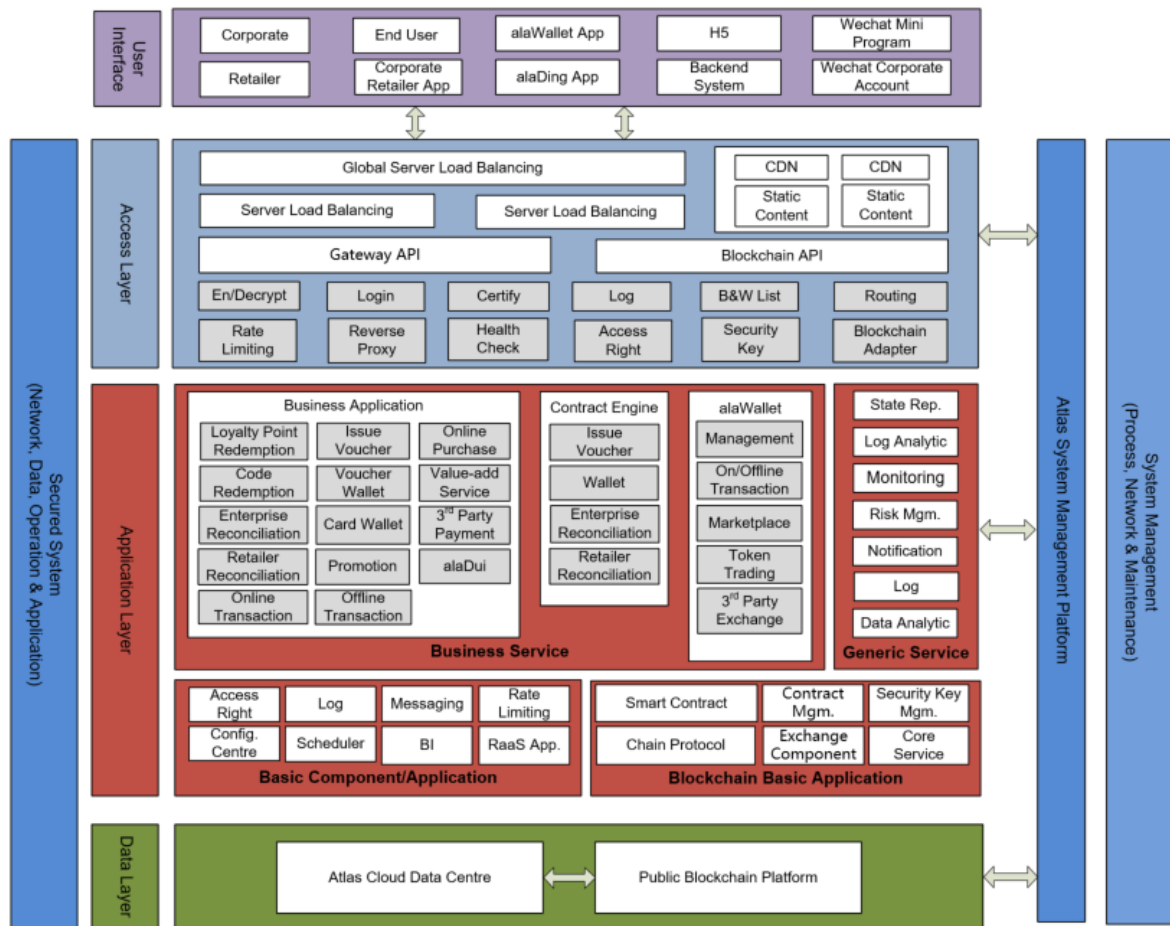
Atlas blockchain digital voucher platform is to implement blockchain onto the existing loyalty point and gift voucher system. The system also comprises of enterprise, retailer and settlement modules.

We strive for service-orientated architecture and modularization on the various key components of the platform, so as to create microservices. The blockchain will be based on smart contract enabling the entire loyalty point and gift voucher business to operate transparently and efficiently; centered on businesses, retailers, service providers and users.

Firstly, the platform system splits the various technical aspects of the digital voucher into blockchain, and defines the different roles in the form of microservices. Each role corresponds to a class of service and each class of service corresponds to a smart contract. The microservices accomplish all the necessary blockchain tasks, enabling enterprises and retailers to issue their own digital vouchers. We also link up cryptocurrency with the online/offline retailers. As a result, allowing users to have a better, faster and more convenient new consumer experience.



Atlas blockchain digital voucher platform will be responsible for standardizing the basic economic models of various types of enterprises, retailers and service providers, as well as providing standard code and smart contract interface templates.



Atlas blockchain system diagram

At the business level, the focus is on enterprises and retailers that have not yet joined the Atlas platform or have no loyalty point and gift voucher system. Atlas digital voucher platform provides blockchain solutions for loyalty point and gift voucher. We offer technical and platform support so that enterprises and retailers can have a low cost and fast turnaround implementation. For those that are already operating their own loyalty point and gift voucher, we provide migration and mapping services in order them to have a blockchain solution which has better security and transparency.

## 5.2. System architecture (Multi-Chain)

For both technical and business reasons, Atlas blockchain digital voucher platform uses a Multi-Chain model. That is, the Service Chain and Proof of Existence (PoE) Chain.

In the process of sending, using and settling payment of digital vouchers, users produce a large number of data. Yet these data are execution conditions for smart contract when vouchers are being circulated. In order to avoid data fraud, the data in the whole process must be decentralized and traceable. However, the concurrency performance is no good for vast majority of public blockchain. They are unable to support businesses which require big data concurrency. Therefore, we



design and develop a special PoE Chain. This chain uses Proof of Stake (PoS) to perform basic solutions for data storage and processing. Achieving the best of both worlds from big data and blockchain.

At present, the corresponding infrastructure of blockchain is developing rapidly. We will choose the chain suitable for our business needs and transaction volume. We can use multiple chains at the same time when necessary. In addition, PoE can be selected according to the type and security level of different chains as the PoE chain.

#### 5.2.1. Service Chain

The Service Chain is on the business transaction of the Atlas blockchain digital voucher platform. It is based on Ethereum public blockchain. The Service Chain is mainly for the issue, execution, reconciliation and settlement of the smart contract between enterprises and retailers. In addition, from the receipt of digital voucher by the users, exchange, re-gifting to offline redemption etc. processes are executed and completed in this chain. In order for subsequent Service Chain to have higher performance, privacy features, and security, PlatON will be used later. PlatON is a high-performance, full-featured, secure distributed computer system implemented with a new technology framework. Support privacy protection, parallel computing, peer-to-peer storage, and communication with a new computing architecture. It is the next generation of computing, storage and communications public infrastructure.

#### 5.2.2. PoE Chain

The PoE Chain is on the certification of voucher of the Atlas blockchain digital voucher platform. It is based on Factom public blockchain. This chain mainly realizes alaToken to be used for buying or redeem goods. This is done by converting the loyalty point and gift voucher issued by enterprises and retailers to alaToken values; and thus recognizing value of loyalty point and gift voucher. While the user's rights of the digital voucher are also being recorded.

Factom uses Bitcoin blockchain technology to innovate the way data management and data are recorded in the business community and government departments. Or it can be understood as an irrevocable publishing system in which data in the system is released and irrevocable. This provides an accurate, verifiable and tamper-proof audit trail.

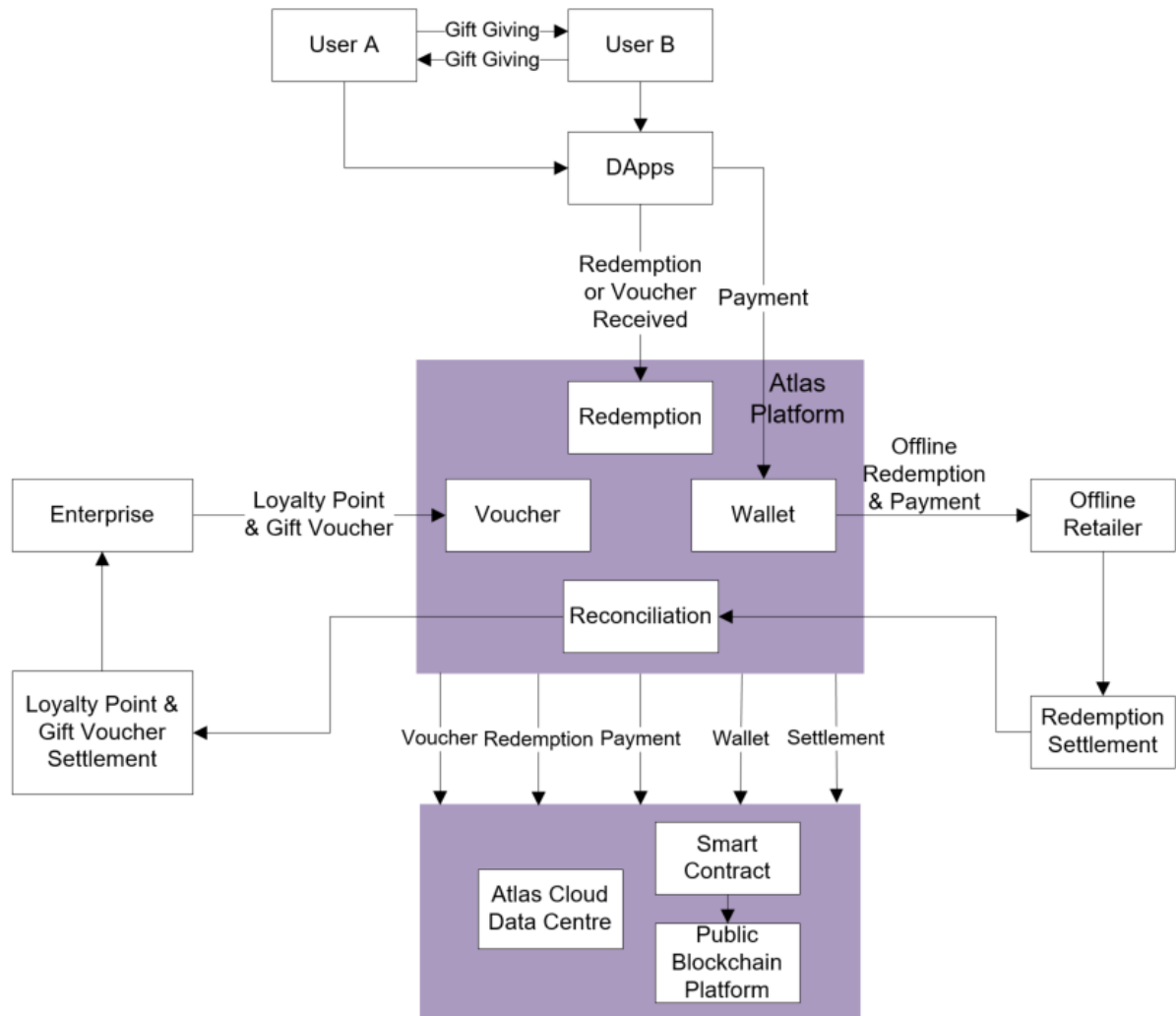
Applications built on Factom are able to directly leverage on blockchain to track assets and contracts. Factom solves the constraints and problems of Bitcoin's three cores which are speed, cost, and blockchain expansion. Factom will not rely solely on the Bitcoin blockchain. It will ensure that the stored data is secure at all times by integrating the Ethereum blockchain.

In the platform system, we use double-chain structure for mutual supervision. This can simplify the application structure. According to the requirements of the chain, we can adopt different hardware facilities to reduce costs. Two chains can be operated in parallel and greatly improve the operation efficiency. It not only has the advantages of blockchain but also able to improve transaction speed, scalability, reduce latency and increase profit. So as to attract more users to

participate in this blockchain, increase the size of distributed network and further improve security.

### 5.3. Business process

Atlas digital voucher platform transactions will be run and managed through smart contracts. The concept of which is shown in the following diagram.



Atlas voucher and settlement process

- The issuer (enterprise or retailer) submits the demand for loyalty points and gift voucher to the chain in the form of a smart contract. The smart contract releases the alaToken in proportion to the value of the loyalty point and gift voucher.
- User through DApp can freely redeem or obtain the alaToken issued by enterprise and retailer. The system initiates the trading signal to the smart contract and executes the contract to complete the transaction. When a user re-gift alationToken, the platform will provide smart contract for re-gifting transaction execution.
- When a user redeems at offline retailer, the system triggers the smart contract in the user's wallet. At this point, user displays the digital voucher for the retailer POS for identification. Once transacted, it triggers the wallet

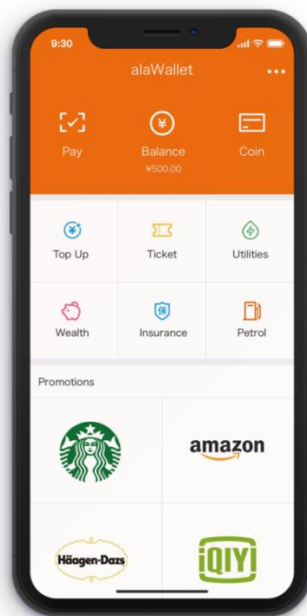
redemption contract. Concurrently, update the user's wallet and display a successful transaction record.

- d. When the retailer's POS identifies the digital voucher as a successful redemption, it is reconciled and payment settled through the smart contract.

## 5.4. alaWallet

### 5.4.1. DApp development

Based on the Atlas blockchain digital voucher platform framework protocol, one can develop mobile phone based alaWallet DApp, alaDing DApp, corporate retailer DApp, Wechat mini program and other applications. Aim to achieve redemption and interaction without affecting existing business processes.



alaWallet DApp

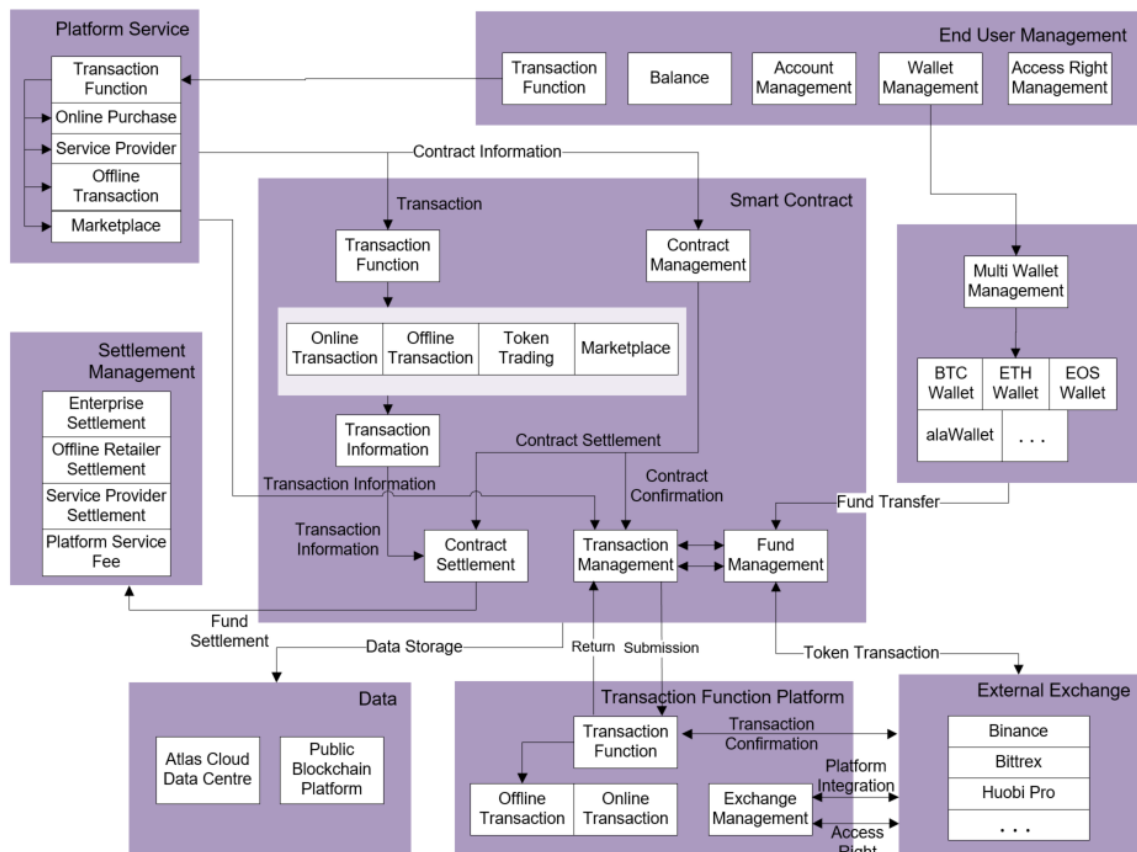
### 5.4.2. alaWallet transaction

alaWallet focuses on creating wallet capabilities for storage and transfer of cryptocurrencies (e.g. Atlas, BTC etc.); as well as storage, redemption and payment functions for loyalty point and gift voucher (alaToken). In the long run, alaWallet will be the key application for Atlas blockchain digital voucher platform.

In the beginning, alaWallet focuses on the development of wallet and redemption functions. It allows cryptocurrency storage and redemption using alaToken.

alaWallet will launch an exchange function at a latter phase and use Atlas as the base currency for trading. This will lift up barriers for cryptocurrency and loyalty point/gift voucher (alaToken) to exchange freely. This in turn enables redemption and payment function for cryptocurrency as well as building a free trading marketplace between users.

alaWallet transactions will be executed and managed through smart contracts and the specific concept is shown in the following diagram.



alaWallet process

#### 5.4.2.1. User wallet management

The platform provides alaWallet, account management, wallet management and access right function. Users can import external wallets and in turn can also be managed. These external wallets include BTC, ETH and EOS wallets that are currently popular in the market; and other new wallets in the future.

#### 5.4.2.2. External exchanges

This platform will link up with major mainstream exchanges in the market and perform exchanges between cryptocurrencies, authorization management etc. In order to meet users' demand, it will also connect to exchanges in the future that is based on decentralized chain. Making it possible to freely exchange between different cryptocurrencies and loyalty points/gift voucher (i.e. alaToken). Realizing of offline and online consumption.

#### 5.4.2.3. Transaction flow

- a. The platform provides an offline transaction smart contract. When a user initiates an offline transaction request, e.g. redeem goods at convenience store; and confirms, the system issues a signal to the smart contract and triggers the smart contract execution. Transaction

- information is then returned when it is completed. Results is recorded to the smart contract once transaction is successful.
- b. When a user initiates an offline transaction request and if the balance is insufficient, the user needs to initiate a transfer of cryptocurrency funds. Signal is issued to the smart contract and triggers the smart contract execution. The smart contract then carries the transaction authority and permission check. Once the transaction is confirmed to proceed, the system executes with the exchanges for the cryptocurrencies transfer. When the transaction is completed and information from the platform is recorded in the smart contract.
  - c. The platform provides an online purchase and redeem service. When a user initiates and confirms an online purchase/redeem, the system sends a signal to the smart contract which triggers the smart contract execution. Information is returned after the transaction is completed. Results of the platform transaction is recorded to the smart contract.
  - d. The platform provides a service provider service. When a user initiates an online service provider transaction such as mobile phone top-up, the system issues a signal to the smart contracts and triggers smart contract execution. The system continues to complete the transaction with the service provider's system/backend. Once the whole transaction is completed, results is recorded into smart contract.
  - e. When a user makes a marketplace transaction, the platform provides a marketplace smart contract based on the goods or services selected by the user. After the user confirms the transaction, the system sends a trading signal to the smart contract and triggers the smart contract transaction. When transaction is completed, return the transaction information. The result of the platform transaction is recorded in the smart contract once transaction is confirmed.
  - f. When offline transaction smart contract is completed, offline retailer initiates reconciliation and settlement. Fund will base on contract agreement to reconcile and settle payment automatically.
  - g. alaToken is being used for fund transfer and settlement. Other cryptocurrencies will be converted to alaToken based on trading price if the smart contract contains other cryptocurrencies.

## 5.5. Technical features

### 5.5.1. PlatON introduction

Although blockchain technology has recently received widespread attention, the underlying blockchain technology is still in its early stages and is far from being adopted on a large scale. Scalability has been recognized as the biggest problem in blockchain. This result in blockchain not being able to support heavy and complex computing, seriously restricting the development of blockchain industry.

PlatON is a global computing architecture for the next generation. A public infrastructure in the digital age. It is a complete service-based computing architecture that provides distributed network framework, service framework and ecosystem from a data mobility perspective. PlatON provides comprehensive computing, storage and communication capabilities. It also provides all the basic

resources, such as calculations, algorithms and data, as services. Based on PlatON, everything can be calculated.

PlatON provides a complete trustless computing infrastructure that can be used for DApp or scale other blockchains. PlatON's own blockchain is the base chain that incentivize the computing nodes and store states and computation proofs.

PlatON is designed as an infrastructure including computing, storage, service discovery, etc. for diverse decentralized systems that covers other blockchains, decentralized AI, scientific computation and more. The initial goal is to construct a trustless computing platform with cryptographic based verifiable computing, as a solution for the scalability, privacy and verifiability challenges that impeded blockchain.

The following are the key components of the system.

#### 5.5.1.1. Off-Chain verifiable computing

Off-Chain verifiable computing that scales horizontally with the number of nodes, is used to perform heavy and complex computation while generating computation proof to attest to the correctness of the results.

#### 5.5.1.2. Secure multi-party computing and homomorphic encryption

Secure multi-party computing and homomorphic encryption guarantee the private data in an encrypted form or jointly compute different functions (applications) with multi-party inputs through entire computation process, eliminating the trust boundary.

#### 5.5.1.3. Compilers transform computation functions into circuits

Compilers transform computation functions into circuits which are distributed by the blockchain to different computation nodes. Functions represented by circuits can be executed with better concurrency and decentralization.

#### 5.5.1.4. Computing hardware

The circuit based computation naturally fits the architecture of FPGA, thus gain advantage in capacity and cost using specifically developed FPGA/ASIC hardware.

On top of the trustless computing platform, PlatON deploys its own blockchain as an immutable database to store states and proofs. The blockchain will also be used as a settlement layer to facilitate transactions and to incentivize participation as computing nodes and verification nodes. The main features of the blockchain are described below.

On top of the trustless computing platform, PlatON deploys its own blockchain as an immutable database to store states and proofs. The blockchain will also be used as a settlement layer to facilitate transactions and to incentivize

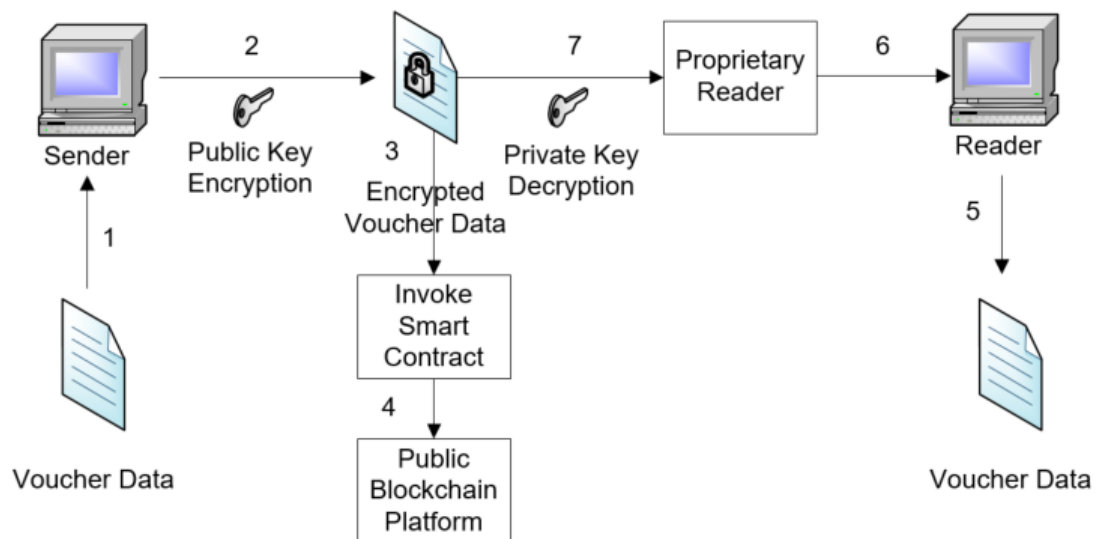
participation as computing nodes and verification nodes. The main features of the blockchain are described below.

- a. Appchains can be created by sharding specifically to serve diverse applications.
- b. Energon is the native digital asset on PlatON to support all economic activities especially purchasing large scale computing service. This digital asset will be used as the basic unit for computing power and main form of payment.
- c. Smart contract is available on the base chain to provide diverse data service to DApps or other blockchain.

### 5.5.2. Privacy protection and transparency

Typically, transactional data is monopolized by few large corporations. Therefore, data transparency is not high and enterprises/retailers cannot effectively data mine and statistically analyze. Atlas enables transparency while privacy protection is enforced by opening daily encrypted ledger to a certain extent in smart contracts, depending on the actual situation. Daily ledger can be stored separately from different enterprises, retailers and channels to meet different needs.

Take enterprise and retailer voucher as an example of the implementation process.



Voucher based on PGP encryption

1. Pre-set voucher data is sent via a specific platform.
2. Voucher data is encrypted via PGP.
3. Invoke smart contract for the encrypted voucher data.
4. Smart contract is put into public blockchain.
5. Specific reader requests to view voucher data.



6. Read voucher data from the blockchain through our proprietary reader tool.
7. Retrieve encrypted voucher data from blockchain. Decrypt by the private key to have the voucher data.

The following is a batch transfer to smart contract pseudo code.

```
contract Processingbatch {
    constructor(
        address _assertTransferAddress,
        uint256 _contractFee    //processing fee rate
    )
    {
        public
        {
            require(_BusinessAddress[0]!=0x0);
            ...
            function f(uint start, uint daysAfter, address[5] _BusinessAddress,uint8[5] _Sum)
            public {
                if (now >= start + daysAfter * 1 days)
                {

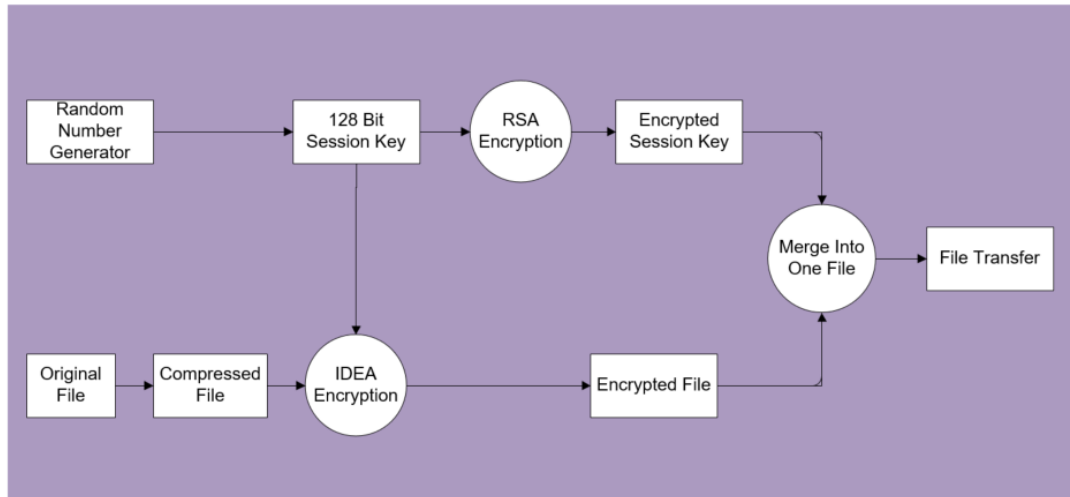
                    //summarize today transaction volume by each enterprise
                    //and retailer and transfer the data

                    for(uint16 i = 0; i< BusinessAddress.length; i++)
                    {
                        require(...);    //authenticate rights to transfer

                        doTokenTransfer(_hash, _BusinessAddress[i],
                        _assertTransferAddress,_Sum[i])
                    }
                }
            }
        }
    }
}
```

#### 5.5.2.1. Introduction to PGP encryption principle

PGP uses the RSA public key encryption system. Put simply, RSA algorithm generates a set of public key and private keys to encrypt and decrypt file/data. Although the user's private key can guarantee the confidentiality of a file, but everyone knows the user's public key. Anyone can send file to the user whereas the user cannot ascertain the source. As a result, the problem of authentication arises. This is where digital signature is useful.



PGP encryption principle

We need to explain message digest before describing digital signature. In gist is to use an algorithm to calculate an eigenvalue for a file that represent the essence of it. Once the file is modified, this eigenvalue will be changed as well. Then this eigenvalue, plus the author's name (in the author's private key), the date and so on, can be used as a digital signature. PGP uses a 128-bit binary number as the message digest. The algorithm used to produce it is called MD5 (message digest 5). MD5 is a one-way hash algorithm which unlike CRC verification code. It is difficult to replicate an alternative file that has the same MD5 eigenvalue as the original one.

For example, 'A' uses its own private key to encrypt the above 128-bit eigenvalue and attach it to a file. Then encrypt the entire file with the public key of 'B'. When this encrypted file is received by 'B', 'B' uses his own private key to decrypt it. Thus having the original file and encrypted digital signature of 'A'. B also uses PGP to calculate a 128-bit eigenvalue from the original file to compare with the other eigenvalue through decrypting the digital signature using 'A' public key. If the 2 eigenvalues are the same, it means that it is sent by 'A'. Hence all two of the security requirements have been met.

## 6. Our strengths

Our strengths for this Atlas project are that we are implementing blockchain on a real, innovative and scalable business. More details are being described below.

### 6.1. Real and proven business

The business is in operation since 2015. Yearly revenue from loyalty points and gift vouchers redemption has grown from about US\$ 2.4 million (RMB 17 million) in 2015 till 2019 projection of US\$ 36 million (RMB 254 million). Number of transaction of our digital voucher is about 1 million per month and growing healthily. Once we implement blockchain onto our platform, alaToken and Atlas Token will be up and running with real revenue and business.

We understand our business. We understand our enterprise, retailer and end-user needs.

This is in contrast of majority of blockchain projects that we had seen. These projects are based on concepts that they thought up and wish to realize. Unfortunately, these concepts had been proven unrealistic and as a result, majority of the projects failed.

### 6.2. Atlas Token (utility token) is backed by intrinsic value

Atlas Token is backed by real and growing revenue as this project is based on existing, unique and scalable business. This is contrary to majority of cryptocurrencies in the market now which are not backed by any intrinsic value or asset. This is done through pegging alaToken (i.e. blockchain digital voucher) with Atlas Token by allocating a hedge pool of Atlas Token.

### 6.3. Loyalty point and gift voucher are protected from default

Once loyalty point and gift voucher are converted to or based on alaToken, the value is protected since it is pegged by Atlas Token. User rights is safeguarded as enterprise who issues the loyalty point and gift voucher can default due to bankruptcy, closes down or malicious intention. Furthermore, the value can even appreciate as Atlas Token is in the market.

### 6.4. Atlas Token is valuable due to limited and diminishing supply

As an Atlas Token hedge pool is set aside to peg alaToken, the pool will grow as the revenue grow. This will not only limit but even diminish the Atlas Token in the market. Thus making Atlas Token valuable. With the positive spiral, ever more people will prefer to want to use alaToken and hold Atlas Token which make the supply even lesser.

### 6.5. Innovative blockchain solution

Blockchain worldwide is still in the early stage of development as solutions and offerings are still evolving. We develop Atlas platform by leveraging on the best of

breed offerings in the market and couple with our own innovative solutions. Key components of the platform are modularized with microservices created. Multi-Chain architecture design is being used so as to achieve technical flexibility and scalability. The use of PlatON provides the platform better and multifaceted computation options. Furthermore, PGP encryption method takes care of both confidentiality and transparency flawlessly.

#### 6.6. Redeem anything under the sky

We have achieved making loyalty points and gift vouchers being used like a fiat currency through technology. Thus, almost anything under the sky can be redeemed as offline retailers' POS and online service providers' backend are integrated to Atlas platform. This is also the key reason why alaToken can be accepted in retailers and service providers very quickly, once it is launched. Thus users on hand loyalty points and gift vouchers become very practical, useful and endless redemption choices. Happy users mean that the loyalty and reward programs are successful.

#### 6.7. Flexibility in voucher usage

Traditionally, voucher can only be used once regardless if the redeemed goods value is less than the voucher value. In contrast, our digital voucher can be used as many times as possible as the change is tracked. User can also use multiple vouchers from different sources for a single and more expensive redemption. If the total voucher value is not enough, the user can also top up with cash. This makes Atlas digital voucher so easy and flexible to use. As more users want Atlas voucher, more and more enterprises and retailers will join this platform and use our service.

#### 6.8. Secured digital voucher (marketplace)

Since digital voucher is going to be based on alaToken, it will be more secured and transparent due to blockchain inherit architecture and design. This will spur adoption as more retailers and individual will use them confidently. All the fake vouchers and unscrupulous scalpers will be dramatically diminished. Once there is a sizeable alaToken based vouchers being circulated, a marketplace will be created so that voucher can be bartered or traded freely. This further increases adoption and thus a positive spiral is formed.

#### 6.9. Sharing economy

When retailers work with us, they immediately gain access to a huge pool of potential customers from enterprises such as banks, financial institutes, airlines and corporations. These customers are given digital vouchers so that they can redeem anything they want, anytime, anywhere. This redemption market is huge and is in the hundreds billion market size. As a result, the retailers gain this market by integrating their POS with Atlas platform. Today, the major convenience store chains and supermarkets are already working with Atlas namely Lawson, Dia, Buddies, Lianghua etc. Other retailers include retail chain stores, F&B, cinemas and more.

#### 6.10. Instant gratification

Our focus is in the offline physical retailers such as convenience stores, supermarkets and F&B. We aim to give users the option of immediate redemption especially the nature of convenience store, where users can redeem all the goods and services there 24 x 7. Instant gratification is crucial to Atlas's business strategy as this differentiate from traditional online redemption where it takes few days to deliver the goods.

#### 6.11. Big data

With the large redemption volume accumulated over the years in China, Atlas has the big data of customers' redemption patterns for precise marketing and promotion. Manufacturers with goods being sold in these retailers are ideal to leverage on Atlas platform to do their promotion too. An example will be manufacturers have new products to launch and promote. Manufacturers will receive precise reports on whom, when and where their new products are being redeemed. With the RaaS, manufacturers only pay for those new products being redeemed. This is a huge contrast to traditional promotion methods as there are not direct link between promotion dollars and actual sales.

#### 6.12. Maximum ROI

Atlas is the perfect partner when enterprises and retailers want to maximize their promotion ROI. Traditional advertisement avenues such as internet search engine, internet, TV, radio, newspaper are unable to charge based on actual transaction. These advertisements meant to get eyeballs/attention but eyeballs do not guarantee a real sale or transaction. Therefore, the ROI for such promotion investments are unsatisfactory. Atlas aims to change all these with their RaaS (Redemption as a Service). Digital vouchers are given to potential customers through Atlas platform. The expiry of the voucher can be set pending on the nature of the promotion and the usage is tracked. Once the customers redeem to final goods and services, notification and settlement will be made with the enterprises and retailers. As a result, there is no wastage in promotion dollars and ROI is maximized.

## 7. Profit model

The company revenue has grown rapidly since 2015 and the profit model can be summarized as below.

### 7.1. Service fee

We are a service provider by providing a payment and redemption platform. A service fee will be charged to individual or enterprise pending on the usage.

#### 7.1.1. Use cryptocurrency as payment

This profit model is being planned here when alaWallet is launched in the future. User can tie other cryptocurrencies beside Atlas Token in his or her alaWallet. When user uses other cryptocurrencies as payment for goods and services, a percentage of the payment amount will be charged to the user as a process fee or gas. The gas will paid using Atlas Token.

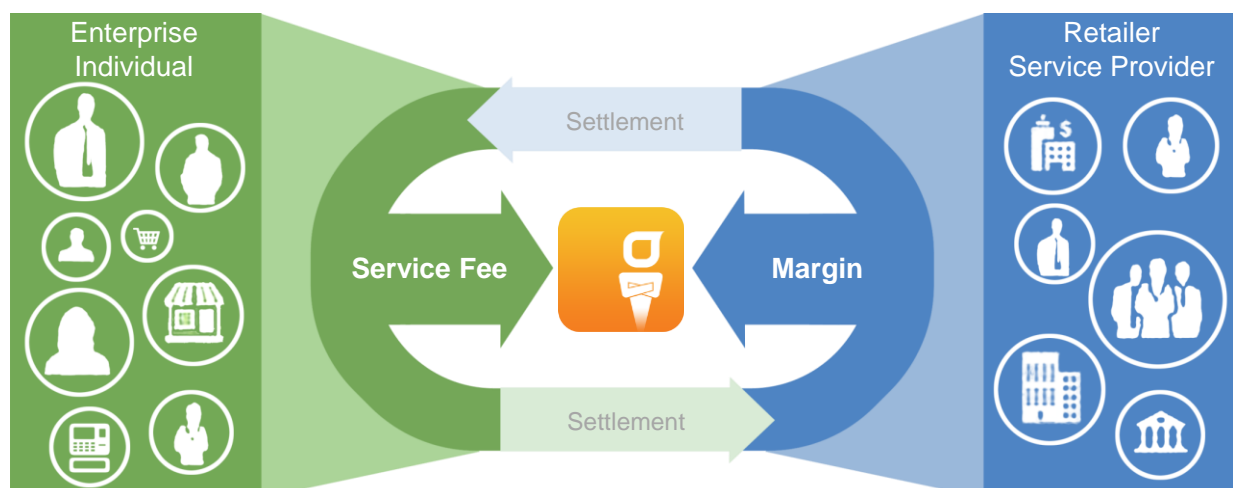
Initially, this service fee maybe waived so as to encourage usage of alaWallet.

#### 7.1.2. Redemption using loyalty point and gift voucher

As we are a B2B company, the enterprise will pay us a service fee for each redemption transaction their user made. The service fee is a percentage of the redemption amount for goods and services. Invoice will be issued to the enterprise upon settlement base on the payment term.

### 7.2. Margin from goods and services

When user uses the cryptocurrency to pay or loyalty point/gift voucher to redeem for any goods or services, we get a margin from the retailer or service provider.



## 8. Solid customer and channel base

Over the years, we have built up a solid base of customer and channel. Majority of them are top tier brand in China and internationally. Customer in our business refers to the enterprise who issues loyalty point and voucher to their user. The enterprise includes bank, insurance company, Telco, airline and corporation. Channel is the retailer such as convenience store, supermarket, online store, service provider etc. User from enterprise can use his or her loyalty point and gift voucher to redeem goods and services from the retailer.

When we have our blockchain solutions, these are the partners we can immediately work with. They can also benefit from our offerings thus making a win-win situation.

Appended below is a non-exhaustive list of our enterprise partners.



Non-exhaustive retailer and service provider are listed below.





## 9. Competitor comparison

Due to the uniqueness of our business and our speed of growth, we are the leader in our field in China. We are a B2B company focusing on loyalty point & gift voucher redemption service. This is done through our creative use of digital voucher both offline & online and real time settlement. Thus it makes the usage of digital voucher like a currency.

There are companies in China and internationally that focus on their own unique field which there are parts that can overlap with our business. They can be classified as

### 9.1. Cryptocurrency

Cryptocurrency is most popular in trading and being used as one of the payment modes between two entities. Commonly, it is not being backed by any intrinsic value or asset. Bitcoin is such cryptocurrency.

On the other hand, our blockchain is being used in a real world application; which is for our case, loyalty point and gift voucher redemption. alaToken aims to be used like traditional currency where it is recognized in both physical retail stores and online service providers; when users use their loyalty point and gift voucher to redeem goods and services. Our utility token, i.e. Atlas Token, is backed by intrinsic value as it is being used to peg alaToken. alaWallet allows other cryptocurrencies to be resided and used in both offline stores and online service providers.

### 9.2. Cryptocurrency payment solution provider

There are such providers like Pundi X in the market. Their solution includes a dedicated POS device to be provided to the retailer. The disadvantages of such device are high cost to the provider (i.e. asset heavy business model) and rejection from the retailer as they do not want more devices in their already very crowded cashier counter. It is not attractive enough for retailer to accept another payment device as it does not bring more revenue to them. It only brings convenience to end customer.

Contrary, Atlas is a light asset business model and leverage on retailer's existing POS or smart scanner. Therefore, we do not need to bear the high cost of manufacturing the POS device, inventory and logistic. This makes our business very scalable. We provide software module in DLL, API and Corporate App for retailer to choose from. The acceptance by the retailer is higher as compared to additional POS device is due to the following.

- a. No additional devices to cluster their cashier counter.
- b. Using their existing work flow and POS/Smart scanner. Little relearning and training required to their cashier.

Furthermore, Atlas brings additional revenue and profit to the retailer through the loyalty point and gift voucher. The cost of these loyalty point and gift voucher are bear by the enterprise. This is a much needed income for the retailer in this tough traditional retail market.

### 9.3. Loyalty point aggregator

This type of company tries to aggregate other companies' loyalty points and convert into theirs. The idea for such aggregator is to offer lots of redemption choices so as to relieve other companies from such chore. Such company is 万里通 or Wanlitong in China. This company is under 平安 or Pingan which is a financial conglomerate.

However, most companies are not willing to work with such aggregator as it will dilute their own brand. They do not want their users to convert their loyalty points to this aggregator's loyalty points.

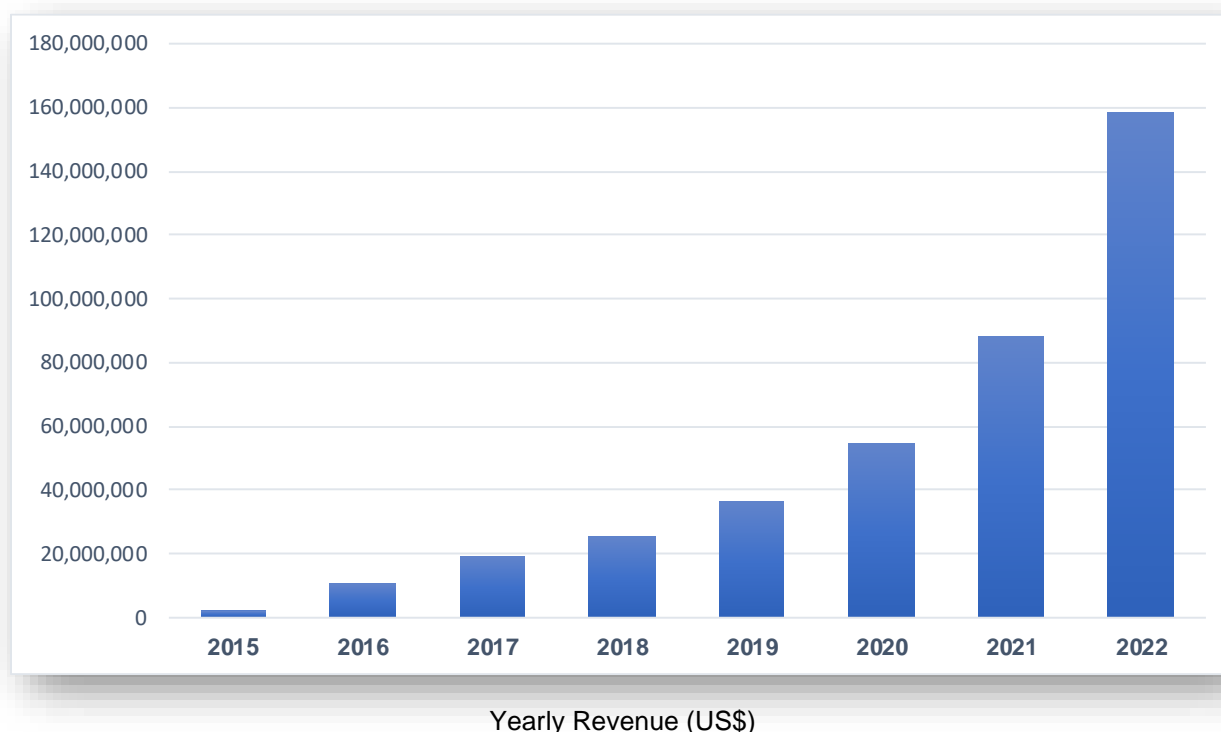
We recognize this and therefore do not need other companies' loyalty points to be converted into ours. In fact, we do not have our own loyalty point. We operate a bridge between these companies and the retailers/service providers. At the end of the day, our settlement system will settle the bills between them.

Instead being a competitor to Wanlitong, they are our customer as they want their users to redeem almost anything under the sky, which is our focus and strength.

## 10. Financial

Atlas started loyalty point and gift voucher redemption service in 2015. Since then the demand for such service increases significantly. Basically, it is a win-win-win arrangement for enterprise, retailer and individual. Our revenue was US\$ 2.4 million (RMB 17 million) in 2015 and then it grew to US\$ 26 million (RMB 180 million) in 2018. 2019 is profitable and projected revenue is US\$ 36 million (RMB 254 million).

If alaToken would have been used in 2018, this will mean that US\$ 26 million worth of alaToken would have been transacted in 2018.



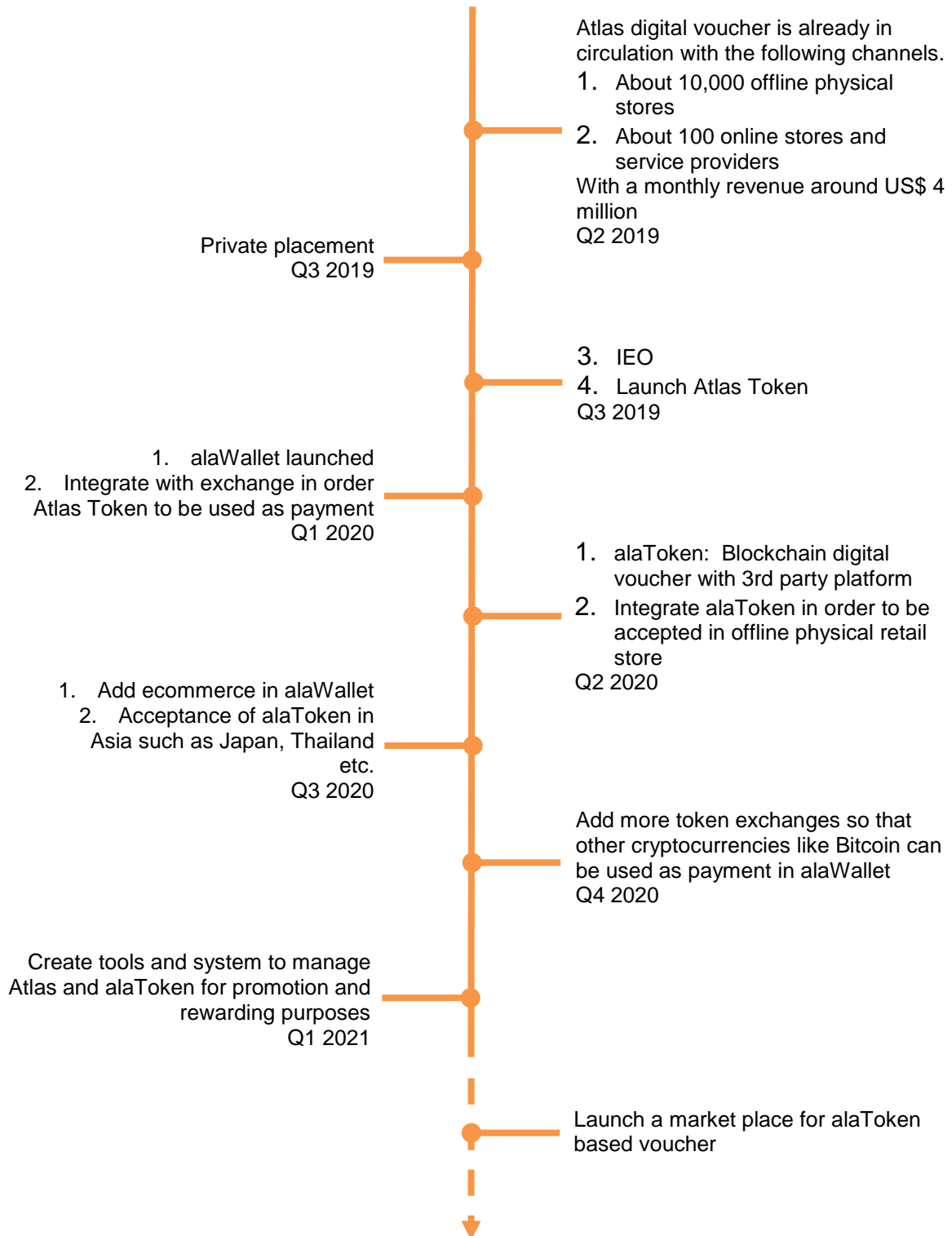
## 11. Patent

We are a technology company with our own development capability, products and patents in China. The patents cover the whole ecosystem of integration between the enterprise and retailer, settlement system etc.



## 12. Milestone

Our milestones moving forward are based on our solid foundation of proven business model, execution, operation and technical knowhow.

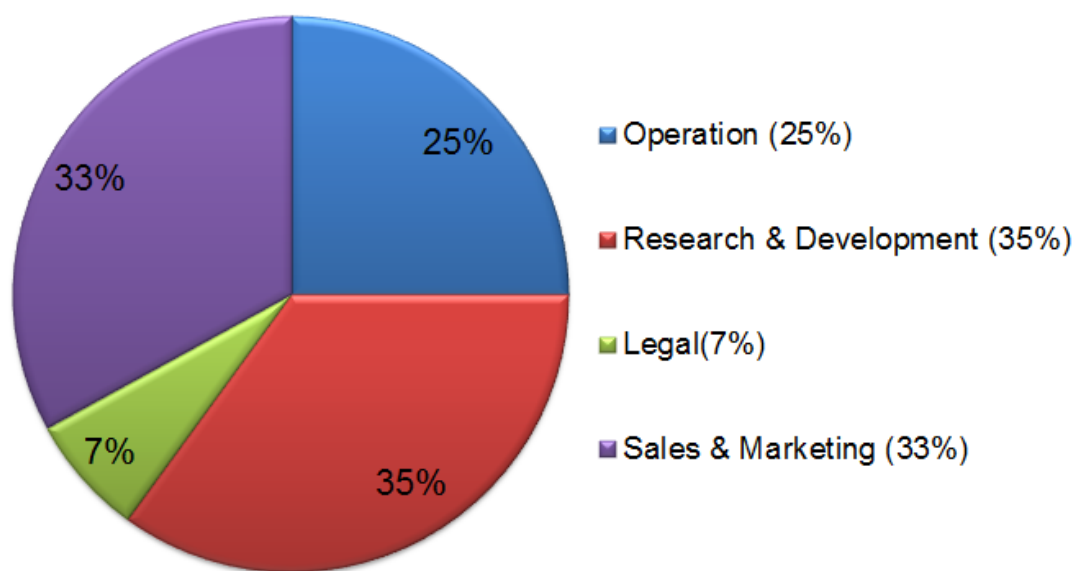


## 13. Fund and token allocation

### 13.1. Fund allocation

For the targeted fund, it will be allocated in the following areas.

### Fund Allocation



#### 13.1.1. Operation

This covers finance, accounting, hiring of new talent, providing operation support, public relation, staff training and administration and professional fees.

In operations, we focus in managing and delivering Atlas as a redemption service and building the infrastructure to support our enterprises, retailers and users. Note that we aim to grow quickly from our current about 50 enterprises, 100 retailers and service providers, more than 10,000 stores and 5 million registered users. Therefore, we will need to build and support an operation of significant size. This involves ensuring peak performance and maintaining constant availability in order to satisfy the needs and expectations of our partners and users by meeting the necessary service level agreement standards.

### 13.2. Gift voucher

Gift voucher companies are themselves a retailer, e.g. Starbucks voucher. Normally, a gift voucher is a physical one with a fixed redemption amount. Each voucher can only be used once without getting your change back even though the value of the redeemed goods is less than the voucher value.

In comparison, we are not a retailer and therefore, we are neutral with all retailers. We bring more user traffic, revenue and profit to them as we work with enterprises such as banks, insurance companies, telco, airlines etc. These enterprises give

loyalty point and gift voucher to their valued customers in order to gain their loyalty. We are a B2B company whereas gift voucher's company is a B2C.

We have the following advantages as compared to these tradition gift vouchers.

- ✓ Our digital voucher is more cost effective, flexible and scalable than physical voucher.
- ✓ Due to our neutrality, Atlas aims to work with all retailers across all industries. Thus users can redeem almost anything under the sky.
- ✓ We provide RaaS (Redemption as a Service) so that enterprises do not need to pay bulk up front as compared to traditional gift voucher. Enterprises only need to pay when their users actually redeem goods and services from offline and/or online channel. This is done through our real-time settlement system. There is no lost and wastage if their users do not redeem anything at the end of the day. This is a big contrast to traditional gift voucher.
- ✓ User can redeem multiple times of the same digital voucher as Atlas system track the change back to user. Normally, user can only use a traditional gift voucher once even if the amount being redeemed is less than the voucher value.
- ✓ When enterprises work with Atlas, their users can combine multiple digital vouchers from different sources so that they can redeem something more expensive.

There is no direct competitor and we have the first mover advantage. Atlas will continue to grow and innovate to maintain our lead in this market.



### 13.2.1. Research & Development

Research and development costs include retaining the current core team, as well as hiring more blockchain developers, App developers, machine learning, data scientists and UX/UI specialists.

The team will expand and upgrade the existing Atlas system software through research and development efforts which will then be ready for the commercial launch. Our software development efforts will focus on (1) improving the UX/UI of our DApps, (2) integrating the Atlas system with the Ethereum and Factom blockchain in order to support ERC-20 type of tokens, and (3) add machine learning to improve the collection of valuable customer data to turn them into personalization and product recommendations that closely match the user's life style and preferences.

### 13.2.2. Legal

The legal costs include ad-hoc and retainer type of 3<sup>rd</sup> party legal consultancy and service. The legal coverage includes legal matters of setting up various entities in order to operate our business, funding and investment, token management and allotment, enterprise and retailer partnership etc. 1 to 2 permanent legal staffs are planned pending on needs.

### 13.2.3. Sales and marketing

Sales and marketing costs include promotion of Atlas services, event, enterprise and retailer acquisition, market outreach, strong social media presence and country wide marketing efforts.

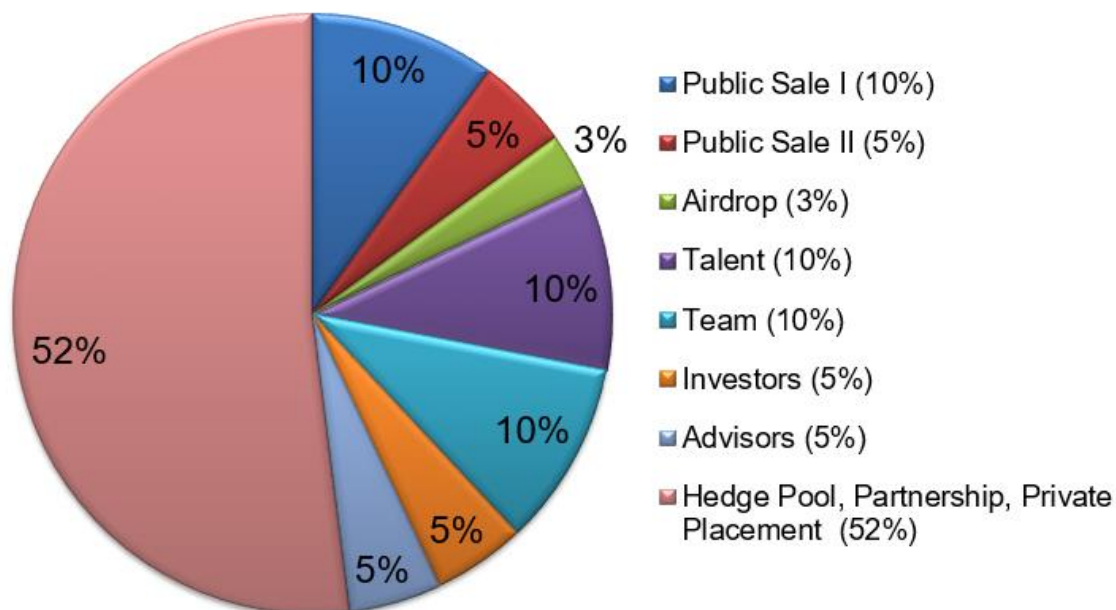
Currently, we have about 50 enterprises, 100 retailers and service providers and more than 10,000 stores. The team needs to acquire more enterprise and retailer to join this platform. In terms of store base, we aim to grow 10 times in the next 3 years. Currently, we are focus in Shanghai. Moving forward, we need to grow into other cities like Guangzhou, Shenzhen and Beijing etc.

## 13.3. Token allocation

For the utility token, i.e. Atlas Token, we are to issue 4.2 billion token of it. The breakdown of its usage is appended below.



## Atlas Token Allocation






10% and 5% are allocated for investors which include public sale I & II (IEO) respectively. Per token price is approximately US\$0.05 for public sale I. 52% of Atlas Token is set aside to peg alaToken which is equivalent about 50% to the next 3 years accumulated revenue, partnership and private placement.




3% will be airdropped to users to encourage usage. 10% each will be allocated to the team and talent while 5% to advisors. The team includes the founders, existing staffs who built and will build Atlas software and business. Talent can be new staffs who will be hired who are crucial to the success of the company. Advisors and partners are the retail, financial and technology experts we outsource in assisting us throughout Atlas project. Included in the advisory list are the IEO advisors who assist us until the completion of the IEO. Partners are those having strategic relationships with retail operator and broker and technologists who help us in our presale and sale activities. 5% is allocated to our investors.





## 14. Cohesive team

We have a strong and cohesive team where majority have been working together for many years. There is tacit understanding and respect in the team which make working together effective and joyful. Each one has years of experience in their respected field.

	<p>Lee Kia Hwee, CEO &amp; Founder</p> <ul style="list-style-type: none"> <li>✓ Lead the company to become the leading digital instant reward settlement service provider. Ability to seize opportunities, set the vision, chart the direction and meticulously execute the mission. See tremendous potential in blockchain technology</li> <li>✓ Before Atlas, he was one of the founders who successfully IPO a technology company in Singapore main board.</li> <li>✓ More than 20 years of entrepreneurship, technology and leadership experience</li> </ul>
	<p>Mark Ng, COO</p> <ul style="list-style-type: none"> <li>✓ MBA and Finance graduate from one of the US reputable universities</li> <li>✓ 20 years in the technology industry</li> <li>✓ Expert in international business operation and marketing management</li> <li>✓ 15 years in marketing and sales experience</li> </ul>
	<p>Lisa Lee, Finance Director</p> <ul style="list-style-type: none"> <li>✓ 18 years in the IT industry and financial role</li> <li>✓ Proficient in accounting system and administration</li> <li>✓ 10 years in auditing and implementation experience</li> <li>✓ Skilled in budgeting and financial control</li> <li>✓ Headed in many major corporation setup and investment deals</li> </ul>

	<p>Xiaocheng Geng, CTO</p> <ul style="list-style-type: none"> <li>✓ 8 years in database and internet solution development experience</li> <li>✓ Another 6 years in leading mobile internet technology team</li> <li>✓ Solid technology knowledge and experience. Years in project planning and management. Knowledgeable in backend architecture and setup. Passionate about mobile internet development tool, solution and trend.</li> <li>✓ Familiar with large scale system, HA, caching, network security, database design, performance evaluation mechanism</li> <li>✓ Knowhow of HyperLedger Fabric and blockchain related mechanism and principle</li> </ul>
	<p>Felix Chu, CMO</p> <ul style="list-style-type: none"> <li>✓ Masters of International Business, UK University</li> <li>✓ Serial Entrepreneur in Advertising, E-commerce and Blockchain Companies</li> <li>✓ 13 years in Marketing and Advertising in South East Asia Market</li> <li>✓ Been involved in marketing and strategy development for blockchain projects since 2017</li> <li>✓ Part of team that raised AUD12 million (2<sup>nd</sup> largest ICO in Australia)</li> </ul>
	<p>Ken Wang, Channel Director</p> <ul style="list-style-type: none"> <li>✓ 12 years in channel development and management</li> <li>✓ Familiar with local retailer, market and terrain</li> <li>✓ Expert in developing new retail market and maintaining existing partners. Accustomed with the financial institute and conversant in credit card, loyalty program and staff welfare market environment and network.</li> </ul>
	<p>Vivi Xu, Marketing Manager</p> <ul style="list-style-type: none"> <li>✓ 8 years in marketing experience</li> <li>✓ Precise insight of the market trend. Talented in market penetration strategy. Excellent in planning and execution</li> <li>✓ Years of experience in gathering resources in order to develop and maintain good public relation. Excellence in marcom role as well</li> </ul>

	<p>Yi Yang, Lead Interface Developer</p> <ul style="list-style-type: none"> <li>✓ More than 10 years in senior development role</li> <li>✓ Solid software development project experience in both frontend and backend</li> <li>✓ Proficient in Node.js, MongoDB, C#, SQLServer, Java, Angular.js</li> <li>✓ Many years of integration experience with partner systems API. In depth knowledge of WebAPI to ensure enterprise system security</li> <li>✓ In depth understanding of PKI security mechanism, encryption protocol and algorithm</li> </ul>
	<p>Xiaoqi Shen, Lead Core Developer</p> <ul style="list-style-type: none"> <li>✓ Graduate from Singapore university</li> <li>✓ 6 years in hardware manufacturing experience</li> <li>✓ Another 5 years in development and iOS experience</li> <li>✓ Skilled in microprocessor chip development and wireless communication application</li> <li>✓ Proficient in iOS, XCODE, VScode, WebStorm, Quratus, DXP Protel, AUTOCAD, PRO/E, MATLAB, MPLAB, MikroC</li> </ul>



## 15. Contact information

Visit our web site at [www.atlasfoundation.io](http://www.atlasfoundation.io).

For investment related matters, do email to [investment@atlasfoundation.io](mailto:investment@atlasfoundation.io).

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For other matters, do email to [services@atlasfoundation.io](mailto:services@atlasfoundation.io).

alaDing web site at [www.alading.com](http://www.alading.com).